

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

“Investment in capital market involves certain degree of risks. The investors are required to read the prospectus and risk factors carefully, assess their own financial conditions and risk taking ability before making their investment decisions.”

PUBLIC OFFER OF [•] ORDINARY SHARES

Issue Date of the Prospectus: [•]

OFFER PRICE TK. [•] EACH, INCLUDING A PREMIUM OF TK. [•] PER SHARE, TOTAL SIZE OF INITIAL PUBLIC OFFERING OF TK.600,000,000.00

Date of Subscription	Opening Date [•]	Closing Date [•]
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RED-HERRING PROSPECTUS

OF



DHAKA REGENCY HOTEL AND RESORT LIMITED

MANAGERS TO THE ISSUE



LANKABANGLA INVESTMENTS LIMITED
City Center | Level - 24 | 90/1 Motijheel C/A
Dhaka - 1000 | Bangladesh
PABX : +88 02 951 26 21
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BANCO FINANCE AND INVESTMENT LIMITED
Baitul View Tower (11th Floor)
56/1, Purana Paltan, Dhaka-1000
Phone: : +88 02 712 57 03, 712 59 10
Fax: 880-2-712 56 34
E-mail: banco.bd@gmail.com
Website: www.bfilbd.org

CREDIT RATING STATUS

RATING PARTICULAR	RATING YEAR	LONG TERM	SHORT TERM
Entity Rating	2015	A+	ST-2
Outlook	Stable		
Date of Rating	March 28, 2016		
Expiry Date of Rating	March 27, 2017		
Rating Assigned By: Credit Rating Information And Services Limited (CRISL)			

Preliminary Information and Declarations

Name & Address	Contact Person	Contact Info.
Issuer Company		
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Managers to the Issue		
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Underwriters		
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Prime Finance Capital Management Limited Paramount Heights (13 th Floor), 65/2/1, Box Culvert Road, PuranaPaltan, Dhaka-1000 Web : www.primefincap.com	M. Mosharraf Hossain FCA, PhD Managing Director & CEO	Phone : +88 02 9584874, 9584876-77 FAX: +88 02 9584922 Email: info@primefincap.com
Riverstone Capital Limited Lotus Kamal Tower-2, Level-13, 59 & 61 Gulshan South Avenue, Gulsan-1, Dhaka-1212. Web : www.riverstone.com.bd	Ashraf Ahmed Chief Executive Officer	Phone: +880-02-9898190, +880-02-9898203, +880-02-9898297, +880-02-9898352 Email: md@riverstone.com.bd
Name of the Auditor		
Ahmed Zaker & Co Chartered Accountants 45, Shaheed Syed Nazrul Islam Sarani, Saiham Sky View Tower (2 nd Floor), Bijoy Nagar, Dhaka-1000 Web : www.ahmed-zaker.com	Satya Ranjan Shaha Senior Manager (Audit)	Phone : +88 02 8391440-3 Fax: +88 02 8391011 Email: azc@bangladesh@gmail.com
Credit Rating Company		
Credit Rating Information And Services Limited Nakshi Homes (4 th & 5 th floor), 6/1A Segunbagicha, Dhaka-1000. Web : www.crislbd.com	Md. Asiful Huq Chief Rating Officer	Phone : +88 02 9530991-4 FAX: +88 02-9530995 E-mail: crisldhk@crislbd.com

*"If you have any query about this document, you may consult the issuer, issue manager and underwriter"
"A person interested to get a prospectus may obtain from the issuer and the issue manager(s)"*

"CONSENT OF THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION HAS BEEN OBTAINED TO THE ISSUE/OFFER OF THESE SECURITIES UNDER THE SECURITIES AND EXCHANGE ORDINANCE, 1969, AND THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION (PUBLIC ISSUE) RULES, 2015. IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS CONSENT THE COMMISSION DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE ISSUER COMPANY, ANY OF ITS PROJECTS OR THE ISSUE PRICE OF ITS SECURITIES OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINION EXPRESSED WITH REGARD TO THEM. SUCH RESPONSIBILITY LIES WITH THE ISSUER, ITS DIRECTORS, CHIEF EXECUTIVE OFFICER, MANAGING DIRECTOR, CHIEF FINANCIAL OFFICER, COMPANY SECRETARY, ISSUE MANAGER, ISSUE MANAGER'S CHIEF EXECUTIVE OFFICER, UNDERWRITERS, AUDITORS(S), VALUER AND/OR CREDIT RATING COMPANY (IF ANY)."

Risks in relation to the First Issue

"This being the first issue of the issuer, there has been no formal market for the securities of the issuer. The face value of the securities is Tk. 10.00 (ten) and the issue price is Tk. [•], '[•] times' of the face value. The issue price has been determined and justified by the issuer and the issue manager/bidding by the eligible investors as stated under the paragraph on "Justification of Issue Price" should not be taken to be indicative of the market price of the securities after listing. No assurance can be given regarding an active or sustained trading of the securities or the price after listing."

General Risk

"Investment in securities involves a degree of risk and investors should not invest any funds in this offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offer. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended by the Bangladesh Securities and Exchange Commission (BSEC) nor does BSEC guarantee the accuracy or adequacy of this document. Specific attention of investors to the statement of 'risk factors' given on page number(s) "119-126"

The Dhaka Regency Hotel And Resort Limited's Absolute Responsibility

"The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this prospectus contains all material information with regard to the issuer and the issue, that the information contained in the prospectus are true, fair and correct in all material aspects and are not misleading in any respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect."

AVAILABILITY OF RED HERRING PROSPECTUS

Copy of the Red Herring Prospectus of Dhaka Regency Hotel And Resort Limited may be obtained from the following addresses:

Name & Address	Contact Person	Contact. Info.
Issuer Company		
Dhaka Regency Hotel And Resort Limited Airport Road, Nikunja-2, Dhaka-1229 Web : www.dhakaregency.com	Md. Mizanur Rahman Siddiquee Company Secretary	Phone : +88 02 58953912 Fax : +88 02 58953912 E-mail: mizan@dhakaregency.com
Managers to the Issue		
LankaBangla Investments Limited City Center Level - 24 90/1 Motijheel C/A Dhaka - 1000 Bangladesh Website: www.lankabangla-investments.com	Mr. Khandakar Kayes Hasan, CFA Chief Executive Officer	PABX : +88 02 951 26 21 Fax : +88 02 956 11 07 E-mail: kayes@lankabangla-investments.com
Banco Finance And Investment Limited Baitul View Tower (11 th Floor), 56/1, Purana Paltan, Dhaka-1000, Bangladesh Web : www.bfilbd.org	Mr. Mohammad Hamdul Islam Managing Director & CEO	Phone : +88 02 7125703, 02 7125910 Fax : +88 02 7125634 E-mail: hamdulbanco@gmail.com
Registrar to the Issue		
ICB Capital Management Limited Green City Edge (5th & 6th Floor) 89, Kakrail Dhaka-1000, Bangladesh Web : icml.com.bd	Mrs. Nasrin Sultana Chief Executive Officer	Phone : +880-2-8300421, 8300395, 8300555 FAX : +880-2-8300396 E-mail : icmlbd@gmail.com

Date of Publication of Abridged Version of Prospectus: [•]

Prospectus is published in the following Newspapers:

Name of the Newspaper	Date of Publication
[•]	[•]
[•]	[•]
[•]	[•]
[•]	[•]

DEFINITIONS AND ACRONYMS/ELABORATIONS

Unless the context otherwise indicates, requires or implies, the following terms shall have the meanings set forth below in this Red Herring Prospectus. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

A	
AGM	Annual General Meeting
Allotment	Allotment of shares
AAMC	Association of Assets Management Companies
“Articles” or “AoA”	The Articles of Association of Dhaka Regency Hotel And Resort Limited
Audit Committee	The audit committee, a sub-committee of the Board of Directors of Dhaka Regency Hotel And Resort Limited
B	
BAS	Bangladesh Accounting Standards
BB	Bangladesh Bank
BDT	Bangladeshi Taka
BFRS	Bangladesh Financial Reporting Standards
Book-Building Method	The process by which an issuer attempts to determine the price to offer its security based on demand from Eligible Investors (EIs)
BO A/C	Beneficiary Owner’s Account
BOI	Board of Investment
BOQ	Bill of Quantity
BSA	Bangladesh Standards of Auditing
BSEC	Bangladesh Securities and Exchange Commission
C	
CDBL	Central Depository Bangladesh Limited
CEO	Chief Executive Officer
Certificate	Share Certificate
CFO	Chief Financial Officer
CIB	Credit Information Bureau
Companies Act	Companies Act, 1994
Company	Dhaka Regency Hotel And Resort Limited
Corporate Office	Head office of the Company
CSE	Chittagong Stock Exchange Limited
CRISL	Credit Rating Information and Services Limited
Cut-off Price	The lowest price offered by the bidders at which the total issue could be exhausted
D	
DSE	Dhaka Stock Exchange Limited
DRHRL	Dhaka Regency Hotel And Resort Limited
E	
EIs	Eligible Investors
EPS	Earnings Per Share
EMS	Express Mail Service
Exchanges	Stock Exchanges
F	
FC A/C	Foreign Currency Account

FDR	Fixed Deposit Receipt
FOB	Free on Board
FY	Fiscal Year
FIH	Fellow in Hospitality
G	
GBP	Great Britain Pound
GOB	Government of Bangladesh
I	
IPO	Initial Public Offering
Issue Managers	Banco Finance And Investment Limited; LankaBangla Investments Limited
Issuer	Dhaka Regency Hotel And Resort Limited
L	
L/C	Letter of Credit
M	
MIH	Member in Hospitality
N	
NAV	Net Asset Value
NBR	National Board of Revenue
NRB	Non Resident Bangladeshi
O	
Offering Price	Price of the Securities of DRHRL
P	
PE	Price-Earnings Ratio
R	
RJSC	Registrar of Joint Stock Companies and Firms
RMG	Ready Made Garments
Rules	Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015
S	
Securities	Shares of Dhaka Regency Hotel And Resort Limited
SND Account	Short Notice Deposit Account
Sponsors	The sponsor shareholders of DRHRL
STD A/C	Short Term Deposit Account
Subscription	Application Money
T	
Tk.	Taka
U	
USD	United States Dollar
V	
VAT	Value Added Tax
W	
WPPF	Workers' Profit Participation Fund

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(a) About The Industry

According to World Trade Organization (WTO), one incoming tourist in a particular country provides direct and indirect employment to nine persons. Travel and tourism is now one of the world's fastest growing business segments. Tourism is one of top five export categories for as many as 83 percent of countries and is a main source of foreign exchange earnings at least 38 percent of countries.

According to a study of World Travel and Tourism Council (WTTC), direct employment support by travel and tourism is forecast to rise by 2.9 percent per annum to 1,785,000 jobs or 1.9 percent of total employment in 2023. This includes employment by hotels, travel agents, airlines and other passenger transportation services (excluding commuter services). The world tourism market has grown at an average of 3.7 percent over the past five years and is projected to grow by an average of 4.9 percent over the next five years, with Asia and Pacific regions recording the fastest growth rate. Like other countries, hospitality is now becoming Bangladesh's one of the largest industries, generating additional jobs across the country. Hotel industry can play a significant role in the growth of the tourism industry as Bangladesh is strategically located in an ideal place in Asia and a tourist destination on the map of the world. It can be here mentioned that Bangladesh got independence through a nine-month long bloody war in 1971. The size of gross domestic product (GDP) of Bangladesh was 6.4 billion US dollars in the same year. According to the International Monetary Fund (IMF), the size of the GDP of Bangladesh reached 153.5 billion US dollars in 2013. During 1970-2013 GDP of Bangladesh grew by 146.4 billion US dollars (in 21.6 times). During 1970-2013 GDP per capita in Bangladesh rose by 873 US dollars (in 9.2 times) to 980 US dollars. The average annual growth of GDP per capita in Bangladesh was 20.3 US dollars or 19 percent. Now GDP per capita of Bangladesh is 1314 US dollars. The economy of the country has been maintaining 6 plus percent growth since 2004.

The Bangladesh travel and tourism sector posted 25 percent growth in 2014. Earnings from the travel and tourism sector reached some 150 million US dollars in 2014 compared to 121.45 million US dollars in the previous year 2013, according to statistics of Bangladesh Parjatan Corporation (BPC). The earnings from the sector recorded at 100.75 million US dollars in 2012, 83.73 million US dollars in 2011, 79.83 million US dollars in 2010 and 83.9 million US dollars in 2009.

At present there are 28 five-star, four-star and three-star hotels and resorts in the Country. According to sources, the demand for 5-star accommodation in Dhaka is at present increasing at the rate of 15 percent a year. In coming years, the demand will be increased further.

Data Sources:

<http://www.risingbd.com/english/hotel-industry-growing-in-country/25818>
http://www.newstoday.com.bd/?option=details&news_id=2412635&date=2015-05-30
http://www.newstoday.com.bd/?option=details&news_id=2418581&date=2015-08-08
<http://www.babaadoga.blogspot.com/2010/06/information-technology-its-uses-in.html>
http://www.unescap.org/ttdw/Publications/TPTS_pubs/.../pub_1748_CR-A.pdf

(b) About The Issuer

The Company has been incorporated as a public Limited company on November 14, 2006 vide registration no. C-64465 (1956)/06 under the companies Act 1994 with the Registrar of Joint Stock Companies and Firms, Bangladesh. The Dhaka Regency Hotel and Resort Limited started its commercial operation from April 14, 2007.

Dhaka Regency Hotel & Resort – The new-generation business class hotel offers 214 luxuriously furnished Guest Rooms and Suites, Thai Spa, Health Club, Bar, Lounge, Multi Cuisine Restaurants, countries most beautiful Roof Top Restaurant with Swimming Pool and World Class Venue facilities. It is most conveniently situated to target and attract the market segment that requires lodging services most frequently. The company does not have any affiliation with any international chain.

Nature of Business

Dhaka Regency Hotel & Resort Limited has been engaged in the hospitality business in order to provide lodging and hotel services. The Regency is a hotel based service oriented company to offer for room services, restaurant services, conferences, corporate events. The hotel is recognized as five star, so that customers are treated with all five star quality services.

(c) Financial Information

(As per Audited Accounts)

Particulars	31.12.2015	31.12.2014	31.12.2013	31.12.2012	31.12.2011
Sales	659,350,739	762,064,419	681,620,509	680,467,500	653,452,274
Gross Profit	389,181,830	499,992,690	431,570,464	464,012,915	483,789,879
Net Profit before Tax	182,957,227	301,393,462	221,825,679	260,952,373	309,978,725
Net Profit After Tax	139,131,629	186,576,905	198,756,905	199,851,769	207,364,569
Total Assets	2,756,610,047	2,755,819,372	2,440,052,580	2,330,910,638	2,173,944,301
Paid-up Capital	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000
Retained Earnings	847,259,530	748,328,752	561,751,847	314,769,914	295,577,252
No. of Shares	60,000,000	60,000,000	60,000,000	60,000,000	60,000,000
Face Value	10.00	10.00	10.00	10.00	10.00
NAV per share	30.58	28.94	25.83	23.02	22.74
Earnings per Share	2.32	3.11	3.31	3.33	3.46


(d) Features Of The Issue And Its Objects

Dhaka Regency Hotel And Resort Limited intended to offer [•] Ordinary Shares of Tk.10.00 each at an issue price of Tk. [•] per share including a premium of Tk. [•] per share totaling Tk.600,000,000.00 under Initial Public Offering (IPO) under Book Building Method.

Objective of the Issue

DRHRL has a succeeding expansion plan for upgrading of current product and facilities, Inconformity with the company's initial plan and program for expansion in tourist hotel to be constructed in Cox's Bazar, Repayment of term Loan and IPO expenses by using IPO proceeds.

(e) Legal And Other Information

Name of the Issuer	Dhaka Regency Hotel And Resort Limited
Legal Position	The Company has been incorporated as a public Limited company on November 14, 2006 vide registration no. C-64465 (1956)/06 under the companies Act 1994 with the Registrar of Joint Stock Companies and Firms, Bangladesh. The Dhaka Regency Hotel and Resort Limited started its commercial operation from April 14, 2007.
Logo	
Registered Office	Airport Road, Nikunja-2, Dhaka-1229, Bangladesh
Trade License	No: 01-00220
Restaurant License	Dhaka/-09/2007
Fire License	Dhaka/21995/10
CM License	14933/G-4/2015, 14934/G-4/2015, 14935/G-4/2015
Bar License	License No. 23/2007-2008(Grand Dues Restaurant and License No. 23/2007-2008 (Executive Lounge Floor)
Environment License	Environment/Dhabi/12212/Press Release-265
IRC	BA/0186159
Hotel License	30.00.000.020.008.013.2008
Premises License	CSD/Tej/Naba-492
Limited Money Changing License	FEPD(LDA-1)141/2008-994
Membership of DCCI	MC No-01957, Book No. 020
BOI Registration	BOI/R&I-1/3981/2006/2068, Dated 28/12/2006

(f) Promoters' Background

Mr. Musleh Uddin Ahmed

Born in January 1975, Musleh Uddin Ahmed worked as Business Advisor for over Five years at EMEP (Ethnic Minority Enterprise Project) and assisted in creation of many successful business ventures. He was also a successful Investment Banker working for Blue Chip organizations such as NatWest, Close Brothers Investment and Lloyds TSB. Having an honors degree in Marketing & Management from London Guildhall, he has successfully set up Aarong outlet in London, a franchise operation of BRAC from Bangladesh. Presently, Mr. Musleh Uddin Ahmed is the Chairman of Dhaka Regency Hotel And Resort Limited.

Mrs. Dilkush Begum

Mrs. Dilkush Begum has been a teacher for over thirty years in government schools. She is currently involved with various philanthropic work involving children and education. Presently, Mrs. D K Begum is Director of Dhaka Regency Hotel And Resort Limited. Mrs. D.K Begum is currently holding the position of Director (Food & Beverage) of Dhaka Regency Hotel And Resort Limited.

Mr. Kabir Reza

Born in January 1972, Kabir Reza was involved in the Catering Industry for over twenty one years. Keeping his signature as a successful entrepreneur, he is currently running Real Estate Business both in UK and Bangladesh. Besides, Dhaka Regency Hotel And Resort Limited is proudly having Mr. Reza as the Managing Director of the property.

Mrs. Najma Arif

Born in 1965, Mrs. Najma Arif has a long career in the field of education. She completed her PGCE and Masters from the London University. She has been a teacher and psychological counselor in various institutes locally and abroad. Presently she is Director of Dhaka Regency Hotel And Resort Limited.

Mrs. Rukeya Khatun

Born in February 1975, Rukeya Khatun has a long career in the field of education. She successfully established and run retail fashion outlets in the UK. Presently, Mrs. Rukeya Khatun is Director of Dhaka Regency Hotel And Resort Limited.

Mrs. Zebun Nessa

Born in December 1976, Zebun Nessa worked with Royal London NHS Primary Care Trust. She also worked with the Local Government Housing Department of London Borough of Tower Hamlets. She completed an honors degree in Psychology & Sociology from London Guildhall University, presently; Mrs. Zebun Nessa is Director of Dhaka Regency Hotel And Resort Limited.

Mr. Arif Motahar

Born in January 1968, Arif Motahar lived and worked in UK for over Fifteen years at Senior positions in many UK organizations like Packard Bell and Panasonic to name a few. A career professional in Business Management, he achieved MBA degree from Middlesex Business School. After migrating to Bangladesh in 2001, he joined Aarong (a project of BRAC, the largest organization in Bangladesh) as General Manager - Sales & Systems. Mr. Motahar currently is the share holder of Dhaka Regency Hotel And Resort Limited.

(g) Capital Structure and History of Capital Raising

Capital Structure of the Company

Particulars	No. of Shares	Nominal Value per Share in BDT	Amount in BDT
Authorized Capital	300,000,000	10.00	3,000,000,000
Paid-up Capital (as on December 31, 2015)	60,000,000	10.00	600,000,000
Pre-IPO Paid-up Capital	60,000,000	10.00	600,000,000
Capital to be issued through IPO under Book Building Method	[•]	[•]	[•]
Post-IPO Paid-up Capital	[•]	[•]	[•]

History of Capital Raising

Particulars of Allotment	Date of Allotment	Form of Consideration			Amount of Share Capital (Amount in BDT)
		In cash	Other than in cash	Bonus Share	
First	Subscribers to the Memorandum & Articles of Association at the time of Incorporation	514,650	-	-	5,146,500
Second	20.11.2006	287,100	-	-	2,871,000
Third	27.11.2008	198,250	-	-	1,982,500
Fourth	25.06.2009	49,000,000	-	-	490,000,000
Fifth	27.12.2010	10,000,000	-	-	100,000,000
Total		60,000,000	-	-	600,000,000

* Dhaka Regency Hotel And Resort Limited raised its paid-up capital from BDT 10,000,000 to BDT 500,000,000 vide BSEC letter no. SEC/CI/CPLC-181/09/89 dated May 20, 2009 only through issuance of 4,900,000 ordinary shares of Tk.100.00 each at par totaling Tk.490,000,000 (taka forty nine crore) only and subsequently raised its paid-up capital from BDT 500,000,000 to BDT 600,000,000 vide BSEC letter no. SEC/CI/CPLC-181/09/207 dated March 24, 2011 only through issuance of 10,000,000 ordinary shares of Tk.10.00 each at par totaling Tk.100,000,000 (taka ten crore) only.

(h) Summary of Valuation Report of Securities

Method-1	Net Asset value (NAV) per share	30.58
Method-2(A)	Earning-based value per share (Considering Avg. Sector P/E)	44.71
Method-2(B)	Earning-based value per share (Considering Avg. Market P/E)	47.03
Method-3	Average Market Price of Similar Stocks Based Valuation	32.73
Method-4	P/BV multiple of Similar Stocks Based Valuation	16.51
Method-5	P/E multiple of Similar Stocks Based Valuation	43.78
Method-6	EV/EBITDA Multiple based Valuation	65.70

**CONDITIONS IMPOSED BY COMMISSION UNDER RULE 4(2) OF THE BANGLADESH SECURITIES AND
EXCHANGE COMMISSION (PUBLIC ISSUE) RULES, 2015**

(a) Conducting road show and submission of application:

- (i) The issuer/issue manager shall send invitation to the eligible investors, both in writing and through publication in at least 5 (five) widely circulated national dailies, giving at least 10 (ten) working days' time, to the road show indicating time and venue of such event. The invitation letter shall accompany a red-herring prospectus containing all relevant information covering the proposed size of the issue and at least 3 (three) years audited financial statements and valuation report, prepared by the issue manager without mentioning any indicative price, as per internationally accepted valuation methods. The red-herring prospectus shall be prepared without mentioning the issue price or number of securities to be offered;
- (ii) Representatives from the exchanges shall present in the road show as observers;
- (iii) Eligible investors shall submit their comments and observations, if any, to the issuer or issue manager within 03(three) working days of the road show;
- (iv) After completion of the road show, the red-herring prospectus shall be finalized on the basis of comments and observations of the EIs participated in the road show. The valuation report as finalized must be included in the red-herring prospectus including detail about the qualitative, quantitative factors and methods of valuation;
- (v) The application along with the red-herring prospectus and required documents shall be simultaneously submitted to the Commission and the exchanges as per rule 4(1)(a).

(b) Consent for bidding to determine the cut-off price: After examination of the prospectus and relevant documents, the Commission, if satisfied, shall issue consent to commence bidding by the eligible investors for determination of the cut-off price.

(c) Determination of the cut-off price:

- (i) Eligible investors shall participate in the electronic bidding process and submit their intended quantity and price:
Provided that any connected person or related party of the issuer shall not be eligible to participate in the bidding process;
- (ii) No eligible investor shall quote for more than 10% (ten percent) of the total amount offered to the eligible investors;
- (iii) Eligible investors' bidding shall be opened for 72 (seventy two) hours round the clock;
- (iv) The bidding will be conducted through an uniform and integrated automated system of the exchanges, especially developed for book building process;
- (v) The value of bid at different prices will be displayed on the screen without identifying the bidders;
- (vi) The bidders shall deposit at least 20% (twenty percent) of the bid amount in advance in the designated bank account maintained by the exchange conducting the bidding;
- (vii) The bidders can revise their bids for once, within the bidding period, up to 20% variation of their first bid price;
- (viii) After completion of the bidding period, the cut-off price will be determined at nearest integer of the lowest bid price at which the total securities offered to eligible investors would be exhausted;
- (ix) All the eligible investors participating in the bidding shall be offered to subscribe the securities at the cut-off price. It is mandatory for EIs bidding at or above the cutoff price to subscribe up to their intended quantity but optional for EIs bidding below the cut-off price;
- (x) The eligible investors shall be allotted securities on pro-rata basis within their category-wise quota at the cut-off price. The category-wise quota shall be determined on the basis of distributing the total securities reserved for other eligible investors equally to each of the category of eligible investors

participating in the bidding, except mutual funds. Mutual funds shall be allotted securities reserved for them on pro-rata basis;

- (xi) The securities shall be offered to general public for subscription at an issue price to be fixed at 10% discount (at nearest integer) from the cut-off price;
- (xii) The issuer and the issue manager shall prepare the draft prospectus including the status of bidding, cut-off price, list of eligible investors with number of securities subscribed for, price and number of securities for offering to the general public and submit with relevant documents, simultaneously to the Commission and the exchanges within 5 (five) working days from the closing day of bidding.

(d) Subscription by the eligible investors:

- (i) After examination of the draft prospectus and relevant documents, the Commission, if satisfied, shall issue consent for raising of capital from the general public and approve the prospectus;
- (ii) The balance amount of subscription shall be paid by the eligible investors prior to the date of opening of subscription to the general public:

Provided that in case of failure to deposit the remaining amount by the eligible investors, advance bid money deposited by them shall be forfeited by the Commission and the unsubscribed securities shall be taken up by the underwriters.

ELIGIBLE INVESTOR OR EI

As per Rule 2(e) of Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015:

“Eligible Investor or EI” means the following institution who has business operation/investment in Bangladesh:-

- i Merchant Bankers and Portfolio Managers;
- ii Asset Management Companies;
- iii Mutual Funds;
- iv Stock Dealers;
- v Banks;
- vi Financial Institutions;
- vii Insurance Companies;
- viii Alternative Investment Fund Managers;
- ix Alternative Investment Funds;
- x Foreign Investors who have portfolio investments in capital market of Bangladesh through any Securities Custodian registered with the Commission;
- xi Recognized Pension Funds and Provident Funds; and
- xii Other Institutions as approved by the Commission;

Annexure-A**DECLARATION ABOUT THE RESPONSIBILITY OF THE DIRECTORS, INCLUDING THE CEO OF
DHAKA REGENCY HOTEL AND RESORT LIMITED IN RESPECT OF THE RED-HERRING PROSPECTUS**

[See rule 4(1) (d)]

This red-herring prospectus has been prepared, seen and approved by us, and we, individually and collectively, accept full responsibility for the authenticity, accuracy and adequacy of the statements made, information given in the prospectus, documents, financial statements, exhibits, annexes, papers submitted to the Commission in support thereof, and confirm, after making all reasonable inquiries that all conditions concerning this public issue and prospectus have been met and that there are no other information or documents, the omission of which make any information or statements therein misleading for which the Commission may take any civil, criminal or administrative actions against any or all of us as it may deem fit.

We also confirm that full and fair disclosures have been made in this red-herring prospectus to enable the investors to make a well informed decision for investment.

Sd/-
Musleh Uddin Ahmed
Chairman

Sd/-
Mrs. Dilkush Begum
Vice Chairman

Sd/-
Mrs. Najma Arif
Director

Sd/-
Mrs. Rukeya Khatun
Director

Sd/-
Mrs. Zebun Nessa
Director

Sd/-
Kabir Reza
Director & Managing Director

Sd/-
Prof. Dr. Mojib Uddin Ahmed, Ph.D
Independent Director

Sd/-
Ahmed Ali
Independent Director

Date: April 25, 2016

DUE DILIGENCE CERTIFICATE OF THE ISSUE MANAGER
[Rule 4(1)(d)]

To

The Bangladesh Securities and Exchange Commission

Sub: PUBLIC OFFER OF [•] ORDINARY SHARES OF TK. 600,000,000/- BY DHAKA REGENCY HOTEL AND RESORT LIMITED

Dear Sir

We, the issue manager(s) to the above-mentioned forthcoming issue, state and confirm as follows:

- (1) We have examined all the documents submitted with the application for the above mentioned public issue, visited the premises of the issuer and interviewed the Chairperson, Directors and key management personnel of the issuer in connection with the finalization of the prospectus pertaining to the said issue;
- (2) On the basis of such examination and the discussions with the directors, officers and auditors of the issuer, other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer.

WE CONFIRM THAT

- (a) The prospectus filed with the Commission is in conformity with the documents, materials and papers relevant to the issue;
- (b) All the legal requirements relating to the issue as also in the rules, notification, guidelines, instructions, etc. framed/issued by the Commission, other competent authorities in this behalf and the Government have been duly complied with;
- (c) The disclosures made in prospectus are true, fair and adequate to enable the investors to make a well informed decision for investment in the proposed issue and such disclosures are in accordance with the requirements of the Companies Act, 1994, the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 and other applicable laws;
- (d) Besides ourselves, all the intermediaries named in the prospectus are registered with the Commission and that till date such registrations are valid;
- (e) We have satisfied ourselves about the capability of the underwriters to fulfill their underwriting commitments;
- (f) The proposed activities of the issuer for which the funds are being raised in the present issue fall within the 'main objects' listed in the object clause of the Memorandum of Association or other charter of the issuer and that the activities which have been carried out till now are valid in terms of the object clause of its Memorandum of Association;
- (g) Necessary arrangements have been made to ensure that the moneys to be received pursuant to the issue shall be kept in a separate bank account and shall be used for the purposes disclosed in the use of proceeds section of the prospectus;
- (h) All the applicable disclosures mandated in the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 have been made in addition to other disclosures which, in our view, are fair and adequate to enable the investor to make a well informed decision;
- (i) We enclose a note explaining how the process of due diligence has been exercised by us in view of the nature of current business background of the issuer, situation at which the proposed business stands, the risk factors, sponsors experiences etc. We also confirm that the due diligence related process, documents and approval memos shall be kept in record by us for the next 5 (five) years after the IPO for any further inspection by the Commission;
- (j) We enclose a checklist confirming rule-wise compliance with the applicable provisions of the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 containing details such as the rule number, its text, the status of compliance, page numbers of the prospectus where the rules has been complied with and our comments, if any;
- (k) We also declare that we have managed the public issue of following issuers in the last 05 (five) years:

Sl. No.	Name of the Issue	Publication Date of Prospectus	Listing Year	Issue Price	Dividend Payment History			
					2012	2013	2014	2015
1.	Saiham Cotton Mills Limited	20-Dec-11	2012	20.00	10% C	10% C	10% C	5% C 10% B
2.	Aamra Technologies Limited	06-Mar-12	2012	24.00	20% B	5% C 10% B	10% C	10% C
3.	Envoy Textiles Limited	07-Jun-12	2012	30.00	15% C, 5% B	17% C 3% B	12% C, 3% B	17% C 5% B
4.	Argon Denims Limited	01-Nov-12	2013	35.00	20% B	6% C 15% B	20% B	-
5.	The Peninsula Chittagong Limited	25-Feb-14	2014	30.00	-	-	10% C	10% C 5% B
6.	Aman Feed Limited	29-Apr-15	2015	36.00	-	-	-	10% C 20% B
7.	United Power Generation & Distribution Company Limited	14-Dec-14	2015	72.00	-	-	35% C	30% C 10% B
8.	Regent Textile Mills Limited	17-Sep-15	2015	25.00	-	-	-	-
9.	Evince Textiles Limited	07-Apr-16	On process	10.00	-	222.53%B	-	-

Note: B refers to Bonus/Stock Dividend; C refers to Cash Dividend

For the Issue Manager

Sd/-

Khandakar Kayes Hasan, CFA

Chief Executive Officer

LankaBangla Investments Limited

Place: Dhaka

Date: April 25, 2016

DUE DILIGENCE CERTIFICATE BY ISSUE MANAGER

[See Rule 4 (1) (d)]

To
The Bangladesh Securities and Exchange Commission

Sub: PUBLIC ISSUE OF [•] ORDINARY SHARES OF TK.600,000,000.00 BY DHAKA REGENCY HOTEL AND RESORT LIMITED.

Dear Sir,

We, the issue manager to the above-mentioned forthcoming issue, state and confirm as follows:

- (1) We have examined all the documents submitted with the application for the above mentioned public issue, visited the premises of the issuer and interviewed the Chairperson, Directors and key management personnel of the issuer in connection with the finalization of the red-herring prospectus pertaining to the said issue;
- (2) On the basis of such examination and the discussions with the directors, officers and auditors of the issuer, other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer.

WE CONFIRM THAT:

- (a) The red-herring prospectus filed with the Commission is in conformity with the documents, materials and papers relevant to the issue;
- (b) All the legal requirements relating to the issue as also in the rules, notification, guidelines, instructions, etc. framed/issued by the Commission, other competent authorities in this behalf and the Government have been duly complied with;
- (c) The disclosures made in red-herring prospectus are true, fair and adequate to enable the investors to make a well informed decision for investment in the proposed issue and such disclosures are in accordance with the requirements of the Companies Act, 1994, the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 and other applicable laws;
- (d) Besides ourselves, all the intermediaries named in the red-herring prospectus are registered with the Commission and that till date such registrations are valid;
- (e) We have satisfied ourselves about the capability of the underwriters to fulfill their underwriting commitments;
- (f) The proposed activities of the issuer for which the funds are being raised in the present issue fall within the 'main objects' listed in the object clause of the Memorandum of Association or other charter of the issuer and that the activities which have been carried out till now are valid in terms of the object clause of its Memorandum of Association;
- (g) Necessary arrangements have been made to ensure that the moneys to be received pursuant to the issue shall be kept in a separate bank account and shall be used for the purposes disclosed in the use of proceeds section of the red-herring prospectus;
- (h) All the applicable disclosures mandated in the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 have been made in addition to other disclosures which, in our view, are fair and adequate to enable the investor to make a well informed decision;
- (i) We enclose a note explaining how the process of due diligence has been exercised by us in view of the nature of current business background of the issuer, situation at which the proposed business stands, the risk factors, sponsors experiences etc. We also confirm that the due diligence related process,

documents and approval memos shall be kept in record by us for the next 5 (five) years after the IPO for any further inspection by the Commission;

- (j) We enclose a checklist confirming rule-wise compliance with the applicable provisions of the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 containing details such as the rule number, its text, the status of compliance, page numbers of the red-herring prospectus where the rules has been complied with and our comments, if any;
- (k) We also declare that we have managed the public issue of following issuers in the last 05 (five) years:

Sl. No.	Name of the Issue	Issue Year	Issue Price	Dividend Payment History			
				2015	2014	2013	2012
01	No issue has been approved	2010-2011	N/A				
02	No issue has been approved	2011-2012	N/A				
03	Sunlife Insurance Company Limited	2012-2013	10.00	-	6% B	6% B	6% B
04	Golden Harvest Agro Industries Limited		25.00	10% B	10% C	10% C 5% B	20% B
05	Familytex (BD) Limited		10.00	-	10% B	100% B	-
06	No issue has been approved	2013-2014	N/A				
07	IFAD Autos Limited	2014-2015	30.00	7% C 30% B	-	-	-

Place: Dhaka
Date: April 25, 2016

Sd/-
Mohammad Hamdul Islam
 Managing Director & CEO
 Banco Finance And Investment Limited

**DUE DILIGENCE CERTIFICATE BY THE UNDERWRITER
(LANKABANGLA INVSETMENTS LIMITED)
[Rule 4 (1)(d)]**

To

The Bangladesh Securities and Exchange Commission

Sub: PUBLIC OFFER OF [•] ORDINARY SHARES OF TK. 600,000,000/- OF DHAKA REGENCY HOTEL AND RESORT LIMITED

Dear Sir,

We, the under-noted Underwriter(s) to the above-mentioned forthcoming issue, state individually and collectively as follows:

1. We, while underwriting the above mentioned issue on a firm commitment basis, have examined the draft prospectus, other documents and materials as relevant to our underwriting decision; and
2. On the basis of such examination and the discussions with the issuer company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer company.

WE CONFIRM THAT:

- a) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and eligible to carry out the underwriting activities. Our present paid-up capital stands at Tk. 1,670,000,000.00 (Taka One Hundred Sixty Seven Crore only) and we have the capacity to underwrite a total amount of Tk. 4,348,352,895.00 (Taka Four Hundred Thirty Four Crore Eighty Three Lac Fifty Two Thousand Eight Hundred Ninety Five only) as per relevant legal requirements. We have committed to underwrite for up to Tk. **52,500,000.00** (Taka Five Crore Twenty Five Lac only) for the upcoming issue.
- b) At present, the following underwriting obligations are pending for us:

Sl. No.	Name of The Company	Amount Underwritten (in BDT)
1	Pacific Denims Limited	37,500,000.00
2	Evince Textiles Limited	45,500,000.00
3	Summit Alliance Port Limited (Rights Issue)	154,586,100.00
4	IDLC Finance Limited (Rights Issue)	70,000,000.00
5	GPH Ispat Limited (Rights Issue)	525,000,000.00
6	Bangladesh Thai Aluminium Limited (Rights Issue)	30,000,000.00
7	VFS Thread Dyeing Limited	20,000,000.00
8	IFCO Garments & Textiles Limited	17,500,000.00
9	aamra networks limited	78,750,000.00
10	STS Holdings Limited	60,800,000.00
Total		1,039,636,100.00

- c) All information as are relevant to our underwriting decision have been received by us and the draft prospectus forwarded to the Commission has been approved by us;

- d) We shall subscribe and take up the un-subscribed securities against the above-mentioned public issue within 15 (fifteen) days of calling up thereof by the issuer; and
- e) This underwriting commitment is unequivocal and irrevocable.

For the Underwriter

Sd/.

Khandakar Kayes Hasan, CFA
Chief Executive Officer
LankaBangla Investments Limited

Place: Dhaka

Date: April 21, 2016

**DUE DILIGENCE CERTIFICATE BY THE UNDERWRITER
(NBL Capital and Equity Management Limited)**

[Rule 4 (1) (d)]

To

The Bangladesh Securities and Exchange Commission

Sub: PUBLIC OFFER OF [•] ORDINARY SHARES OF TK. 600,000,000/- OF DHAKA REGENCY HOTEL AND RESORT LIMITED

Dear Sir,

We, the under-noted Underwriter(s) to the above-mentioned forthcoming issue, state individually and collectively as follows:

1. We, while underwriting the above mentioned issue on a firm commitment basis, have examined the draft prospectus, other documents and materials as relevant to our underwriting decision; and
2. On the basis of such examination and the discussions with the issuer company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer company.

WE CONFIRM THAT:

a) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and eligible to carry out the underwriting activities. Our present paid-up capital stands at Tk. 25,00,00,000/ (Taka Twenty five crore Only) and we have the capacity to underwrite a total amount of Tk.. 125,00,00,000/- (Taka One hundred twenty five crore only) as per relevant legal requirements. We have committed to underwrite for up to Tk. 2,10,00,000/- (Taka Two crore & Ten lac only) for the upcoming issue.

b) At present, the following underwriting obligations are pending for us:

Sl. No.	Name of The Company	Amount Underwritten (in BDT)
1	Aftab Hatchary Limited	12,60,00,000/-
2	Oimax Electrode Limited	87,50,000/-
3	STS Holdings Limited	2,00,00,000/-
Total		15,47,50,000/-

c) All information as are relevant to our underwriting decision have been received by us and the draft prospectus forwarded to the Commission has been approved by us;

d) We shall subscribe and take up the un-subscribed securities against the above-mentioned public issue within 15 (fifteen) days of calling up thereof by the issuer; and

e) This underwriting commitment is unequivocal and irrevocable.

For the Underwriter:

Sd/-

Kamrun Naher

Chief Executive Officer (Current Charge)

NBL Capital and Equity Management Limited

Place: Dhaka

Date: April 24, 2016

**DUE DILIGENCE CERTIFICATE BY THE UNDERWRITER
(Prime Finance Capital Management Limited)
[Rule 4 (1)(d)]**

To

The Bangladesh Securities and Exchange Commission

Sub: PUBLIC OFFER OF [•] ORDINARY SHARES OF TK. 600,000,000/- OF DHAKA REGENCY HOTEL AND RESORT LIMITED

Dear Sir,

We, the under-noted Underwriter(s) to the above-mentioned forthcoming issue, state individually and collectively as follows:

3. We, while underwriting the above mentioned issue on a firm commitment basis, have examined the draft prospectus, other documents and materials as relevant to our underwriting decision; and
4. On the basis of such examination and the discussions with the issuer company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer company.

WE CONFIRM THAT:

- f) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and eligible to carry out the underwriting activities. Our present paid-up capital stands at Tk. 2,032,800,000 (Taka two billion thirty two million eight hundred thousand only) and we have the capacity to underwrite a total amount of Tk. 10,068,719,220 (Taka ten billion sixty eight million seven hundred nineteen thousand two hundred and twenty only) as per relevant legal requirements. We have committed to underwrite for up to Tk. **10,500,000** (Taka ten million five hundred thousand only) for the upcoming issue.
- g) At present, the following underwriting obligations are pending for us:

Sl. No.	Name of The Company	Amount Underwritten (Taka)
1	Royal Denim Limited	5,500,000
2	M.L Dyeing Limited	100,000,000
3	Rupsha Fish & Allied Industries Limited	25,000,000
4	GQ Ball Pen Industries Limited (Rights Issue)	50,100,000
5	Care Specialized Hospital and Research Centre Limited	75,900,000
6	IDLC Finance Limited (Rights Issue)	70,000,000
7	Bangas Limited (Rights Issue)	131,778,890
8	Summit Alliance Port Limited (Rights Issue)	103,057,395
9	Bangladesh Thai Aluminium Limited (Rights Issue)	10,000,000
10	VFS Thread Dyeing Limited	40,000,000
11	The ACME Laboratories Limited	51,120,000
12	IFCO Garments & Textiles Limited	17,500,000
13	Baraka Patenga Power Limited	21,000,000
Total		700,956,285

- h) All information as are relevant to our underwriting decision have been received by us and the draft prospectus forwarded to the Commission has been approved by us;
- i) We shall subscribe and take up the un-subscribed securities against the above-mentioned public issue within 15 (fifteen) days of calling up thereof by the issuer; and
- j) This underwriting commitment is unequivocal and irrevocable.

For the Underwriter:

Sd/-

M. Mosharraf Hossain FCA, PhD

Managing Director & CEO

Prime Finance Capital Management Limited

Place: Dhaka

Date: 24 April 2016

**DUE DILIGENCE CERTIFICATE BY THE UNDERWRITER
(EBL Investments Ltd.)
[Rule 4 (1)(d)]**

To
The Bangladesh Securities and Exchange Commission

Sub: PUBLIC OFFER OF [•] ORDINARY SHARES OF TK. 600,000,000/- OF DHAKA REGENCY HOTEL AND RESORT LIMITED

Dear Sir,

We, the under-noted Underwriter(s) to the above-mentioned forthcoming issue, state individually and collectively as follows:

1. We, while underwriting the above mentioned issue on a firm commitment basis, have examined the draft prospectus, other documents and materials as relevant to our underwriting decision; and
2. On the basis of such examination and the discussions with the issuer company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer company.

WE CONFIRM THAT:

- a) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and eligible to carry out the underwriting activities. Our present paid-up capital stands at Tk. 300,000,000.00 (Taka Thirty Crore only) and we have the capacity to underwrite a total amount of Tk. 1500,000,000.00 (Taka One Hundred & Fifty Crore only) as per relevant legal requirements. We have committed to underwrite for up to Tk. **21,000,000.00** (Taka Two Crore Ten Lac) for the upcoming issue.
- b) At present, the following underwriting obligations are pending for us:

Sl. No.	Name of The Company	Amount Underwritten (in Tk.)
1.	Fortune Shoes Limited	14,000,000
2.	Supreme Seed Company Ltd.	22,000,000
3.	Pacific Denims Limited	75,000,000
4.	Cutting Edge Industries Ltd.	16,500,000
5.	SBS Cables Ltd.	41,922,000
6.	ADN Telecom Limited	38,700,000
7.	IDLC Finance Ltd	50,000,000
8.	Nurani Dyeing & Sweater Limited	107,500,000
9.	The ACME Laboratories Ltd.	40,960,000
10.	Silco Pharmaceuticals Limited	26,250,000
11.	STS Holdings Limited	20,000,000
	Total	452,832,000

- c) All information as are relevant to our underwriting decision have been received by us and the draft prospectus forwarded to the Commission has been approved by us;
- d) We shall subscribe and take up the un-subscribed securities against the above-mentioned public issue within 15 (fifteen) days of calling up thereof by the issuer; and
- e) This underwriting commitment is unequivocal and irrevocable.

For the Underwriter:

Sd/-

Moinul Hossain Asif

Managing Director

EBL Investments Ltd.

Place: Dhaka

Date: April 24, 2016

**DUE DILIGENCE CERTIFICATE BY THE UNDERWRITER
(ICB Capital Management Limited)**

To
The Bangladesh Securities and Exchange Commission

Sub: Public Offer of [*] Ordinary Shares of Tk. 600,000,000 of Dhaka Regency Hotel and Resort Limited.

Dear Sir,

We, the under-noted Underwriter to the above-mentioned forthcoming issue, state individually and collectively as follows:

- (1) We, while underwriting the above mentioned issue on a firm commitment basis, have examined the draft prospectus, other documents and materials as relevant to our underwriting decision; and
- (2) On the basis of such examination and the discussions with the issuer company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer company.

WE CONFIRM THAT:

- (a) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and eligible to carry out the underwriting activities. Our present paid-up capital stands at Tk. 131.86 (One hundred thirty one point eight six) crore and we have the capacity to underwrite a total amount of Tk. 659.30 (Taka six hundred fifty nine point three zero) crore as per relevant legal requirements. We have committed to underwrite for up to Tk. 52,500,000.00 (five crore twenty five lac) for the upcoming issues.
- (b) At present, the following underwriting obligations are pending for us:

Sl. No.	Name of the Company	Amount Underwritten (in Tk.)
1	Energypac Power Generation Limited	7,812,500.00
2	IDLC Finance Limited	150,000,000.00
3	GPH Ispat Limited	210,000,000.00
4	Baraka Patenga Power Limited	21,000,000.00
5	ACME Laboratories Limited	696,320,000.00
6	STS Holdings Limited	60,900,000.00
7	aamra networks limited	78,750,000.00
Total		1,224,782,500.00

(c) All information as are relevant to our underwriting decision has been received by us and the draft prospectus forwarded to the Commission has been approved by us;

(d) We shall subscribe and take up the un-subscribed securities against the above-mentioned public issue within 15 (fifteen) days of calling up thereof by the issuer; and

(e) This underwriting commitment is unequivocal and irrevocable.

For the Underwriter

Sd/-

Nasrin Sultana

Chief Executive Officer

ICB Capital Management Limited

Place: Dhaka

Date: April 24, 2016

DUE DILIGENCE CERTIFICATE OF THE UNDERWRITER
(BMSL Investment Ltd.)
[Rule 4 (1)(d)]

To
The Bangladesh Securities and Exchange Commission

Sub: Public Offer of [*] Ordinary Shares of Tk. 600,000,000 of Dhaka Regency Hotel And Resort Limited.

Dear Sir,

We, the under-noted Underwriter (s) to the above-mentioned forthcoming Issue, state individually and collectively as follows:

1. We, while underwriting the above mentioned Issue on a firm commitment basis, have examined the draft Prospectus, other documents and materials as relevant to our underwriting decision; and
2. On the basis of such examination and the discussions with the Issuer Company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the Issue and the contents of the documents and other materials furnished by the Issuer Company.

WE CONFIRM THAT:

- a) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and eligible to carry out the underwriting activities. Our present paid-up capital stands at Tk. 42,00,00,000 (Forty Two Crore Only) and we have the capacity to underwrite a total amount of Tk. 210,00,00,000 (Two Hundred Ten Crore Only) as per relevant legal requirements. We have committed to underwrite for up to Tk. 2,10,00,000.00 (Two Crore Ten Lac Only) for the upcoming issue.
- b) At present, the following underwriting obligations are pending for us: (Name of issue and amount underwritten)

SL.	Name of the company	Amount Underwritten (In Tk.)
1	Ananda Shipyard & Slipways Ltd.	18,180,000.00
2	MP Spinning Mills Ltd.	40,000,000.00
3	Hemple Rhee Manufacturing Co. (BD) Ltd.	14,000,000.00
4	Summit Shipping Ltd.	52,500,000.00
5	Karim Spinning Mills Ltd.	75,000,000.00
6	Summit Uttaranchol Power Company Ltd.	12,000,000.00
7	Metrocem Cement Limited	100,000,000.00
8	Yeakin Polymer Limited	28,000,000.00
9	IDLC Finance Limited (Right Issue)	50,000,000.00
Total		389,680,000.00

- c) All information as are relevant to our underwriting decision have been received by us and the draft prospectus forwarded to the Commission has been approved by us;
- d) We shall subscribe and take up the un-subscribed securities against the above- mentioned public issue within 15 (fifteen) days of calling up thereof by the issuer; and
- e) This underwriting commitment is unequivocal and irrevocable.

For Underwriter:

Sd/-

Md. Riyad Matin

Managing Director

BMSL Investment Ltd.

Date: April 24, 2016

**DUE DILIGENCE CERTIFICATE BY THE UNDERWRITER
(IL CAPITAL LIMITED)
[Rule 4 (1)(d)]**

To

The Bangladesh Securities and Exchange Commission

Sub: PUBLIC OFFER OF [•] ORDINARY SHARES OF TK. 600,000,000/- OF DHAKA REGENCY HOTEL AND RESORT LIMITED

Dear Sir,

We, the under-noted Underwriter(s) to the above-mentioned forthcoming issue, state individually and collectively as follows:

1. We, while underwriting the above mentioned issue on a firm commitment basis, have examined the draft prospectus, other documents and materials as relevant to our underwriting decision; and
2. On the basis of such examination and the discussions with the issuer company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer company.

WE CONFIRM THAT:

- a) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and eligible to carry out the underwriting activities. Our present paid-up capital stands at Tk. 25 crore (Taka twenty five crore only) and we have the capacity to underwrite a total amount of Tk. 1,250,000,000 (Taka One hundred twenty five crore only) as per relevant legal requirements. We have committed to underwrite for up to Tk. 21,000,000 (Taka Two Crore ten lac only) for the upcoming issue.
- b) At present, the following underwriting obligations are pending for us:

Sl. No.	Name of The Company	Amount Underwritten (in BDT)
1	Delta Hospital Limited	6,557,550.00
2	ACME Laboratories Limited	187,440,000.000
3	Energypac Power Generation Limited	7,812,500.00
4	IDLC Finance Limited	50,000,000.00
Total		251,810,050.00

- c) All information as are relevant to our underwriting decision have been received by us and the draft prospectus forwarded to the Commission has been approved by us;
- d) We shall subscribe and take up the un-subscribed securities against the above-mentioned public issue within 15 (fifteen) days of calling up thereof by the issuer; and
- e) This underwriting commitment is unequivocal and irrevocable.

For the Underwriter

SD/-

Md. Saiful Islam Akhand
Chief Executive Officer
IL Capital Limited

Place: Dhaka

Date: April 25, 2016

DUE DILIGENCE CERTIFICATE BY THE UNDERWRITER
[Rule 4 (1)(d)]

To

The Bangladesh Securities and Exchange Commission

Sub: PUBLIC OFFER OF [•] ORDINARY SHARES OF TK. 600,000,000/- OF DHAKA REGENCY HOTEL AND RESORT LIMITED

Dear Sir,

We, the under-noted Underwriter(s) to the above-mentioned forthcoming issue, state individually and collectively as follows:

3. We, while underwriting the above mentioned issue on a firm commitment basis, have examined the draft prospectus, other documents and materials as relevant to our underwriting decision; and
4. On the basis of such examination and the discussions with the issuer company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer company.

WE CONFIRM THAT:

- f) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and eligible to carry out the underwriting activities. Our present paid-up capital stands at Tk. 250,000,000 (Taka Twenty Five Crore only) and we have the capacity to underwrite a total amount of Tk. 1,215,638,005 (Taka One Hundred Twenty one Crore Fifty Six lacs Thirty Eight Thousand and Five only) as per relevant legal requirements. We have committed to underwrite for up to Tk. 10,500,000 (Taka One Crore Five Lac only) for the upcoming issue.
- g) At present, no underwriting obligation is pending for us.
- h) All information as are relevant to our underwriting decision have been received by us and the draft prospectus forwarded to the Commission has been approved by us;
- i) We shall subscribe and take up the un-subscribed securities against the above-mentioned public issue within 15 (fifteen) days of calling up thereof by the issuer; and
- j) This underwriting commitment is unequivocal and irrevocable.

For the Underwriter:


Ashraf Ahmed
Chief Executive Officer
River Stone Investment Ltd.

Place: Dhaka

Date: April 26, 2016

- (a) Name of the issuer, dates of incorporation and commencement of its commercial operations, its logo, addresses of its registered office, other offices and plants, telephone number, fax number, contact person, website address and e-mail address:

Particulars of Issuer

Name of the Issuer	Dhaka Regency Hotel And Resort Limited
Legal Position	The Company has been incorporated as a public Limited company on November 14, 2006 vide registration no. C-64465 (1956)/06 under the companies Act 1994 with the Registrar of Joint Stock Companies and Firms, Bangladesh. The Dhaka Regency Hotel and Resort Limited started its commercial operation from April 14, 2007.
Logo	
Registered Office	Airport Road, Nikunja-2, Dhaka-1229, Bangladesh
Telephone Number	+88 02 58953912
Fax Number	+88 02 58951479
Website	www.dhakaregency.com
E-mail Address	info@dhakaregency.com
Board of Directors	8 Directors [Including 2 (two) Independent Directors]
Auditor & Tax Advisor	Ahmed Zaker & Co. Chartered Accountants 45, Shaheed Syed Nazrul Islam Sarani, Saiham Sky View Tower (2nd Floor) Bijoynagar, Dhaka-1000
Legal Advisor	Md. Kayes Munshi, LL.B (Hons.), LL.M
Contact Person	Kabir Reza Managing Director

- (b) The names of the sponsors and directors of the issuer

The name of the sponsors on that time and existing directors are presented below:

Sponsors of the Company

Sl.	Sponsors
01	Mr. Musleh Uddin Ahmed
02	Mr. Kabir Reza
03	Ms. Dilkush Begum
04	Ms. Najma Arif
05	Ms. Rukeya Khatun
06	Ms. Zebun Nessa
07	Mr. Arif Motahar

Directors of the Company

Sl.	Name	Status
01	Mr. Musleh Uddin Ahmed	Chairman
02	Mr. Kabir Reza	Director & Managing Director
03	Ms. Dilkush Begum	Vice-Chairman
04	Ms. Najma Arif	Director
05	Ms. Rukeya Khatun	Director
06	Ms. Zebun Nessa	Director
07	Prof. Dr. Mojib Uddin Ahmed, Ph.D	Independent Director
08	Mr. Ahmed Ali	Independent Director

(c) The name, logo and address of the auditors and registrar to the issue, along with their telephone numbers, fax numbers, contact persons, website and e-mail addresses

Particulars	Name & Address	Logo	Contact person	Telephone and Fax Number
Auditor	Ahmed Zaker & Co Chartered Accountants 45, Shaheed Syed Nazrul Islam Sarani Saiham Sky View Tower (2nd Floor) Bijoynagar, Dhaka-1000		Satya Ranjan Shaha Senior Manager (Audit)	Phone : +88 02 8391440-3 Fax : +88 02 8391011 E-mail: azcbangladesh@gmail.com Web : www.ahmed-zaker.com
Registrar to the Issue	ICB Capital Management Limited Green City Edge (5th & 6th Floor) 89, Kakrail Dhaka-1000, Bangladesh		Mrs. Nasrin Sultana Chief Executive Officer	Phone : +880-2-8300421 +880-2-8300395 +880-2-8300555 +880-2-8300367 FAX: +880-2-8300396 E-mail : icmlbd@gmail.com Web : icml.com.bd

(d) The name(s) of the stock exchanges where the specified securities are proposed to be listed



Dhaka Stock Exchange Limited (DSE)
9/F, Motijheel C/A, Dhaka-1000

And



Chittagong Stock Exchange Limited (CSE)
CSE Building, 1080 Sk. Mojib Road, Agrabad, Chittagong

CORPORATE DIRECTORY OF THE ISSUER

SECTION: V

Date of Incorporation as a Public Limited Company	14th November 2006	
Commercial operation	April 14, 2007	
Registered Office	Airport Road, Nikunja-2, Dhaka-1229	
Authorized Capital	3,000,000,000.00	
Issued, Subscribed & Paid-up Capital	600,000,000.00	
Telephone	+88 02 58953912	
Fax number	+88 02 58951479	
Website	www.dhakaregency.com	
E-mail Address	cs@dhakaregency.com	
Auditor	Ahmed Zaker & Co. Chartered Accountants 45, Shaheed Syed Nazrul Islam Sarani, Saiham Sky View Tower (2nd Floor) Bijoynagar, Dhaka-1000	
Managers to the Issue	LankaBangla Investments Limited City Center Level - 24 90/1 Motijheel C/A Dhaka - 1000	Banco Finance And Investment Limited Baitul View Tower (11 th Floor), 56/1, Purana Paltan, Dhaka-1000
Legal Advisor	Md. Kayes Munshi, LL.B (Hons.), LL.M	
Tax Consultant	Ahmed Zaker & Co. Chartered Accountants	
Company Secretary	Md. Mizanur Rahman Siddiquee	

All investors are hereby informed by the Company that the Company Secretary would be designated as Compliance Officer who will monitor the compliance of the acts and rules, regulations, notification, guidelines, conditions, orders/directions etc. issue by the Commission and/or Stock Exchange(s) applicable to the conduct of the business activities of the Company so as to promote the interest of the investors in the securities issued by the Company and for redressing investors' grievances.

DESCRIPTION OF THE ISSUER

SECTION :VI

Summary

The summary of the industry and business environment of the Issuer

Traditionally, Bangladeshis have preferred to accommodate and entertain guests at home, however small and congested a house may be. Any suggestion of keeping guests or relatives at hotels or entertaining them in restaurants was almost sacrilegious.

During the British period, officials and their guests found accommodation and food at circuit houses. In the 1950s and 1960s, a large number of rest houses were built all over the country providing services to business travelers. The first hotels and motels built around interesting spots with facilities suitable for tourists were launched by the national tourism organization 'The Bangladeshi Parjatan Corporation' after 1960. Many little-known places of historic, cultural, ethnic and natural interest were made popular this way.

Business Performance of Dhaka Regency Hotel & Resort

The hotel also opted for a change in strategy when acquiring new businesses. For example, to increase room revenue, more high end and reputable organizations were targeted and acquired, e.g. Gulf Air, Air Arabia, Biman Bangladesh and fly Dubai. While it is granted that crew business usually means lower room rate, it is also a necessity given our proximity to the airport as well as to ensure consistent base business. Moreover, for the first time, Dhaka Regency integrated itself with GDS (Global Distribution System) to ensure a portion of its rooms is automatically suggested for first viewing over online booking search engines. In F&B and other recreational outlets, much revenue was achieved by close marketing collaborations. For one, our loyalty recognition program, Premier Club, continued to bring in a high number of daily guests and promotional event guests for the restaurants. For another, during major festivals and cultural events such as Ramadan was promoted with credit card facilities such as The City Bank America Express and Standard Chartered Bank which brought in tremendous influx of customers and also a higher end segment of city patrons. Overall, business developed further as some new and prominent companies were added to Dhaka Regency's client portfolio, such as Aggreko, SIA Engineering Company, IBM India, Chevron, Progressive test center etc.

The Department of Sales & Marketing also took dynamic movements in generating new business opportunity through participating in Travel and Tourism Networking events and fairs both at home and abroad. Among the prominent, Dhaka Regency represented in the JATA 2012 travel and tourism fair in Tokyo, Japan, Regular participation of PATA Travel Mart, World Travel Market 2012 in UK.

It has also benefited the hotel tremendously as more focus was given to strengthening the recruitment procedure, increasing training and development, and lowering HR turnover rate. The practice of selecting Employee of the Month that was reintroduced in 2010 with the added attribute of presenting elected employees with prize bonds along with their certificates has been met with great appreciation by overall employees. The hotel also now has a bigger team to ensure more strategic and specialized effort and results from its employees. Notably, the increase in the Sales & Marketing team ensured more direct marketing and one-on-one sales goals were achieved, leading to greater PR and increase long-term business.

It is clearly visible that the team at Dhaka Regency has now reached a stage of professionalism and cohesiveness that makes it one of the strongest contenders in the industry. The result is that the total net hotel revenue in 2015 was BDT 659.35 million with an average of BDT 54.95 million per month.

Strategic Measures to deal with upcoming Competition

Considering the competitive market scenario, Dhaka Regency Hotel & Resort could not come out of being the lowest average rated hotel amongst all the five star hotels in city. However, Dhaka Regency steadily maintained its market share in some segments, especially crew accommodation and retaining key clients. Aside to this, marketing and promotional movements along with strategic affiliation with prominent business partners are set and aligned in a perfect way to bring incremental revenue and client base for most of the outlets.

Current Room Inventory in the entire industry will be doubled by the end of 2016 and will be approximately 3500 Room Nights per Day. Business inauguration of the key competitors Le Meridien Dhaka, Amari Dhaka, Long Beach Suites, Best Western Maple Leaf, and Platinum Residence in Uttara have further created a competitive market scenario. Thus an increased level of competition has been observed in achieving business travelers as well as corporate clients by all the key players. Consequently all the hotels will suffer on their ARR (Average Room Rate) plus Revenue which will directly affect their GOP (Gross Operating Profit). The following will be our key strategic moves to cope up with current competitions:

Take more advantage of the Location Benefit

Due to close distance from International Gateway and Current Business Pattern; airlines crew, layover, corporate business will be retained.

Product Enhancement

To cope up with the competition, Dhaka Regency will work on to upgrade and enhance the existing products through renovation and expansion.

Retention of Skilled and Experienced Workforce

With the increased level of competition and the invasion of new but chain properties, retention of experienced and skilled workers will be another challenging task to cope with the existing competitions.

Improvement in Debt Finance Terms

Current Loan burden will gradually drop down in phase wise from March 2015 and as a result Net Margin will increase substantially

Finally, the development activities undertaken in energy sector, communication and hopefully with re-bumping the RMG sector, the travel market will flourish in the years ahead. Dhaka Regency is continuously striving to grab the business opportunities from the untapped areas

Summary of financial, operating and other information

This information is not applicable for the Issuer since it has no subsidiary company.

General Information:

Name and address, telephone and fax numbers of the registered office, corporate head office, other offices, factory, business premises and outlets of the issuer:

Particulars	Description
Name of the Issuer	: Dhaka Regency Hotel and Resort Limited
Registered office	: Airport Road, Nikunja-2, Dhaka-1229
Telephone Number	: +88-02-58953912
Fax Number	: +88-02-58951479
Corporate head office	: Airport Road, Nikunja-2, Dhaka-1229
Outlets of the issuer	: N/A

The board of directors of the issuer:

Sl. No.	Board of Directors	Designation
1	Mr. Musleh Uddin Ahmed	Chairman
2	Mr. Kabir Reza	Director & Managing Director
3	Ms. Dilkusha Begum	Vice Chairman
4	Ms. Najima Arif	Director
5	Ms. Rukeya Khatun	Director
6	Ms. Zebun Nessa	Director
7	Prof. Dr. Mojib Uddin Ahmed, Ph.D	Independent Director
8	Mr. Ahmed Ali	Independent Director

Names, addresses, telephone numbers, fax numbers and e-mail addresses of the chairman, managing director, whole time directors, etc. of the issuer:

Name	Designation	Address	Telephone, Fax number & E-mail address
Mr. Musleh Uddin Ahmed	Chairman	House-487/A, Road- 8C, DOHS Baridhara, Dhaka	Ph: +88-02-58953912 Ex. 2005 Fax: +88-02-58951479 E-mail: musleh@dhakaregency.com
Mr. Kabir Reza	Director & Managing Director	House-32, Road- 18, Sector-7 Uttara, Dhaka	Ph: +88-02-58953912 Ex. 2002 Fax: +88-02-58951479 E-mail: kabir@dhakaregency.com
Ms. Dilkusha Begum	Vice Chairman	House-24, Road- 8, Sector-3 Uttara, Dhaka	Ph: +88-02-58953912 Ex. 2006 Fax: +88-02-58951479 E-mail: info@dhakaregency.com
Ms. Najima Arif	Director	House-32, Road- 18, Sector-7 Uttara, Dhaka	Ph: +88-02-58953912 Fax: +88-02-58951479 E-mail: info@dhakaregency.com
Ms. Rukeya Khatun	Director	House-24, Road- 8, Sector-3 Uttara, Dhaka	
Ms. Zebun Nessa	Director	House-487/A, Road- 8C, DOHS Baridhara, Dhaka	
Prof. Dr. Mojib Uddin Ahmed, Ph.D	Independent Director	House-32, Road- PC Culture Housing Sociaty Mohammadpur, Dhaka	Ph: +88-02-58953912 E-mail: swpon58@yahoo.com
Mr. Ahmed Ali	Independent Director	Lawghai, Purbadhala Netrokona	Ph: +88-02-58953912 E-mail: ahmed29252@gmail.com

Names, address, telephone numbers, fax numbers and e-mail address of the CFO, company secretary, legal advisor, auditors and compliance officer:

Names	Designation	Address	Telephone number	Fax number	E-mail address
Md. Kamal Hossain Morshed	Chief Financial Officer	Airport Road, Nikunja-2 Dhaka-1229	+88-02-58953912	+88-02-58951479	kamal@dhakaregency.com
Md. Mizanur Rahman Siddiquee	Company Secretary & Compliance officer	Airport Road, Nikunja-2 Dhaka-1229	+88-02-58953912	+88-02-58951479	cs@dhakaregency.com
Md. Kayes Munshi, LL.B (Hons.), LL.M	Legal advisor	Airport Road, Nikunja-2 Dhaka-1229	+88-02-58953912	+88-02-58951479	kayes@dhakaregency.com
Ahmed Zaker & Co.	Chartered Accountants	45, Shaheed Syed Nazrul Islam Sarani, Saiham Sky View Tower (2nd Floor) Bijoy Nagar, Dhaka-1000	+88-02-8391440-3 +88-02-8391012-13	+88-02-58951479	azc@bangladesh@gmail.com zakerahmed.co@gmail.com

Names, addresses, telephone numbers, fax numbers, contact person, website addresses and e-mail addresses of the issue manager(s), Registrar to the Issue:

Name & Address	Contact Person	Contact No.
Issue Managers		
LankaBangla Investments Limited City Center Level - 24 90/1 Motijheel C/A Dhaka - 1000 Bangladesh Website: www.lankabangla-investments.com	Mr. Khandakar Kayes Hasan, CFA Chief Executive Officer	PABX : +88 02 951 26 21 Fax : +88 02 956 11 07 E-mail: kayes@lankabangla-investments.com
Banco Finance And Investment Limited Baitul View Tower (11 th Floor), 56/1, Purana Paltan, Dhaka-1000, Bangladesh Website: www.bfilbd.org	Mr. Mohammad Hamdul Islam Managing Director & CEO	Tel :+880 02 7125703 +880 02 7125910 Fax : 02 7125634 E-mail : hamdulbanco@gmail.com
Registrar to the Issue		
ICB Capital Management Limited Green City Edge (5th & 6th Floor), 89, Kakrail Dhaka-1000, Bangladesh Website: www.icml.com.bd	Mrs. Nasrin Sultana Chief Executive Officer	Tel: +880-2-8300421, +880-2-8300395 +880-2-8300555 +880-2-8300367 FAX: +880-2-8300396 E-mail : icmlbd@gmail.com

(i) Details of Credit Rating:

As per Credit Rating Report dated March 28, 2016

The name of credit rating agencies is **Credit Rating Information and Services Limited (CRISL)**

Rating Obtained:

	Rating Year	Long Term	Short Term
Entity Rating	2015	A+	ST-2
Date of Rating	March 28, 2016		
Expiry Date of Rating	March 27, 2017		
Rating Assigned By: Credit Rating Information And Services Limited (CRISL)			

Rationale of the ratings obtained:

CRISL has reaffirmed the Long Term rating to 'A+' (pronounced as single A plus) and the Short Term rating to ST-2 of Dhaka Regency Hotel & Resort Limited (DRHRL) on the basis of its financials and other relevant quantitative and qualitative information up to the date of rating.

This rating reflects DRHRL's equity based capital structure, regular debt repayment history, suitable location, average infrastructural facilities etc. However, the above ratings have been constrained to some extent by absence of affiliation with any international chain, decline in EPS, high finance cost, competition risk, quality maintenance risk etc.

The Long Term rating indicates that entity rated in this category is adjudged to offer adequate safety for timely repayment of financial obligations. This level of rating indicates a corporate entity with an adequate credit profile. Risk factors are more variable and greater in periods of economic stress than those rated in the higher categories. The Short Term rating indicates high certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.

CRISL also placed the company with “Stable Outlook” for its steady business growth and consistent fundamentals.

Observations and risk factors as stated in the credit rating report:

Observation Summary

Rating Comforts <ul style="list-style-type: none"> • Equity based capital structure • Good liquidity • Regular debt repayment history • Suitable location • Average infrastructural facilities • Experienced management team 	Rating Concerns <ul style="list-style-type: none"> • Absence of affiliation with any international chain • Decline in EPS • High finance cost • Increased operating cost • Exposed to brand image risk
Business Prospects <ul style="list-style-type: none"> • Increasing occupancy rate at expected level • Innovation & rendering new services to meet clientele demand • Affiliation with any International Chain • Establishment of deep sea port 	Business Challenges <ul style="list-style-type: none"> • Political instability • Increasing competition in the market

Risk Factors:

Quality Maintenance Risk

The company does not have any affiliation with any international hotel chain. As the industry as a whole is required to compete with the quality service, the hotel may face the quality service maintenance risk unless and until it takes utmost care with special note to look after the issue.

Brand Image Risk

The brand image plays a very important role in getting foreign guests. Most of the multilateral agencies provide hotel services to its employees visiting outstations on official visits which provides specific brand name of the hotels. Since the hotel Regency is not attached with any international chain, the hotel may not be able to attract a segment of clients.

Industry Risk

There are some five star hotels in Bangladesh, namely The Westin Dhaka, Radisson Blue Water Garden, Pan Pacific Sonargaon, etc. Among them “The Westin Dhaka” is holding highest percentage share in terms of revenue. The occupancy rate and average daily rate of “The Westin Dhaka” stood at 70.09% and Tk. 18,210.79. After rebranding as “InterContinental Dhaka”, the occupancy rate, average daily rate and the market share of the hotel will improve. In the case of hotel business, increased competition from foreign and domestic hotel chains can lead to lower prices, revenues, profit margins, market share etc. Moreover, further entrance of any international chain in Bangladesh could make the market very competitive. Therefore, like other companies DRHRL has competition risk.

Changes in Global or National Policy

Changes in global or national policies may also adversely affect the economy in general. Over the ten-year period to 2025, the recent and short-term strong growth of the Travel & Tourism sector is expected to continue, with forecast average annual Travel & Tourism GDP growth of 3.7%. As such, the sector will continue to outpace that of the wider economy. By 2025 it is anticipated that Travel & Tourism will contribute US\$11.3 trillion in GDP to the world economy (2014 prices and exchange rates) and will support 355 million jobs globally, which is expected to translate to approximately 10.5% of the world economy in terms of both GDP and employment. However, the Government of Bangladesh has been implementing some new policies which will boost up tourism sector of Bangladesh. Therefore, like other companies DRHRL has changes in global or national policy risk.

Existing Government Regulation Risk

The company operates under Company’s Act 1994 and other related regulations, Income Tax Ordinance 1984, Income Tax Rules 1984, Value Added Tax (VAT) Act 1991 and Value Added Tax (VAT) Rules 1991. Any abrupt changes of the policies made by the regulatory authorities may adversely affect the business of the Company.

Financial Risk

Currently, DRHRL has been operating with significant bank borrowing which carries a fixed cost burden for the company. However, an additional debt unless the company manages low cost financing for the business may deteriorate its business performance further. Hence, the company has financial risk to some extent.

As per Credit Rating Report dated December 24, 2014

The name of credit rating agencies is **Credit Rating Information and Services Limited (CRISL)**

Rating Obtained:

	Rating Year	Long Term	Short Term
Entity Rating	2014	A+	ST-2
Date of Rating	December 24, 2014		
Expiry Date of Rating	December 23, 2015		
Rating Assigned By: Credit Rating Information And Services Limited (CRISL)			

Rationale of the ratings obtained:

CRISL has reaffirmed the Long Term rating to 'A+' (pronounced as single A plus) and the Short Term rating to ST-2 of Dhaka Regency Hotel & Resort Limited (DRHRL) on the basis of its financials and other relevant quantitative and qualitative information up to the date of rating.

This rating reflects DRHRL's equity based capital structure, stable business performance, good liquidity, regular debt repayment history, average facilities and infrastructures etc. However, the above ratings have been constrained to some extent by absence of affiliation with any international chain, decline in EPS, high finance cost and exposure to brand image risk etc.

The Long Term rating indicates that entity rated in this category is adjudged to offer adequate safety for timely repayment of financial obligations. This level of rating indicates a corporate entity with an adequate credit profile. Risk factors are more variable and greater in periods of economic stress than those rated in the higher categories. The Short Term rating indicates high certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.

CRISL also placed the company with "Stable Outlook" for its steady business growth and consistent fundamentals.

Observations and risk factors as stated in the credit rating report:

Observation Summary

Rating Comforts <ul style="list-style-type: none">Equity based capital structureStable financial performanceGood liquidityRegular debt repayment historyLocation advantageAverage facilities and infrastructuresExperienced management team	Rating Concerns <ul style="list-style-type: none">Absence of affiliation with any international chainDecline in EPSHigh finance costIncreased operating costExposed to brand image risk
Business Prospects <ul style="list-style-type: none">Increasing occupancy rate at expected levelInnovation & rendering new services to meet clientele demandAffiliation with any International Chain	Business Challenges <ul style="list-style-type: none">Political instabilityIncreasing competition in the marketWithin the vicinity of branded and non-branded five star hotels

Risk Factors:

Quality Maintenance Risk

The company does not have any affiliation with any international hotel chain. As the industry as a whole is required to compete with the quality service, the hotel may face the quality service maintenance risk unless and until it takes utmost care with special note to look after the issue.

Brand Image Risk

The brand image plays a very important role in getting foreign guests. Most of the multilateral agencies provide hotel services to its employees visiting outstations on official visits which provides specific brand name

of the hotels. Since the hotel Regency is not attached with any international chain, the hotel may not be able to attract a segment of clients.

Industry Risk

There are some five start hotels in Bangladesh namely The Westin Dhaka, Radisson Blue Water Garden, Pan Pacific Sonargaon, Ruposhi Bangla etc. Among them “The Westin Dhaka” is holding highest percentage share of 30.41%. The occupancy rate and average daily rate of “The Westin Dhaka” stood at 70.09% and Tk. 18,210.79. In the case of the hotel industry, increased competition from foreign and domestic hotel chains can lead to lower prices, revenues, profit margins, market share etc.

Changes in Global or National Policy

The performance of the company may be affected due to unavoidable circumstances both in Bangladesh and worldwide, such as war or political unrest in the country or customer countries. Changes in global or national policies may also adversely affect the economy in general. Moreover, The Government of Bangladesh has been implementing some new policies which will boost up tourism sector of Bangladesh. The risk due to changes in global or national policies is beyond the control of any company.

Existing Government Regulation Risk

The company operates under Company’s Act 1994 and other related regulations, Income Tax Ordinance 1984, Income Tax Rules 1984, Value Added Tax (VAT) Act 1991 and Value Added Tax (VAT) Rules 1991. Any abrupt changes of the policies made by the regulatory authorities may adversely affect the business of the Company.

Financial Risk

Currently, DRHRL has been operating with significant bank borrowing which carries a fixed cost burden for the company. However, an additional debt unless the company manages low cost financing for the business may deteriorate its business performance further. Hence, the company has financial risk to some extent.

As per Credit Rating Report dated August 26, 2013

The name of credit rating agencies is **Credit Rating Information and Services Limited (CRISL)**

Rating Obtained:

	Rating Year	Long Term	Short Term
Entity Rating	2012	A+	ST-2
Date of Rating	August 26, 2013		
Expiry Date of Rating	August 25, 2014		
Rating Assigned By: Credit Rating Information And Services Limited (CRISL)			

Rationale of the ratings obtained:

CRISL has reaffirmed the Long Term rating to ‘A+’ (pronounced as single A plus) and the Short Term rating to ST-2 of Dhaka Regency Hotel & Resort Limited (DRHRL) on the basis of its financials and other relevant quantitative and qualitative information up to the date of rating.

This rating reflects DRHRL’s equity based capital structure, stable business performance, good liquidity, regular debt repayment history, average facilities and infrastructures etc. However, the above ratings have been constrained to some extent by absence of affiliation with any international chain, decline in EPS, high finance cost and exposure to brand image risk etc.

DRHRL’s turnover increased to Tk.680.47 mil. In FY 2012 from 653.45 mil. In FY 2011. However, the gross profit of the company decreased to Tk.464.01 mil. In FY 2012 from Tk.483.79 mil. In FY 2011. DRHRL’s net profit after tax also decreased to Tk.130.08 in FY 2012 from Tk.167.37 mil. In FY 2011 with net profit margin of 19.12% and 25.61% respectively. The reason of decreased profit margin was due to increased cost of service, finance cost, administrative cost and selling and distribution cost. The Company has 214 available rooms for sale. The Company had 60,288 occupied rooms with occupancy rate of 77.18 % in FY 2012. However, all the KPI (Key Performance Indicators) of the Company have been found below from peer average. The debt service coverage ratio stood at 3.20 times in FY 2012 against 4.07 times in FY 2010. Interest coverage ratio at 2.75 times in FY 2012 and 3.61 times in FY 2011.

The Long Term rating indicates that entity rated in this category is adjudged to offer adequate safety for timely repayment of financial obligations. This level of rating indicates a corporate entity with an adequate credit

profile. Risk factors are more variable and greater in periods of economic stress than those rated in the higher categories. The Short Term rating indicates high certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.

CRISL also views the company with “Stable Outlook” for its steady business growth and consistent fundamentals and believes that the company will be able to maintain its fundamentals with the same trend in foreseeable future.

Observations and risk factors as stated in the credit rating report:

Observation Summary

Rating Comforts <ul style="list-style-type: none"> • Equity based capital structure • Good business performance • Good financial performance • Comfortable liquidity • Good debt servicing capacity • Location advantage • Sound facilities and infrastructures • Experienced management team 	Rating Concerns <ul style="list-style-type: none"> • No affiliation with any international chain • Decline in EPS • Significant finance cost • Increase operating cost • Exposure to quality maintenance risk
Business Prospects <ul style="list-style-type: none"> • Immense opportunity of market growth • Capacity utilization to the estimated level 	Business Challenges <ul style="list-style-type: none"> • Increasing competition in the market • Political instability • Within the vicinity of branded and non branded five star hotels • Lack of government supportive policies

Risk Factors:

Maintenance Risk

The company does not have any affiliation with any international chain. As the industry as a whole is required to compete with the quality service, the hotel may face the quality service risk unless and until it takes utmost care with special note to look after the issue.

Brand Image Risk

The brand image plays a very important role in getting foreign guests. Most of the multilateral agencies provide hotel services to its employees visiting outstations on official visits which provides specific brand name of the hotels. Since the hotel Regency is not attached with any international chain, the hotel may not be able to attract a segment of clients.

Exchange Rate Risk

Exchange rate risk occurs due to changes in exchange rates. As the Company imports equipment from abroad and also earns revenue in foreign currency, unfavorable volatility or currency fluctuation may affect the profitability of the Company. If exchange rate is increased against local currency opportunity will be created for generating more profit.

Industry Risk

The risk of increased competition from foreign and domestic sources leading to lower prices, revenues, profit margins, market share etc which could have an adverse impact on the business, financial condition and results of operation.

Market Risk

Sometimes adverse market conditions affect the sales and profitability of the company. Mostly, the risk arises from falling demand for the product or service which would harm the performance of the company. On the other hand, strong marketing and brand management would help the company increase their customer base. The quality service of DRHRL has enabled the company to capture significant market share in the sector. The company is continuously upgrading the quality of their service to minimize the risk.

Existing Government Regulation Risk

The company operates under Company's Act 1994 and other related regulations, Income Tax Ordinance 1984, Income Tax Rules 1984, Value Added Tax (VAT) Act 1991 and Value Added Tax (VAT) Rules 1991. Any abrupt changes of the policies made by the regulatory authorities may adversely affect the business of the Company.

Since the company operates in hospitality sector, the government regulations are mostly investment-friendly. However, unless any policy change that may negatively and materially affect the industry as a whole, the business of the company is expected not have operation problem.

Changes in Global or National Policy

The performance of the company may be affected due to unavoidable circumstances both in Bangladesh and worldwide, such as war, tourism, political unrest in the country or customer countries. Changes in global or national policies may also adversely affect the economy in general. The risk due to changes in global or national policies is beyond the control of any company.

As per Credit Rating Report dated February 02, 2012

The name of credit rating agencies is **Credit Rating Information and Services Limited (CRISL)**

Rating Obtained:

	Rating Year	Long Term	Short Term
Entity Rating	2012	A+	ST-2
Date of Rating	February 02, 2012		
Expiry Date of Rating	February 01, 2013		
Rating Assigned By: Credit Rating Information And Services Limited (CRISL)			

Rationale of the ratings obtained:

CRISL has reaffirmed the Long Term rating 'A+' (pronounced as single A plus) and upgraded the Short Term rating to 'ST-2' from 'ST-3' of Dhaka Regency Hotel & Resort Limited (hereinafter called as 'DRHRL' or 'the company') on the basis of its financials and other relevant quantitative and qualitative information up to the date of rating. The above ratings have been done after due consideration to its fundamentals such as equity based capital structure, ideal location, good financial performance, good liquidity, good debt servicing capacity, etc. However, the above factors are constrained to some extent, by high finance cost burden, lack of attachment to any international chain, yet to formulate documented fund utilization policy, etc.

The Long Term rating indicates that entities rated in this category are adjudged to offer adequate safety for timely repayment of financial obligations. This level of rating indicates a corporate entity with an adequate credit profile. Risk factors are more variable and greater in periods of economic stress than those rated in the higher categories. The short term rating indicates high certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.

CRISL also placed the company with "Stable outlook" with an expectation of no extreme changes in economic or company situation within the rating validity period.

Observations and risk factors as stated in the credit rating report:

Observation Summary

Rating Comforts <ul style="list-style-type: none"> Equity based capital structure Good business performance Ideal Location Good financial performance Moderate liquidity Low operating cost Top range restaurants with innovative dinning concepts Sound facilities and infrastructures Experienced management team Good debt servicing capacity 	Rating Concerns <ul style="list-style-type: none"> No attachment to any international chain High finance cost burden Yet to formulate documented fund utilization policy Yet to develop any corporate branding strategy Exposed to quality maintenance risk
Business Prospects <ul style="list-style-type: none"> Immense opportunity of market growth Capacity utilization to the estimated level 	Business Challenges <ul style="list-style-type: none"> Increasing competition in the market Political instability Within the vicinity of branded and non branded five star hotels Lack of government supportive policies

Risk Factors:**Maintenance Risk**

The company does not have any affiliation with any international chain. As the industry as a whole is required to compete with the quality service, the hotel may face the quality service maintenance risk unless and until it takes utmost care with special note to look after the issue.

Brand Image Risk

The brand image plays a very important role in getting foreign guests. Most of the multilateral agencies provide hotel services to its employees visiting outstations on official visits which provides specific brand name of the hotels. Since the hotel Regency is not attached with any international chain, the hotel may not be able to attract a segment of clients.

Industry Risk

The risk of increased competition from foreign and domestic sources lead to lower prices, revenues, profit margins, market share etc which could have an adverse impact on the business, financial condition and results of operation.

Market Risk

Sometimes adverse market conditions affect the sales and profitability of the company. Mostly, the risk arises from falling demand for the product or service which would harm the performance of the company. On the other hand, strong marketing and brand management would help the company increase their customer base. The quality service of DRHRL has enabled the company to capture significant market share in the sector. The company is continuously upgrading the quality of their service to minimize the risk.

Existing Government Regulation Risk

The company operates under Company's Act 1994 and other related regulations, Income Tax Ordinance 1984, Income Tax Rules 1984, Value Added Tax (VAT) Act 1991 and Value Added Tax (VAT) Rules 1991. Any abrupt changes of the policies made by the regulatory authorities may adversely affect the business of the Company. Since the company operates in the hospitality sector, the government regulations are mostly investment-friendly. However, unless any policy change that may negatively and materially affect the industry as a whole, the business of the company is expected not have operational problem.

Changes in Global or National Policy

The performance of the company may be affected due to unavoidable circumstances both in Bangladesh and worldwide, such as war, tourism, political unrest in the country or customer countries. Changes in global or national policies may also adversely affect the economy in general. The risk due to changes in global or national policies is beyond the control of any company.

As per Credit Rating Report dated May 31, 2011

The name of credit rating agencies is **Credit Rating Information and Services Limited (CRISL)**

Rating Obtained:

	Rating Year	Long Term	Short Term
Entity Rating	2011	A+	ST-3
Date of Rating	May 31, 2011		
Expiry Date of Rating	May 30, 2012		
Rating Assigned By: Credit Rating Information And Services Limited (CRISL)			

Rationale of the ratings obtained:

CRISL has assigned 'A+' (pronounced as single A plus) rating in the Long Term and 'ST-3' rating in the Short Term to Dhaka Regency Hotel & Resort Limited (hereinafter called as 'DRHRL' or 'the company') on the basis of its financials and other relevant quantitative and qualitative information. The above ratings have been done after due consideration to its fundamentals such as equity based company, ideal location, good financial performance, sound liquidity, low operating cost, innovative service facilities, good debt servicing capacity, experienced management team etc. However, the above factors are moderated, to some extent, by high finance cost burden, lack of attachment to any international chain, yet to formulate documented fund utilization policy, etc.

Entities rated in this category are adjudged to offer adequate safety for timely repayment of financial obligations. This level of rating indicates a corporate entity with an adequate credit profile. Risk factors are more variable and greater in periods of economic stress than those rated in the higher categories. The short term rating indicates good certainty of timely payment. Liquidity factors and company fundamentals are sound. Although ongoing funding needs may enlarge total financing requirements, access to capital markets is good. Risk factors are small.

CRISL placed the company with “positive outlook” due to recent initiative of fund injection through IPO (Initial Public Offering) and proposed business expansion plan.

Observations and risk factors as stated in the credit rating report:

Observation Summary

Rating Comforts <ul style="list-style-type: none"> • Equity based company • Ideal Location • Good financial performance • Sound liquidity • Low operating cost • Top range restaurants with innovative dinning concepts • Innovative service facilities • Sound facilities and infrastructures • Experienced management team • Good debt servicing capacity • Located near the International Airport 	Rating Concerns <ul style="list-style-type: none"> • No attachment to any international chain • High finance cost burden • Yet to formulate documented fund utilization policy • Yet to develop any corporate branding strategy • Exposed to quality maintenance risk
Business Prospects <ul style="list-style-type: none"> • Immense opportunity of market growth • Capacity utilization to the estimated level 	Business Challenges <ul style="list-style-type: none"> • Increasing competition in the market • Political instability • Within the vicinity of branded and non branded five star hotels • Lack of government supportive policies

Risk Factors:

Maintenance Risk

The company does not have any affiliation with any international chain. As the industry as a whole is required to compete with the quality service, the hotel may face the quality service risk unless and until it takes utmost care with special note to look after the issue.

Brand Image Risk

The brand image plays a very important role in getting foreign guests. Most of the multilateral agencies provide hotel services to its employees visiting outstations on official visits which provides specific brand name of the hotels. Since the hotel Regency is not attached with any international chain, the hotel may not be able to attract a segment of clients.

Exchange Rate Risk

Exchange rate risk occurs due to changes in exchange rates. As the Company imports equipment from abroad and also earns revenue in foreign currency, unfavorable volatility or currency fluctuation may affect the profitability of the Company. If exchange rate is increased against local currency opportunity will be created for generating more profit.

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The company operates under Company's Act 1994 and other related regulations, Income Tax Ordinance 1984, Income Tax Rules 1984, Value Added Tax (VAT) Act 1991 and Value Added Tax (VAT) Rules 1991. Any abrupt changes of the policies made by the regulatory authorities may adversely affect the business of the Company. Since the company operates in hospitality sector, the government regulations are mostly investment-friendly. However, unless any policy change that may negatively and materially affect the industry as a whole, the business of the company is expected not have operation problem.

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The performance of the company may be affected due to unavoidable circumstances both in Bangladesh and worldwide, such as war, tourism, political unrest in the country or customer countries. Changes in global or national policies may also adversely affect the economy in general. The risk due to changes in global or national policies is beyond the control of any company.

Details of underwriting:

The names, addresses, telephone numbers, fax numbers, contact persons and e-mail addresses of the underwriters and the amount underwritten by them:

Name & Address	Contact Person	Contact Info.	Amount Underwritten (BDT)
LANKABANGLA INVESTMENTS LIMITED City Center Level - 24 90/1 Motijheel C/A Dhaka - 1000 Bangladesh Website: www.lankabangla-investments.com	Mr. Khandakar Kayes Hasan, CFA Chief Executive Officer	PABX : +88 02 951 26 21 Fax : +88 02 956 11 07 E-mail: kayes@lankabangla-investments.com	52,500,000.00
ICB Capital Management Limited Green City Edge (5th & 6th Floor) 89, Kakrail Dhaka-1000, Bangladesh Web : icml.com.bd	Mrs. Nasrin Sultana Chief Executive Officer	Phone : +880-2-8300421, 8300395, 8300555 FAX: +88 02 8300396 E-mail : icmlbd@gmail.com	52,500,000.00
EBL Investments Limited 59 Motijheel C/A (1st floor), Dhaka-1000 Web: www.eblinvestments.com	Mr. Moinul Hossain Asif Managing Director	Phone : +88 02 7118975, 7119039 ,7120207 Email: sayed@eblinvestments.com	21,000,000.00
NBL Capital and Equity Management Limited Printers Building (8th Floor), 5 Rajuk Avenue, Dhaka Web: www.nblbd.com	Ms. Kamrun Naher Chief Executive Officer (C.C)	Phone : +88 02 7118974 FAX: +88 02 7118840 Email: knahe57@gmail.com; emd@nblbd.com	21,000,000.00
IL Capital Limited Printers Building (14th floor), 5-Rajuk Avenue, Dhaka-1000 Web: www.il-capital.com	Md.Saiful Islam Akhand Chief Executive Officer	Phone : +88 02 9559639 FAX: +88 02 9559640 Email: saiful@ilfsl.com	21,000,000.00
BMSL Investments Limited SadharanBima Tower (7th Floor) 37/A Dilkusha C.A., Dhaka-1000 Web: www.bmslinvestment.com	Md. Riyad Matin Managing Director	Phone : +88 02 9577651, 9570624 FAX: +88 02 7123820 Email: ssi@dhaka.net	21,000,000.00
Prime Finance Capital Management Limited Paramount Heights (13th Floor), 65/2/1, Box Culvert Road, PuranaPaltan, Dhaka-1000 Web: www.primefincap.com	M. Mosharraf Hossain FCA, PhD Managing Director & CEO	Phone : +88 02 9584874, 9584876-77 FAX: +88 02 9584922 Email: info@primefincap.com	10,500,000.00
Riverstone Capital Limited Lotus Kamal Tower-2, Level-13, 59 & 61 Gulshan South Avenue, Gulsan-1, Dhaka- 1212. Web: www.riverstone.com.bd	Ashraf Ahmed Chief Executive Officer	Phone: +880-02-9898190, +880-02-9898203, +880-02-9898297, +880-02-9898352 Email: md@riverstone.com.bd	10,500,000.00
Total Underwritten Amount			210,000,000.00

Declaration by the underwriters that they have sufficient resources as per the regulatory requirements to discharge their respective obligations:

As per the Declaration by the underwriters (Section III, Due Diligence Certificate of the Underwriters.), they are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and eligible to carry out the underwriting activities and have the adequate capacity to underwrite as per relevant legal requirements.

Major terms and conditions of the underwriting agreements:

1. In case of under-subscription in any category by up to 35% in an Initial Public Offer, the undersubscribed portion of securities shall be taken up by the underwriter.
2. In case of failure to deposit the remaining amount by the eligible investors, the unsubscribed securities shall be taken up by the underwriter.
3. The underwriting agreement and the underwritten amount and allocation of underwriting portion shall be revised after completion of the bidding period, where the cut-off price will be determined at nearest integer of the lowest bid price at which the total securities offered to eligible investors would be exhausted. The public offering price will be determined at 10% discount (at nearest integer) from the cut-off price.
4. If and to the extent that the shares offered to the public by a prospectus authorised hereunder shall not have been subscribed and paid for in cash in full by the Closing Date of subscription, the Company shall within 10 (Ten) days of the closure of subscription call upon the underwriter in writing with a copy of the said writing to the Bangladesh Securities and Exchange Commission, to subscribe the shares not subscribed by the closing date and to pay for in cash in full, inclusive of any premium if applicable, for such unsubscribed shares within 15 (Fifteen) days after being called upon to do so. If payment is made by Cheque/Bank Draft by the underwriter it will be deemed that the underwriter has not fulfilled his obligation towards his underwriting commitment under this Agreement, until such time as the Cheque/Bank Draft has been encashed and the Company's account credited. In any case within 7 (seven) days after the expiry of the aforesaid 15 (fifteen) days, the Company shall send proof of subscription and payment by the underwriter to the Commission.

Capital Structure:

Authorized, issued, subscribed and paid up capital (number and class of securities, allotment dates, nominal price, issue price and form of consideration):

Particulars	No. of Shares	Nominal Value per Share in BDT	Amount in BDT
Authorized Capital	300,000,000	10.00	3,000,000,000
Paid-up Capital (as on December 31, 2015)	60,000,000	10.00	600,000,000
Pre-IPO Paid-up Capital	60,000,000	10.00	600,000,000
Capital to be issued through IPO under Book Building Method	[•]	[•]	[•]
Post-IPO Paid-up Capital	[•]	[•]	[•]

The Company has raised its paid-up capital in following phases:

Particulars of Allotment	Date of Allotment	Form of Consideration			Amount of Share Capital (Amount in BDT)
		In cash	Other than in cash	Bonus Share	
First	Subscribers to the Memorandum & Articles of Association at the time of Incorporation	514,650	-	-	5,146,500
Second	20.11.2006	287,100	-	-	2,871,000
Third	27.11.2008	198,250	-	-	1,982,500
Fourth	25.06.2009	49,000,000	-	-	490,000,000
Fifth	27.12.2010	10,000,000	-	-	100,000,000
Total		60,000,000	-	-	600,000,000

* Dhaka Regency Hotel And Resort Limited raised its paid-up capital from BDT 10,000,000 to BDT 500,000,000 vide BSEC letter no. SEC/CI/CPLC-181/09/89 dated May 20, 2009 only through issuance of 4,900,000 ordinary shares of Tk.100.00 each at par totaling Tk.490,000,000 (taka forty nine crore) only and subsequently raised its paid-up capital from BDT 500,000,000 to BDT 600,000,000 vide BSEC letter no. SEC/CI/CPLC-181/09/207 dated March 24, 2011 only through issuance of 10,000,000 ordinary shares of Tk.10.00 each at par totaling Tk.100,000,000 (taka ten crore) only.

Size of the present issue, with break-up (number of securities, description, nominal value and issue amount):

Number of Securities	Description	Nominal value	Issue Amount in BDT
[•]	Offer price of Tk. [•] per share including a premium of Tk. [•] per share	[•]	600,000,000.00

Paid up capital before and after the present issue, after conversion of convertible instruments (if any) and share premium account (before and after the issue):

Paid up Capital (Amount in BDT)		After Conversion of Convertible Instruments	Share Premium Account (Amount in BDT)	
Before the Present Issue	After the Present Issue		Before the Issue	After the Issue
600,000,000.00	[•]	The Company has no convertible instruments	388,000,000.00	[•]

Category wise shareholding structure with percentage before and after the present issue:

Shareholders Category	No. of Ordinary Shares Hold		Percentage of Holding (%)	
	Pre-IPO	Post-IPO	Pre-IPO	Post-IPO
Sponsors and Directors	30,283,886	[•]	50.47	[•]
Institutional	-	[•]	-	[•]
Mutual Fund	-	[•]	-	[•]
Individual	29,716,114	[•]	49.53	[•]
Non Resident Bangladeshis (NRBs)		[•]		[•]

Where shares have been issued for consideration in other than cash at any point of time, details in a separate table, indicating the date of issue, persons to whom those are issued, relationship with the issuer, issue price, consideration and valuation thereof, reasons for the issue and whether any benefits have been accrued to the issuer out of the issue;

The Company did not issue any of its ordinary shares for consideration in other than cash at any point of time.

Where shares have been allotted in terms of any merger, amalgamation or acquisition scheme, details of such scheme and shares allotted:

The Company has not allotted any shares in terms of merger, amalgamation or acquisition scheme.

Where the issuer has issued equity shares under one or more employee stock option schemes, date-wise details of equity shares issued under the schemes, including the price at which such equity shares were issued:

The Company has not issued equity shares under one or more employee stock option schemes.

If the issuer has made any issue of specified securities at a price lower than the issue price during the preceding two years, specific details of the names of the persons to whom such specified securities have been issued, relation with the issuer, reasons for such issue and the price thereof:

The Company has not made any issue of specified securities at a price lower than the issue price during the preceding two years.

The decision or intention, negotiation and consideration of the issuer to alter the capital structure by way of issue of specified securities in any manner within a period of one year from the date of listing of the present issue:

The Company has no such decision or intention, negotiation and consideration to alter the capital structure by way of issue of specified securities in any manner within a period of one year from the date of listing of the present issue.

The total shareholding of the sponsors and directors in a tabular form, clearly stating the names, nature of issue, date of allotment, number of shares, face value, issue price, consideration, date when the shares were made fully paid up, percentage of the total pre and post issue capital, the lock in period and the number and percentage of pledged shares, if any, held by each of them;

Name of Sponsors & Directors	Nature of Issue	Date of allotment	No. of shares	Face value	Issue price	Consideration	Date when shares were made fully paid up	Percentage (%)		Lock-in Period
								Pre-IPO	Post-IPO	
Musleh Uddin Ahmed	Ordinary Shares	27.12.2010	7,731,886	10.00	10.00	Cash	27.12.2010	12.89	[•]	3 Years
Dilkush Begum	Ordinary Shares	27.12.2010	4,202,000	10.00	10.00	Cash	27.12.2010	7.00	[•]	3 Years
Kabir Reza	Ordinary Shares	27.12.2010	5,780,000	10.00	10.00	Cash	27.12.2010	9.63	[•]	3 Years
Najma Arif	Ordinary Shares	27.12.2010	3,200,000	10.00	10.00	Cash	27.12.2010	5.33	[•]	3 Years
Rukeya Khatun	Ordinary Shares	27.12.2010	3,200,000	10.00	10.00	Cash	27.12.2010	5.33	[•]	3 Years
Zebun Nessa	Ordinary Shares	27.12.2010	3,200,000	10.00	10.00	Cash	27.12.2010	5.33	[•]	3 Years
Arif Motahar	Ordinary Shares	27.12.2010	2,970,000	10.00	10.00	Cash	27.12.2010	4.95	[•]	3 Years
Total Shareholdings by Directors and Sponsors (A)			30,283,886					50.47		

Note: (i) There is no pledged shares
(ii) Lock-in starts from date of issuance Prospectus

The details of the aggregate shareholding of the sponsors and directors, the aggregate number of specified securities purchased or sold or otherwise transferred by the sponsor and/or by the directors of the issuer and their related parties within six months immediate preceding the date of filing the prospectus:

There have been no securities purchased or sold or otherwise transferred by the sponsor and/or by the directors of the issuer and their related parties within six months immediate preceding the date of filing the red-herring prospectus/prospectus/information memorandum.

The name and address of any person who owns, beneficially or of record, 5% or more of the securities of the issuer, indicating the amount of securities owned, whether they are owned beneficially or of record, and the percentage of the securities represented by such ownership including number of equity shares which they would be entitled to upon exercise of warrant, option or right to convert any convertible instrument:

Sl. No.	Name of Shareholders	Address	Amount of Securities Owned	Type of Ownership	Shareholding %
1	Musleh Uddin Ahmed	House-487/A, Road-8C, DOHS, Baridhara, Dhaka	7,731,886	Directors & Sponsors	12.89
2	Dilkush Begum	House-32, Road-18, Sector-7, Uttara, Dhaka	4,202,000		7.00
3	Kabir Reza	House-24, Road-8, Sector-3, Uttara, Dhaka	5,780,000		9.63
4	Najma Arif	House-32, Road-18, Sector-7, Uttara, Dhaka	3,200,000		5.33
5	Rukeya Khatun	House-24, Road-8, Sector-3, Uttara, Dhaka	3,200,000		5.33
6	Zebun Nessa	House-487/A, Road-8C, DOHS, Baridhara, Dhaka	3,200,000		5.33
Total			27,313,886		45.52

As far as the existing information is concern, there is no event or intent of exercising warrant, option or right to convert any convertible instrument.

The number of securities of the issuer owned by each of the top ten salaried officers, and all other officers or employees as group, indicating the percentage of outstanding shares represented by the securities owned:

Sl. No.	Name of Shareholders	Position	No. of Shares	Shareholding %
1	Musleh Uddin Ahmed	Chairman & Director Finance	7,731,886	12.89
2	Mrs. Dilkush Begum	Vice Chairman and F & B Director	4,202,000	7.00
3	Kabir Reza	Director & Managing Director	5,780,000	9.63

DESCRIPTION OF BUSINESS:

The date on which the issuer company was incorporated and the date on which it commenced operations and the nature of the business which the company and its subsidiaries are engaged in or propose to engage in:

Particulars	Description
Date of Incorporation	November 14, 2006
Date of Commercial Operation	April 14, 2007
Nature of Business	Dhaka Regency Hotel & Resort Limited has been engaged in the hospitality business in order to provide lodging and hotel services. The Regency is a hotel based service oriented company to offer for room services, restaurant services, conferences, corporate events. The hotel is recognized as five star, so that customers are treated with all five star quality services.
Subsidiaries	The Company has no subsidiaries

Location of the project:

The Company is situated at Airport Road, Nikunja-2, and Dhaka-1229. Also, the location of the upcoming projects have been mentioned in Section – XXII under the head of “**Use of Proceeds**”.

Plant, machinery, technology, process, etc.

15-stories high with over 234,925.37 sq. ft. of space (including 15,000 sq. ft. parking lot), this edifice of classic stature structured for 214 luxuriously furnished guest rooms and suites began as a venture of Dhaka Regency Hotel & Resort. Each room is equipped with central air-conditioning, satellite television, International Direct Dialing, mini bar and an electronic safe.

Details of the major events in the history of the issuer, including details of capacity/facility creation, launching of plant, products, marketing, change in ownership and/or key management personnel etc;

Particulars	Description
Date of Incorporation	As a public limited company on November 14, 2006 having a vide Registration No. C-64465 (1956)
Capacity	214 Rooms
Date of commercial operation	April 14, 2007
Appointment of Independent Director	March 24, 2016
Appointment of Managing Director	September 03, 2015
Appointment of Chairman	September 03, 2015

Principal products or services of the issuer and markets for such products or services. Past trends and future prospects regarding exports (if applicable) and local market, demand and supply forecasts for the sector in which the product is included with source of data;**Principal Services of the Company**

15-stories high with over 234,925.37 sq. ft. of space (including 15,000 sq. ft. parking lot), this edifice of classic stature structured for 214 luxuriously furnished guest rooms and suites began as a venture of Dhaka Regency Hotel and Resort Limited. Each room is equipped with central air-conditioning, satellite television, International Direct Dialing, mini bar and an electronic safe. With the promising future of the Bangladeshi economy and an optimism to instigate further growth in this fast paced industry, Dhaka Regency Hotel and Resort Limited set out to create this new-generation 5 star business class hotel of international standard with business travelers and leisure seekers in mind alike to reign supreme both in sophistication and quality services:

The principal services of Dhaka Regency Hotel and Resort Limited are:

- ❖ Rooms and Suites
- ❖ Restaurants and Bars
- ❖ Shisha World
- ❖ Comfee Lounge
- ❖ Juvenex Spa & Salon
- ❖ DR Fitness
- ❖ Banquet Venues For Medium Scale Events
- ❖ Banquet Venues for Weeding, Corporate Iftar Events, Exhibitions and Conferences
- ❖ Hotel loyalty program - Dhaka Regency Premier Club
- ❖ Regular Celebration Packages at Dhaka Regency

Specification of services:**Rooms and Suites**

Dhaka Regency Hotel and Resort Limited has 214 rooms/suites of different categories. Each of the rooms and suites has been immaculately decorated with complete attention to the comfort of the guests. All rooms are centrally air conditioned with individual temperature control, with attached toilet, Bathrobe & Hairdryer, running hot and cool water, satellite TV channels, International Direct Dialing, Mini bar, Electronic safe, 24-hours room services, Laundry services, Wi-Fi Services, Mini bar, bed for physically challenged person.

Categories of Rooms/Suites:

Sl. No.	Room Type	Number of Rooms	Room Size (Sq. Ft.)
01	Presidential Suite	1	1600
02	Royal Suite	2	1225
03	Regency Premium	27	350
04	Regency Studio	22	500
05	Luxury Studio	4	550
06	Specialty Suite	1	700
07	Premium Twin	4	350
08	Executive Suite	8	692
09	Deluxe Supreme	8	585
10	Luxury Deluxe	52	455
11	Luxury Twin	9	310
12	Standard	54	333
13	Standard Single	12	225
14	Standard Twin	10	376

Presidential Suite

The Presidential Suite has a bewildering space over 1,600 sq. ft with a nice panoramic airport view. It has a very well furnished gorgeous bed room with a king size bed. It has an individual sitting room and very specious two toilets with satellite connected Zakuzi, steam and a connected twin bedded accommodation. An in room equipped kitchen and dining facilities are also available.

Royal Suite

Royal Suites have a huge space over 1,225 sq. ft with a nice panoramic airport sight. It has a very well furnished bed room with a king size bed. It has an individual sitting room and very specious two toilets with Zakuzi, and steam facilities.

Regency Premium

Designed with comfort in mind, this room comes with a king size bed a quaint sitting space and most modern creature comforts one could desire. Furnished with plush furniture and a larger well-stocked bathroom, this is one of our more sought-after categories on the club floors.

Regency Studio

An expansive space of over 500 sq. ft. with king size bed, a large lounging area, and a nook for dining, this room is a comfortable combination of luxury and simplicity. It is only available without windows for sound sleep without the invasion of outdoor noises and unwelcome sunlight in the early mornings.

Luxury Studio

A sprawling guest room just of near 550 sq. ft. is very popular for its size and most modern creature comforts one could desire. Furnished with plush furniture and a larger well-stocked bathroom, this is one of our best categories on the club floors.

Specialty Suite

An extensive guest room just of near 700 sq. ft. with most modern creature comforts one could desire. Room is furnished with luxurious furniture and a larger well-stocked two bathrooms. Guest privacy is well maintained by Separate sitting arrangement.

Premium Twin

Designed with comfort in mind, this room comes with twin single bed preferred for two persons a quaint sitting space and most modern creature comforts one could desire. Furnished with plush furniture and a larger well-stocked bathroom.

Executive Suite

Pristinely lavish suite of over 692 sq. ft. that also has a fully-furnished connecting living room (also has separate entrance/exit) Designed with comfort in mind, this room comes with a king size bed with separate sitting room and two different toilets for guest comfort

Deluxe Supreme

These are luxurious rooms that are well furnished kind size bed with panoramic airport view. Rooms have large windows overlooking the outside beauty with airport runway view.

Luxury Deluxe

This charming fully air-conditioned space of over 455 sq. ft. provides a panoramic view of Dhaka City and comes with king size bed and a quaint sitting area. One of the most popular rooms with our frequent visitors, the room is just the right value for money for guests on a budget.

Luxury Twin

This charming fully air-conditioned space of over 310 sq. ft. provides a panoramic view of Dhaka City and comes with twin single bed preferred for two persons and a quaint sitting area. One of the most popular rooms with our frequent visitors, the room is just the right value for money for guests on a budget.

Standard

Well-furnished air-conditioned guest room with king size bed and over 333 sq. ft. of space, it is only available without windows for sound sleep without the invasion of outdoor noises and unwelcome sunlight in the early mornings.

Standard Single

This is the most economic room and requested by a single guest. The room is equipped with a single bed, world class carpeting floor and full amenities like TV, well stocked Mini bar, electronic safety locker, smoking and non-smoking facilities.

Standard Twin

Well-furnished air-conditioned guest room with two separated single bed and for two persons over 376 sq. ft. of space, it is only available without windows for sound sleep without the invasion of outdoor noises and unwelcome sunlight in the early mornings.

Restaurants and Bars

Dhaka Regency Hotel and Resorts features three international standard dining facilities- Grandiose Restaurant, Grill on the Skyline, Club 13 (Live Entertainment Bar Lounge)

Grandiose Restaurant

With a contemporary yet elegant setting sprawled over a space of 8,500 sq. ft., Grandiose Restaurant is the nation's largest 24-hours multi-cuisine 5-star class restaurant, allowing plenty of privacy to all our patrons.

Specialties

The restaurant offers all day dining and an innovative, seasonal menu. Over 101 Buffet dishes comprise of Italian, Mediterranean, Japanese, Thai, Chinese and Bangladeshi. Fresh house-made pastas, pastries, gelatos and desserts are there.

Celebrating Events

The First Day of Bengali Year, Mother's Day & Women's Day special dining, Ramadan Iftar followed by Dinner, Valentine's Day Special Buffet, Friendship Day, Pitha Utshab, Halloween Special Buffet etc.

Grill On the Skyline

A secret garden located on the rooftop of the hotel, overlooking Dhaka city with an unobstructed view of the airport runway and its majestic view feels up your senses with a little slice of heaven.

Specialties

Let one taste buds rage over to an exquisite selection of sizzling freshly grilled dishes and many other exotic sea foods. One ultimate priority to choose and create own menu. Special live musical session is there on weekends.

Celebrating Events

Month long BBQ Fest, Valentine's Day Special Dinner, Christmas Day Party & Dinner, New Year Celebration DJ & Dinner, Premier Club Members' Night, Special Events for Embassies and Diplomats.

Club 13 (Live Entertainment Bar Lounge)

Whether to talk shop with clients and make business deals in a positive atmosphere, catch up with old friends while sipping one's favorite cocktail at Club 13, the largest live entertainment bar lounge in the city.

Specialties

Club 13 comprises an International live entertainment with livelier ambiance, cosmopolitan meeting place and having one of the most exquisite cocktails list in town.

Shisha World

Indulge in our endless hookah flavor list with the highest quality and authentic tobaccos, a place where you are treated like a Sheikh in a pure Mediterranean ambiance.

Features

Wide selection of flavored hookahs with scrumptious food menu, instrumental music, Mediterranean styled low seating arrangements and plush cushioned banquettes.

Comfee Lounge

Adjacent to the main hotel reception lobby, it is a convenient and trendy little cafe that allows both in-house and city guests to access mouthwatering confections and refreshing concoctions.

Features

Futuristic furnishing and flavored fragrances are all around. Good place to relax with a book or magazine as well as to have casual meetings. Exclusive Birthday celebration cakes, smoothies, mocktails, and pizza could be the perfect choices at Comfee Lounge.

Juvenex Spa & Salon

This luxury 5,000 square feet establishment is the largest private rejuvenation facility at a 5 star hotel in the country. Inspired by the serene sophistication and attention to detail demonstrated by the contemporary spas of Thailand, our Dhaka Regency Siam Spa offers spa and salon services surrounded in a luxurious environment with a breathtaking bird's eye view of the City and Hazrat Shahjalal International Airport runway for a refreshing and unique Dhaka Regency spa experience.

Here are some of unique amenities:

- Largest spa facility
- Full-service salon with
- Juvenex Spa's premier spa
- Unique Juvenex Spa "Snack & Sip" menu
- Steam Room

DR Fitness (Well-Equipped gym)

A vested interest towards the health of all those it comes into close association with. Enjoy a total body workout at our very own state-of-the-art health club, DR Fitness. Whether one wish to do strengthening exercises or cardiovascular workout, Regency's multi-gym with steam & sauna constitutes of some of the latest equipment's of the season set in a comfortable environment that allows one to pace him/her according to individual need. Our trainers are ready to drop of a hat to ensure that one doesn't strain oneself too far as well as that one achieve the best to his/her ability during each session.

Apart from complete multi-gym facilities, some of our unique features include:

- Steam & Sauna
- Oxygenated changing rooms with lockers
- A spectacular view of the Hazrat Shahjalal International Airport runway and Dhaka City
- DVD Player and LCD TV with a collection of workout DVDs

Extended workout stations, latest gym installments, strengthening exercises or cardiovascular workout, multi-gym with steam & sauna.

Banquet Venues for Medium Scale Events

5 numbers of cozy and plush venues ranging from 980 to 4400 sq. ft. with seating capacity of up to 200 guests in five different seating arrangements. All the venues are with plenty of natural as well as electrical lighting, white décor and ideal for the following types of gatherings:

- Business Meeting
- Personalized Events
- Press Conference
- Seminar
- Team Building and Motivational program
- Workshop

Although Grill on The Skyline, the rooftop garden restaurant is usually open to restaurant patrons however, one can also be privately book for only selected and upscale cultural or cocktail events, parties arranged by diplomats and corporate corps.

Banquet Venue for Weeding, Corporate Iftar Events, Exhibitions and Conferences

If you're planning to tie the knot this year, there's a destination for everyone. Two of the majestic wedding venues at Dhaka Regency are guaranteed for those seeking a stylish and authentically romantic venue from which to stage the most important of days.

Celebration Hall, the newly renovated 5,721 sq. ft. Grand Ballroom along with built in stage, banner backdrop and green room could be the ideal venue for your dream Wedding, AGM, International Conferences and Exhibitions. Its vaulted ceiling also makes the venue ideal for cultural events. Additional features include Regency's experienced event planners, customized- budget conscious menu and catering services and top notch services.

Grand Summit 1, adjoined to the larger Celebration Hall could be rented individually or in conjunction with the larger ballroom to accommodate larger parties.

These royal venues together could accommodate approximately 550 guests with round table seating arrangements and 950 with standing reception. Another impressive venue, **Rendezvous Lounge** is also a perfect place to host small scale anniversary and personalized events.

Surprise privileges ranges from complimentary venue, buffet dinner for couple, one night complimentary stay could be availed against the booking category and under specific terms and conditions.

Dhaka Regency Premier Club

An exclusive privilege program aimed at taking guests enjoyment of culinary and lifestyle experience to new heights. Traveling or at home, Premier Club members are the first to learn about great promotions, receive invitations to exclusive events and indulge with exclusive discounts on accommodation, dining, health club, spa and bar entertainment at Dhaka Regency.

Regular Celebration Packages at Dhaka Regency

Weekend Package

To a Romantic Honeymooner, Business Traveler, Family or Leisure Vacationer looking for a weekend getaway, Dhaka Regency offers the kind of Weekend Package only to the local residents up to 2 adults and 2 children ages below 12 years with one night accommodation at Regency Studio for reasonable cost. Package also comprises complimentary buffet breakfast, lunch and dinner, using of complimentary gym, swimming pool, steam and sauna. Free access to club 13 and 20% discount at Juvenex Spa & Salon are also there. Package is available only on weekends as Thursday, Friday and Saturday.

Premier Club Members' Package

As a privilege on accommodation, this package has been designed for the members of Hotel loyalty program – Dhaka Regency Premier Club. Members are privileged with the Package which includes One Night Couple Accommodation at Regency Studio with Complimentary benefits which includes Buffet Breakfast & Buffet Lunch at Grandiose Restaurant, Two 500 ml Bottles of Local Mineral Water One Local Daily Newspaper in room daily, using facilities of fitness center -DR Fitness (including Steam & Sauna), Rooftop Swimming Pool & Wi-Fi Internet Service throughout the hotel premises except in Business Center.

Romance Package

Package includes One Night Couple Accommodation at Regency Studio, Complimentary Buffet Dinner at Grandiose Restaurant, Complimentary Celebration Cake, and 20% discount at Grill on the Skyline, 25% discount at Juvenex Spa & Salon, Complimentary Gym, and Swimming Pool using facilities.

Market of the Products:

The markets for such products or services are which we have divided into three categories, Market Segment, Business Mix & Geographical Mix-

Market Segment	Business Mix	Geographical Mix
✓ Corporate	✓ Airlines	✓ Asia
✓ New Companies	✓ Layover	✓ Europe
✓ Airlines Crew	✓ Tour	✓ America
✓ Government/Diplomats	✓ Garments	✓ Canada & North America
✓ Tour Operation	✓ Telecom	✓ Middle East
✓ Business Group	✓ UN/Diplomats/Government	✓ SAARC
✓ Layover	✓ Power/Energy/Sector	✓ Africa
✓ Walk-in	✓ Manpower	✓ Others
✓ Long Staying	✓ Groups	
	✓ Multinationals, Others	

Over the last 3-5 years, the tourism sector in Bangladesh has performed an encouraging role and the overall image of the industry has enhanced at a good extent. Internationally standard accommodation has almost tripled within last 3-5 years. Major internationally renowned brands like Sheraton, Marriott, Holiday Inn, Hilton, Intercontinental, Le Meridien along with all the existing are in their pipeline to open their properties within the capital and elsewhere in Bangladesh. A major welcome return to the growth of the visitors both domestic and international in major strategic destinations has shown a positive scenario. This will be certainly good news for all of us in the tourism industry which will align our collective goal of welcoming more number of visitors that could exceed the previous year records. Due to RMG success, the growth of foreign travelers in Bangladesh has significantly increased during the past 10 years.

The creation of Bangladesh Tourism Board, participation in major tourism fair worldwide and making budgetary provisions in the national budget was the positive signs from the government and public sector. Aside to this, private sector is also largely contributing in creating and developing products and facilities within the country to boost up its sector. The investments in Bangladesh Hospitality Industry are also creating employment opportunities, economic growth and attracting the increased numbers of domestic and international tourists. Bangladesh Govt. has set an ambitious target to increase foreign tourists' arrivals by 70% to 1 million in 2016. If the number of visitors increases by 7 percent per annum, then it will require 235 hotels every year. The research findings of the WTTC for 2015 as well as for past few years carry solid proof of the potential of travel and tourism sector in economic development of the country. Around 4, 50,000 Intl. Tourist Arrivals are expected to visit Bangladesh per year.

Recent development activities undertaken in energy sector, communication and hopefully with re-bumping the RMG sector, the travel market will flourish in the years ahead. Padma Bridge Project, Metro Rail Project in Dhaka, Dhaka Elevated Expressway, 4 Lane highways and the historical BBIN (Bangladesh Bhutan, India, and Nepal) Road Connectivity Contract etc. are also showing a good prospect to expect more numbers of foreign travelers in Bangladesh.

If the issuer has more than one product or service, the relative contribution to sales and income of each product or service that accounts for more than 10% of the company's total revenues;

Sl. No.	Particulars	Amount (BDT) as on December 31, 2015	Contribution (%)
1	Rooms	461,867,306	60.07
2	Food & Beverage	226,943,298	29.52
3	Misc. Operating Revenue	80,043,027	10.41
Total		768,853,631	100

* Revenue has shown including VAT

Description of associates, subsidiary and holding company of the issuer and core areas of business thereof:

There are no associates, subsidiary and holding company of Dhaka Regency Hotel and Resort Limited.

How the products or services are distributed with details of the distribution channel. Export possibilities and export obligations, if any:

The Company operates through its hotel premise “Dhaka Regency Hotel And Resort Limited” Airport Road, Nikuja-2, Dhaka. It provides the service directly to its customers and potential customer through the sales counter in the Hotel and Airport Both of Shahjalal International Airport.

Export possibilities and export obligations is not applicable for this company.

Competitive conditions in business with names, percentage and volume of market shares of major competitors:

The current Hospitality Industry in Bangladesh is highly competitive in terms of number of Products, Service up gradation and Rate offered to the customers and based on Business accommodations. Below is the glimpse of the key players in Bangladesh Hospitality Industry operating within Dhaka and Chittagong and mostly serving Business Travelers:

Le Meridien Dhaka 306 Rooms	The Westin Dhaka 235 Rooms	Radisson Blu Water Garden Hotel Dhaka 200 Rooms	Dhaka Regency Hotel & Resort Ltd. 214 Rooms
Four Points By Sheraton 131 Rooms	Courtyard Marriott 211 Rooms Opening in End of 2015	Lakeshore Hotel 60 Rooms	Radisson Blu Chittagong Bay View 200 Rooms
Pan Pacific Sonargaon Dhaka 277 Rooms	Amari Dhaka 134 Rooms	LongBeach Suites Dhaka 104 Rooms	The Peninsula Chittagong 144 Rooms
Platinum Suites 115 Rooms			

Source of Data: Website

Sources and availability of raw materials, names and addresses of the principal suppliers and contingency plan in case of any disruption:

Dhaka Regency Hotel And Resort Limited is a service oriented Company. The major product of the Company is hotel business along with restaurant business. All the raw materials of the Company for restaurant purpose collect from various suppliers are as follows:

Sl. No.	Name of Suppliers	Category of Supply	Address
1	Abdullah Vegetables Store	Perishable Items	Shop No 111-134, D.C.C Kacha Maket, Gulshan-1
2	AGI Printing & Packaging Ltd	Printing Items	169 Baro Mogbazar, (Doctor Goli) Santinagar, Ramna, Dhaka
3	Bogra Enterprise	Perishable, Imp. Food, Grocery & Noon Food Items	Shop No # 21, Basement Floor, Rajuk Trade center, Nikunja-2
4	Fair Distribution	Imp. Food Items	H # 76/B, 2nd & 3rd floor, R # 11, Banani, Dhaka-1213
5	Hatirpool Matsha Bitan	Perishable (Fish)	23, Hatirpool, Kacha Bazar, Dhala-1000
6	Alif Hardware	Hardware & Paint	Shop No-05, Jan-E Alam Market, Khilkhet-1229
7	Kamal General Store	Imp. Food Items	78, D.C.C Market, Gulshan-01
8	M/S K.R Corporation	Imp. Food Items	Ka-27/3, Norda, Gulshan, Dhaka.
9	Mawla Traders	Imp. Food Items	152, Gulshan Shopping Center (3 rd floor) Gulshan-01, Dhaka-1212
10	Miami Associates BD	Cleaning Items	Ka-71/1. Progoti Sharani, Kuril, Badda, Dhaka-1229
11	R.M Enterprise	Perishable , Imp Food, Grocery & Noon food Items	115/A, New Elephant Road (2 nd Floor), Dhaka-1205
12	S.K Electric	Electric Items	125/59-60, Aziz Electric Market, Nawabpur, Dhaka
13	STB Asia Impex (BD) Pvt.Ltd	Imp. Food Items	H # 1 (1 st floor) B # F, A # 5, Main Road, Rampura, Banasree, Dhaka-1219
14	U.N Press	Printing Items	4/1, Walter Road, Sutrapur, Dhaka-1100
15	Win Printing	Printing Items	159 Arambagh, Motijheel Dhaka-1000
16	M/S. A. Rahim Enterprise	Perishable, Imp Food, Grocery & General Items	Idrish Super Market, Shop # 08, 82/4-B, Shahed Faruk Road, South Jatra bari, Dhaka-1204
17	Yousuf Enterprise	Hardware & Sanitary Items	152, Shahid Syeed Nazrul Islam Shorani (North South Road) Dhaka-1000
18	Nusaiba Enterprise	Perishable Items	406/2, West Shewrapara, A #1/B, Ground Floor, Dhaka-1216
19	A & A Enterprise	Perishable Items	B-3/6, South Badda, Dhaka-1212

20	M/S Sajeda Trading Agency	Imp. Food Items	Shop No 278(3 rd floor) Gulshan Shopping center, Dhaka-1212
21	TN International	Computer & Stationary Items	13 Rajuk Center (3 rd floor) Nikunja-02, Khilkhet-1229
22	Fair Trade International	Perishable ,Grocery, & Noon Food Items	House # 13/3, Road #/A, Dhanmond, Dhaka
23	Tamam Corporation	Perishable &,Grocery Items	27/11/3-C, Hasan Bhaban (2 nd floor) Topkhana Road,Dhaka-1000
24	Foodex International	Imp. Food Items	Navana Tower, (7 th Floor)45 Gulshan Avenew, Circle-1, Dhaka-1212
25	Taj Enterprise (Tanru)	Imp. Food Items	House # 6, Road # 50, Gulshan Circle 2, Dhaka 1212
26	Holy Seed Agro Ltd	Dressed Chicken	Road # 10(Last Lane), DIT Project, Merul Budda, Dhaka-1212
27	M. R Corporation	Grocery & Noon Food Items	D C C Market (Kacha Bazar) Gulshan-1
28	J & J Marketing	Grocery, Noon Food,Engineering & Printing Items	Plot # 79, B # K, R # 1, Rupnagar Industrial Area, Mirpur-2, Dhaka-1216
29	Blue Bird International	Imp. Food Items	House # 4, Road # 4, Dosh Ekor (Ghudara Ghat), Gulshan-1.Dhaka-1212
30	Expolink Resources Ltd	Imp. Food Items	H # 4, Sheikh Kamal Saroni, Dhanmondi R/A, (5 th floor) Dhaka-1209
31	Allion Trade International	Imp. Food Items	163 Gulshan Shopping Centre, Gulshan-1 Dhaka-1212
32	M/S Panna Enterprise	Perishable & Grocery Items	4/3-F-1,South Begun bari, Tejgaon Industrial area, Dhaka-1206
33	Noor Trade House	Imp. Food Items	Ka-224/1, Kuril School Road, Kuril Badda, Dhaka-1229
34	M/S R.M Enterprise	Perishable & Grocery Items	E/1,Bahadur Tower,1/B, Pribagh, Dhaka
35	Unity Press Ltd	Printing Items	183/1, Arambagh, Motijheel,Dhaka-1000
36	Institute of Tourism & Catering Service (ITCS)	Perishable & Grocery Items	House # 277, Shaheed Bodiuzzaman Road # 1, Cantonment, Dhaka-1206
37	Mabco Foods Ltd	Grocery Items	9 Rajuk Avenue, Ali Bhabon,8th floor,Motijheel, Dhaka-1000
38	Bashar Agro Food Products	Perishable Items	Shop No 84, Ground Floor, D,C.C Kacha Market, Gulshan-01
39	M/S Sikder Corporation	Engineering Items	474, South kafrul, Dhaka-1206
40	MN Corporation	Perishable & Grocery Items	Flat # A-1, H # 14, Road # 3, Sector # 7,Uttara
41	Golden Enterprise	Perishable & Grocery Items	House 3 10, Road # 02, Nikunja-2
42	MEC Logistics	Engineering Items	House 363/3 (3Rd floor) Road-6, DOHS Baridhara, Dhaka-1206
43	Saint's Eye Ltd	Grocery Items, Imp.Food & Engineering Items	B-3/6, South Badda, Dhaka-1212
44	M/S Sikder Traders	Grocery Items & Non Food Items	DCC Market,Kacha Bazar, Gulshan-01
45	The Builders	Non Food,Stationery, Computer Items	House 2, Road-13, J & J Mansion Dhanmondi, Dhaka
46	UIC	Engineering Items	Priyo Prangan Tower,Suite 4-8 4th floor, 19 kamal ataturk Avenue, Banani,Dhaka
47	Basic Technologies	Computer Items	ECS Computer City , Multiplane Centere, 69-71, Elephant Road, Dhaka
48	M/S Haque Enterprise	Engineering Items & Printing	48/1, Aram bagh , Motijheel,Dhaka-1000
49	Genesis Ptv Ltd	Printing Items	73 Siddeshwary road, Ramna, Dhaka-1217
50	Corporate Printers	Printing Items	159/ C, Tejgong, Dhaka
51	Unity Service Ltd	Kitchen Equipments	Plot-53, Road-17, Banani, Dhaka
52	Progati consortium	Lilen Items	Road 2, House 10, APT-C1, Shaymou, Dhaka
53	Blue Back Corporation	Room Amenities	House 524, Road-10, Baridhara DOHS, Dhaka-1206
54	Group Tex	Lilen Items	House-31, Road 19, Sector-1, Uttara, Dhaka

Contingency plan in case of Disruption of supplier

The Company has already arranged more than one alternative supplier in different category of supplies as mentioned above para **Sources and availability of raw materials, names and addresses of the principal suppliers.**

Sources of, and requirement for, power, gas and water; or any other utilities and contingency plan in case of any disruption:

Sl. No.	Description	Source	Current Requirement (Approx)
1	Electricity	Dhaka Electricity Supply Company Ltd. (DESCO)	500 KWH
2	GAS	Titas GAS Transmission and Distribution Co. Ltd	35000 CM/Month
3	Water	Dhaka Water Supply & Sewerage Authority	70 Lac Ltr/Month

Contingency plan in case of Disruption of utilities

Alternative Power Source: 03 three diesel generator

Brand	Pramac	MITSUBISHI
Capacity in KVA	560X01 Nos.	665X02 Nos.
Model	GSW-560D	MGS0650C
Country of Origin	Spain	Japan
Fuel Consumption	90 Liter per hour at 75% load	107 Liter per hour at 75% load
Supplied By	Rahimafrooz Energy Services Ltd.	Rahimafrooz Energy Services Ltd.

Alternative Water Source: Own Deep Tube Well

Brand	Grundfos
Capacity in liter	50,000 L/h
Model	SP60-10
Country of Origin	Singapore
Power Consumption	18.5 KW
Supplied By	The Megatech Engineers

Alternative Gas Source:

The Company has managed cylinder gas for alternative Gas Source

Names, address(s), telephone number, web address, e-mail and fax number of the customers who account for 10% or more of the company's products/services with amount and percentage thereof;

The company's products or services are sold to various customers. However, no single customer provides 10% or more of the Company's total revenue.

Names, address(s), telephone number, web address, e-mail and fax number of the suppliers from whom the issuer purchases 10% or more of its raw material/finished goods with amount and percentage thereof:

The company's buy raw material from various suppliers. However, no single suppliers provides 10% or more of its raw material/finished goods.

Description of any contract which the issuer has with its principal suppliers or customers showing the total amount and quantity of transaction for which the contract is made and the duration of the contract. If there is not any of such contract, a declaration is to be disclosed duly signed by CEO/MD, CFO and Chairman on behalf of Board of Directors:

The company has not entered into any contract with any of its suppliers or customers.

Declaration regarding Contract with Principal suppliers or customers

We, on behalf of the Board of Directors certify that Dhaka Regency Hotel And Resort Limited did not enter into any contract with its principal suppliers or customers.

Sd/-
Kabir Reza
Director & Managing Director

Sd/-
Md. Kamal Hossain Morshed
Chief Financial Officer

Sd/-
Musleh Uddin Ahmed
Chairman

Description of licenses, registrations, NOC and permissions obtained by the issuer with issue, renewal and expiry dates:

Particulars	Issuing Authority	No. of License/Registration	Validity
Trade License	Dhaka North City Corporation, Revenue Division (Circle-01)	No: 01-00220	30 June 2016
Trademark	Issued by The Registrar, Department of Patents, Designs and Trade Marks, dated 2 nd September, 2009 Dhaka	125916	-
Restaurant License	Office of the Deputy Commissioner, Dhaka (Trade and Commerce Section)	Dhaka/-09/2007	31 December 2016
Fire License	Fire Service & Civil Defense, Dhaka Division	Dhaka/21995/10	30 June 2016
CM License	Bangladesh Standards and Testing Institution (BSTI)	14933/G-4/2015, 14934/G-4/2015, 14935/G-4/2015	30 June 2016
Bar License	Bengal Excise and Salt Department District-Dhaka	License No. 23/2007-2008(Grand Dues Restaurant and License No. 23/2007-2008(Executive Lounge Floor)	30 June 2016
Environment License	Department of Environment	Environment/Dhabi/12212/Press Release-265	14 March, 2016 (Renewal under processing, Application date- 09.03.16)
IRC	Office of the Chief Controller of Export and Import	BA/0186159	Permanent
Hotel License	Hotel and Restaurant Cell, Ministry of Civil Aviation and Tourism	30.00.000.020.008.013.2008	31.12.2015 (Renewal under processing, Application date- 29.12.15)
Premises License	Office of Civil Serjion, Dhaka	CSD/Tej/Naba-492	30 June 2016
Limited Money Changing License	Head Office, Bangladesh Bank, Motijhelli, Dhaka	FEPD(LDA-1)141/2008-994	08 September 2016
Membership of DCCI	Dhaka Chamber of Commerce & Industry (DCCI)	MC No-01957, Book No. 020	Renewal under processing
BOI Registration	Chief Adviser's Office, Board of Investment	BOI/R&I-1/3981/2006/2068, Dated 28/12/2006	-

Description of any material patents, trademarks, licenses or royalty agreements:

DRHRL has a registered trademark issued by the Registrar, Department of Patents, Designs and Trade Marks, Government of the Peoples Republic of Bangladesh on 2nd September, 2009.

Except the above, the Company neither obtained any Patent Right nor signed any royalty agreement with any party. However, it has several regulatory licenses and certificate in order to continue its operation.

Number of total employees and number of full-time employees as on 31.12.2015:

(As per Audited Accounts)

Salary Range (Monthly)	Full-time Employees	Part-time Employees	Total
Below Tk. 3,000	-	-	384
Above Tk. 3,000	384	-	

A brief description of business strategy:

Considering the competitive market scenario, Dhaka Regency Hotel & Resort could not come out of being the lowest average rated hotel amongst all the five star hotels in city. However Dhaka Regency steadily maintained its market share in some segments, especially crew accommodation and retaining key clients. Aside to this, marketing and promotional movements along with strategic affiliation with prominent business partners are set and aligned in a perfect way to bring incremental revenue and client base for most of the outlets.

Current Room Inventory in the entire industry will be doubled by the end of 2016 and will be approximately 3500 Room Nights per Day. Business inauguration of the key competitors Le Meridien Dhaka, Amari Dhaka, Long Beach Suites, Best Western Maple Leaf, and Platinum Residence in Uttara have further created a

competitive market scenario. Thus an increased level of competition has been observed in achieving business travelers as well as corporate clients by all the key players. Consequently all the hotels will suffer on their ARR (Average Room Rate) plus Revenue which will directly affect their GOP (Gross Operating Profit). The following will be our key strategic moves to cope up with current competitions:

- Take more advantage of the Location Benefit: Due to close distance from International Gateway and Current Business Pattern; airlines crew, layover, corporate business will be retained.
- Grab the Growing Business Travelers Worldwide: Economic Progression, Foreign Direct Investment will attract more international visitors or business clients and is expected to grow at an average rate of 7.5%. Dhaka Regency is all set to attract and convert these growing travelers to its clientele.
- Product Enhancement: To cope up with the competition, Dhaka Regency will work on to upgrade and enhance the existing products through renovation and expansion.
- Retention of Skilled and Experienced Workforce: With the increased level of competition and the invasion of new but chain properties, retention of experienced and skilled workers will be another challenging task to cope with the existing competitions.
- Finally the development activities undertaken in energy sector, communication and hopefully with re-bumping the RMG sector, the travel market will flourish in the years ahead. Dhaka Regency is continuously striving to grab the business opportunities from the untapped areas.

Following is a listing of our 25 Key Point Campaign, showing “Areas of Concentration” as part of a long term strategies which we are adopting beginning the 2nd quarter of 2016

- 1) Trade Segments of Special Consideration
- 2) Utilization of Premier Club and its membership database
- 3) Adding a Corporate Executive/Service holder Privilege Card
- 4) Re-aligning Strategic Trade Partnerships
- 5) Social Media Marketing and segmented target drives
- 6) Online Booking Agents
- 7) Re-launching our Website
- 8) Revamping Rooms Division
- 9) Revamping F&B Outlets
- 10) Re-launching Other Outlets
- 11) Finding Outlets Within
- 12) Staff Training and Ongoing Mentoring Centered Motivation
- 13) Ex-pat Targets & Ad Participations in New York, London, Houston, Chicago, Los Angeles, Sydney, Toronto newspapers
- 14) Becoming a Signature Dining Destination
- 15) Adopting International Holiday Celebrations such as Easter, Thanksgiving, Women’s Day and many more
- 16) Recognition of Corporate leaders in the Regional Corporate Scene
- 17) Sponsored Festivals such as Ice Cream Fest, Chocolate Fest, Cooking Competition
- 18) International Luxury Conference
- 19) ISO/HACCP Certification
- 20) Kosher and Halal Certifications
- 21) CNN Partner Hotel Initiative
- 22) UN DDS Certification
- 23) Adaptation of “Supreme Service Culture” initiative
- 24) “Green Hospitality” Concept, targeting to be the 1st “Green Hotel” in Bangladesh
- 25) The “Absolute Security Initiative”

Each of the above initiatives do possess complex and calculated details to be followed, the Staffing at Sales and Marketing Department is also going through “beefing up” where experts and specialist are being designated for all of the specialized cells such as “Social Media Cell”, “Military Channels Cell”, “Embassies and Foreign Missions Cell” within the department. This way the energies put into motion in accomplishing these marketing drives the special teams will be focused on their area of specialization.

A table containing the existing installed capacities for each product or service, capacity utilization for these products or services in the previous years, projected capacities for existing as well as proposed products or services and the assumptions for future capacity utilization for the next three years in respect of existing as well as proposed products or services. If the projected capacity utilization is higher than the actual average capacity utilization, rationale to achieve the projected levels:

Total actual capacity and its utilization:

Period	Service Description	No. of Days (A)	No. of Rooms (B)	Total Room Capacity (C=A x B)	Capacity Utilization (Rooms)	Percentage (%)
2015	Room	365	214	78,110	52,303	66.96%
2014	Room	365	214	78,110	57,505	73.62%

DESCRIPTION OF PROPERTY:

Location and area of the land, building, principal plants and other property of the company and the condition thereof;

The commercial building is located at Airport Road, Nikunja-2, Khilkhet, Dhaka-1229. DRHRL owns the following Property, Plant & Equipment at written down value and they are situated at Company's hotel premise.

(As per Audited Accounts)	
Particulars	31.12.2015 (Written Down Value)
Land & RCC Construction	773,174,089
Hotel Building	418,717,325
Sanitary	118,318,507
Equipment & Machinery	346,664,066
Furniture and Fixture	156,196,434
Interior Decoration	248,107,965
Car & Vehicle	12,104,442
Electric Installation & Equipment	141,809,893
Gas Installation	2,071,833
Telephone & PABX	2,002,932
Handicraft, show piece & Renovation	17,411,280
Graphics & Sound	27,076,930
Kitchen Equipment & Utensils	59,107,431
Total	2,322,763,126

- All the properties are purchased in brand new condition
- All the property owned by the Company.
- The Company is constructed over 32.865 Katha of land (1 bigha 12 katha 13 chotak 38 square fit-as per Deed).

Location	Area in Katha	Status
Dist: Dhaka, P.S. Sabek Dhaka Cantonment And Present: Khilkhet, Sub-Registry Office: Gulshan, Mouza: Joar Sahara, Rajuk lay out Commercial Plot # 4, 6, 31&33, Airport Road, Nikunja-2, Khilkhet, Dhaka.	32.865	Five star Hotel Building & Premises

Commercial Floor	Square Fit (sft.)	Total Square Fit (sft.)	Commercial Floor Status
Level-02	22,056.82	24,489.05	Basement floor is used as Car Parking, Central AC Plant Room, Sub-station Room, Generator Synchronizing Panel Room, Store Room etc.
Level-01	2,432.23		Basement floor is used as generator room, stair, lift etc.

Ground Floor	4,323.63	210,436.32	Used as Bell desk, Stair, Lifts and other common utilities
1 st Floor	1,352.23		1 st to 4 th floor used as Stair, Lift and other common utilities
2 nd Floor	1,352.23		
3 rd Floor	1,352.23		
4 th Floor	1,352.23		
5 th Floor	13,253.05		Used as Chairman, Vice Chairman, MD's, G.M and Departmental Heads room, Executive Officer, Front Office, Lobby, Gift Shop, Business Center, Control Room, Coffee Lounge etc.
6 th Floor	21,213.76		Used as Restaurant, Kitchen, Multipurpose hall, Hukkah Lounge etc.
7 th Floor	21,213.76		7 th & 8 th floor is used as 42 nos. various type guest room, service room in each floor.
8 th Floor	21,213.76		
9 th Floor	21,213.76		Used as 26 nos. various type guest room, two meeting room & service room etc.
10 th Floor	20,208.24		Used as 39 nos. various type guest room, two meeting room & service room etc.
11 th Floor	20,208.24		11 th & 12 th floor is used as 33 nos. various type guest room, service room in each floor.
12 th Floor	20,208.24		
13 th Floor	20,208.24		Used as club-13, Gym, Spa, My lounge, 4 guest room etc.
14 th Floor	20,742.84		Used As Ball Room, Grand Summit-01, My Lounge, Steak House etc.
15 th Floor	1,019.88		Roof Top is used as Swimming pool, Open terrace, Restaurant, Cooling Tower, Water Tank and Machine Room for four lift.
Total	234,925.37		All the floor spaces are used for Dhaka Regency Hotel And Resort Limited as International Standard. The building is constructed over 32.865 Katha of land.

Whether the property is owned by the company or taken on lease:

The Company has not owned any leasehold property right now

Dates of purchase, last payment date of current rent (খাজনা) and mutation date of lands, deed value and other costs including details of land development cost, if any and current use thereof:

We have purchased the commercial floor inclusive of the proportionate share of land, so, the land and commercial floor cannot be segregated. The commercial floor measuring as follows:

Location	Area in Katha	Status
Dist: Dhaka, P.S. Sabek Dhaka Cantonment And Present: Khilkhet, Sub-Registry Office: Gulshan, Mouza: Joar Sahara, Rajuk lay out Commercial Plot # 4, 6, 31&33, Airport Road, Nikunja-2, Khilkhet, Dhaka.	32.865	Five star Hotel Building & Premises

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Total	234,925.37		All the floor spaces are used for Dhaka Regency Hotel And Resort Limited as International Standard. The building is constructed over 32.865 Katha of land.

Deed No.	Date of purchase	Mutation date	Last payment date of current rent (LvRbv)	C. S Dag No.	Deed Value	Land development & Other Cost	Area of Land (Decimal)
29510	30.12.2007	30.12.2009	1422 Bangla (29.10.2014)	190-194, 198, 199 and 223 (Partial)	7,47,50,000.00	1,158,954,834.00	32.865 Katha
10833	21.12.2009	30.12.2009	1422 Bangla (29.10.2014)	190-194, 198, 199 and 223 (Partial)	10,40,00,000.00		

The names of the persons from whom the lands has been acquired/proposed to be acquired along with the cost of acquisition and relation, if any, of such persons to the issuer or any sponsor or director thereof:

Names of the persons from whom the lands have been acquired	Cost of acquisition	Relation
RAJUK Kormochari Kollawn Trust	230,140,534.00	Seller and Buyer

Details of whether the issuer has received all the approvals pertaining to use of the land, if required:

The issuer has received all the approvals to use of the land from Rajdhani Unnayan Karttripakkha (RAJUK).

If the property is owned by the issuer, whether there is a mortgage or other type of charge on the property, with name of the mortgagee:

Description of Property (Already Mortgaged)

All the property is owned by the company. The hotel is set up on fifteen storied commercial building with floor space measuring about 2, 34,925.37 sft. Measuring total 154,057 sft out of total 2, 34,925.37 sft including:

- 11,985 Sft. On 5th floor (out of total 21756 sft. Area)
- 21,756 Sft. on 6th floor
- 21,756 Sft. on 7th floor
- 21,756 Sft. on 8th floor
- 19,201 Sft. on 9th floor
- 19,201 Sft. on 10^h floor
- 19,201 Sft. on 11th floor
- 19,201 Sft. on 12th floor

The Company are mortgaged to the lending Institution namely Shahjalal Islami Bank Limited, Uttara Branch, Dhaka.

The Company is also mortgaged 26,794.34 Sft. on 13th floor and car parking space for basement-2 with ramp to Industrial Promotion and Development Company of Bangladesh Ltd. (IPDC).

If the property is taken on lease, the expiration dates of the lease with name of the lessor, principal terms and conditions of the lease agreements and details of payment;

No Property is taken by the Company under lease agreement.

Dates of purchase of plant and machineries along with sellers name, address, years of sale, condition when purchased, country of origin, useful economic life at purchase and remaining economic life, purchase price and written down value;

The company did not import any machinery during 2015 and locally purchased all the Plants in brand new condition.

Details of the machineries required to be bought by the issuer, cost of the machineries, name of the suppliers, date of placement of order and the date or expected date of supply, etc:

The company has not plan to procure any machinery & equipment by using IPO Proceeds.

In case the machineries are yet to be delivered, the date of quotations relied upon for the cost estimates given shall also be mentioned:

The company did not import any machinery during 2015 and locally purchased all the Plants in brand new condition. In this connection, Auditor's certificate is as follows:

Auditors' Disclosure:

During the course of our audit, we have examined the relevant papers of plant and machinery and observed that, no re-conditioned or second-hand plant & machinery is used by **Dhaka Regency Hotel & Resort Limited**.

Date, Dhaka;
March 29, 2016

Sd/-
Ahmed Zaker & Co.
Chartered Accountants

If plant is purchased in brand new condition, then it should be mentioned;

All the assets are in good condition and no re-conditioned or second hand Assets or Machinery are used by the company.

Details of the second hand or reconditioned machineries bought or proposed to be bought, if any, including the age of the machineries, balance estimated useful life, etc. as per PSI certificates of the said machineries as submitted to the Commission;

The company uses no re-conditioned or second-hand plant & machinery. It has also no proposal to buy second-hand or re-conditioned machineries.

A physical verification report by the issue manager(s) regarding the properties as submitted to the Commission:

PHYSICAL VERIFICATION REPORT

Particulars	
Name of Company	Dhaka Regency Hotel and Resort Limited
Registered Office	Airport Road, Nikunja-2, Dhaka-1229
Date of Visit	29 February 2016
Accompanied by (Issuer)	Md. Mizanur Rahman Siddiquee Company Secretary
	Md. Kamal Hossain Morshed Chief Financial Officer
Visited by (Issue Managers)	Mohammad Hamdul Islam Managing Director & CEO Banco Finance and Investment Limited
	Mohammad Nuruzzaman Deputy Manager Banco Finance and Investment Limited
	Khandakar Kayes Hasan, CFA Chief Executive Officer Lankabangla Investments Limited
	Kazi Md. Noor E Alom Analyst Lankabangla Investments Limited
Nature of Business	The Company Provide lodging and hotel services.
Building and Civil Construction in details	15-stories high with over 250,000 sq. ft. of space (including 15,000 sq. ft. parking lot), this edifice of classic stature structured for 214 luxuriously furnished guest rooms and suites began as a venture of Dhaka Regency Hotel & Resort.
Building facilities and Condition	Each room is equipped with central air-conditioning,

	satellite television, International Direct Dialing, mini bar and an electronic safe.
No. of Rooms	214 luxuriously furnished guest rooms and suites.
Condition of Company	During Visit time, The Hotel was running well & almost packed by guest.
Machineries of Company	The machineries of Company are running well
Remarks	The Company is running smoothly

Sd/-
Mohammad Hamdul Islam
Managing Director & CEO
Banco Finance and Investment Limited

Sd/-
Khandakar Kayes Hasan, CFA
Chief Executive Officer
Lankabangla Investments Limited

(xiv) If the issuer is entitled to any intellectual property right or intangible asset, full description of the property, whether the same are legally held by the issuer and whether all formalities in this regard have been complied with:

The is not entitled to any intellectual property right or intangible asset

Full description of other properties of the issuer:

There are no other property except as mentioned under para (i) Location and area of the land, building, principal plants and other property of the company and the condition thereof.

PLAN OF OPERATION AND DISCUSSION OF FINANCIAL CONDITION:

The company's revenues and results from operations, Statement of Financial position, Changes in Financial Position and Statement of Cash Flows for the last five years are mentioned below:

Revenue and Results from operation:

Summary of financial, operating and other information.

Particulars	2015	2014	2013	2012	2011
	(Amount in BDT)	(Amount in BDT)	(Amount in BDT)	(Amount in BDT)	(Amount in BDT)
Sales	659,350,739	762,064,419	681,620,509	680,467,500	653,452,274
Cost of Service	(270,168,909)	(262,071,729)	(250,050,045)	(216,454,586)	(169,662,395)
Gross profit	389,181,830	499,992,690	431,570,464	464,012,915	483,789,879
General & Administrative expenses	(100,157,948)	(88,279,688)	(81,639,646)	(66,398,344)	(72,628,706)
Selling Expenses	(19,456,358)	(19,537,495)	(24,516,675)	(16,167,146)	(13,496,507)
Profit from operation	269,567,524	392,175,507	325,414,143	381,447,425	397,664,666
Non-operating income/ (Expenses)	7,716,049	8,261,730	4,929,672	(1,767,508)	7,485,640
Non-operating expenses	-	-	-	-	-
Financial expenses	(85,178,485)	(99,043,776)	(108,518,136)	(118,727,544)	(95,171,580)
Net Profit before Tax & Reserve	192,105,089	301,393,462	221,825,679	260,952,373	309,978,725
Workers Profit Participation Fund & Welfare Fund	(9,147,861)	(14,352,070)	(7,031,964)	(9,831,470)	-
Tax holiday reserve @ 30%	-	-	-	-	(16,423,824)
Reserve for investment in publicly traded company (u/S 46A/c)	-	-	-	-	(5,474,608)
Deferred Tax	(28,255,542)	(31,565,039)	(9,421,274)	(33,940,109)	-
Provision for Tax	(15,570,057)	(68,899,448)	(6,615,536)	(17,329,025)	(80,715,725)
Net Profit after tax	139,131,629	186,576,905	198,756,905	199,851,769	207,364,569
Un-Realize Gain/(Loss) on Investment	(65,556)	(8,156)	2,000,767	(2,178,142)	-
Total Comprehensive Income	139,066,073	186,568,749	200,757,672	197,673,627	207,364,569
Earning Per Share	2.32	3.11	3.31	3.33	3.46

Statement of Financial Position:

	31.12.2015	31.12.2014	31.12.2013	31.12.2012	31.12.2011
NON CURRENT ASSETS					
Property, Plant & Equipment	2,322,763,126	2,252,484,046	2,051,890,425	2,020,617,527	1,910,676,362
Security Deposits	3,767,911	2,608,888	2,608,888	-	-
Other Non Current Assets	88,955,128	88,955,128	-	-	-
Preliminary expenses	-	-	-	-	-
Un-allocated revenue expenses	-	-	-	-	-
Total non-current assets	2,415,486,165	2,344,048,062	2,054,499,313	2,020,617,527	1,910,676,362
CURRENT ASSETS					
Advances, deposits & prepayments	193,687,374	201,491,451	201,388,918	134,655,594	110,547,268
Cash and Cash Equivalents	21,624,260	67,837,082	35,104,555	44,410,791	23,735,945
Inventories	45,832,316	42,679,276	51,638,906	42,501,873	35,846,834
Investments	253,930	698,839	533,451	10,299,140	20,282,910
Accounts receivable	79,726,002	99,064,662	96,887,437	78,425,713	72,854,982
Total Current Assts	341,123,882	411,771,310	385,553,267	310,293,111	263,267,939
Total Assets	2,756,610,047	2,755,819,372	2,440,052,580	2,330,910,638	2,173,944,301
SOURCES OF FUND					
SHARE HOLDER EQUITY					
Share Capital	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000
Share deposit account	-	-	-	-	-
Reserve for investment	-	-	-	20,176,721	20,176,721
Reserve for tax holiday	-	-	-	60,530,165	60,530,165
Revaluation reserve	-	-	-	-	-
Shareholders contribution towards equity	-	-	-	-	-
Share premium account	388,000,000	388,000,000	388,000,000	388,000,000	388,000,000
Un-Realize Gain/(Loss) on Investment	(251,088)	(185,532)	(177,375)	(2,178,142)	-
Retained earning	847,259,530	748,328,752	561,751,847	314,769,914	295,577,252
Total Shareholder Equity	1,835,008,442	1,736,143,221	1,549,574,472	1,381,298,658	1,364,284,138
Non current liabilities					
Term Loan	236,710,021	355,682,610	393,995,434	598,405,318	585,392,936
Directors Loan	2,230,331	2,956,176	2,956,176	30,549,758	-
Deferred Tax	142,082,581	135,638,834	104,073,795	94,652,522	-
Total Non Current Liabilities	381,022,933	494,277,620	501,025,406	723,607,598	585,392,936
CURRENT LIABILITIES					
Current Portion of Term Loan	194,274,911	235,319,637	173,610,793	-	-
Accured expenses	75,394,896	56,519,386	54,458,115	44,652,951	36,427,685
Accounts payable	46,964,609	24,827,659	19,640,874	18,456,676	24,648,818
Short term Loan	80,000,000	80,000,000	80,000,000	82,892,084	82,474,999
Provision for Tax	137,299,449	121,564,211	52,664,763	70,049,227	80,715,725
Un-Claimed Dividend	6,644,807	7,167,637	9,078,157	9,953,444	-
Total Current Liabilities	540,578,672	525,398,530	389,452,702	226,004,382	224,267,227
TOTAL EQUITIES & LIABILITES	2,756,610,047	2,755,819,372	2,440,052,580	2,330,910,638	2,173,944,301

Statement of Cash Flows:

Particulars	2015	2014	2013	2012	2011
	Amount in BDT	Amount in BDT	Amount in BDT	Amount in BDT	Amount in BDT
CASH FLOW FROM OPERATING ACTIVITIES					
Cash Received from Turnover	689,302,715	768,245,765	670,214,332	681,029,890	622,173,721
Cash Payment for Cost and Expenses	(257,447,745)	(285,762,809)	(401,938,891)	(284,659,046)	(180,707,420)
Income Tax Paid	(12,441,025)	(25,300,363)	(18,500,000)	(34,934,047)	-
Interest Paid	(80,264,703)	(106,793,937)	(108,518,136)	(118,390,583)	(94,936,909)
Net Cash Provided by Operating Activities	339,149,242	350,388,656	141,257,305	243,046,214	346,529,392
Cash Flow from Investing Activities					
Acquisition of Property, Plant & Equipment	(87,710,806)	(203,031,004)	(8,565,325)	(76,131,811)	(327,860,828)
Investment In Shares	272,000	-	8,500,000	(95,000)	(19,782,910)
Dividend Income	9,049	9,809	-	-	-
Advance for Capital Expenses	(141,352,161)	(137,290,433)	(66,139,996)	(80,077,225)	-
Disposal of Fixed Assets	3,960,000	1,170,000	-	-	-
Net Cash Used by Investing Activities	(224,821,918)	(339,141,628)	(66,205,321)	(156,304,036)	(347,643,738)
Cash Flow from Financing Activities					
Short Term Loan	-	-	-	417,085	-
Share premium account (Tax)	-	-	-	-	(12,000,000)
Dividend paid	(522,830)	(1,910,520)	(33,357,146)	(110,046,556)	-
Directors loan	-	-	(27,593,582)	30,549,758	-
Term Loan	(160,017,315)	23,396,020	(23,407,492)	13,012,382	15,220,296
Net Cash Used by Financing Activities	(160,540,146)	21,485,500	(84,358,220)	(66,067,331)	3,220,296
Net Cash inflow/ outflow	(46,212,822)	32,732,528	(9,306,236)	20,674,847	2,105,951
Opening Cash and Bank Balance	67,837,082	35,104,555	44,410,791	23,735,945	21,629,994
Closing Cash and Bank Balance	21,624,260	67,837,082	35,104,555	44,410,791	23,735,945

Internal and external sources of cash;

The internal sources of the cash of the company are the share capital, Reserve for investment, Reserve for tax holiday, Share Premium Account and Retained earnings. The sources of cash are Directors Loan and Term Loans.

Particulars	Dec 31, 2015	Dec 31, 2014	Dec 31, 2013	Dec 31, 2012	Dec 31, 2011
Internal Sources of Cash					
Share Capital	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000
Reserve for investment	-	-	-	20,176,721	20,176,721
Reserve for tax holiday	-	-	-	60,530,165	60,530,165
Share Premium Account	388,000,000	388,000,000	388,000,000	388,000,000	388,000,000
Retained earnings	847,259,530	748,328,752	561,751,847	314,769,914	295,577,252
Sub Total	1,835,259,530	1,736,080,149	1,549,574,472	1,381,298,658	1,381,298,658
External Sources of Cash					
Directors Loan	2,230,331	2,956,176	2,956,176	30,549,758	30,549,758
Term Loan	236,710,021	591,002,247	574,997,826	598,405,318	598,405,318
Sub Total	238,940,352	593,958,423	577,954,002	628,955,076	628,955,076
Grand Total	2,074,199,882	2,330,038,572	2,127,528,474	2,010,253,734	2,010,253,734

Any material commitments for capital expenditure and expected sources of funds for such expenditure;

The Company has no Material Commitment for Capital Expenditure other than as specified in “Utilization of IPO Proceeds” under the head Use of Proceeds & Implementation Schedule of this Prospectus.

Causes for any material changes from period to period in revenues, cost of goods sold, other operating expenses and net income;

The Company’s revenue and other income as well as operating expenses and net income have continued to change due to increasing or decreasing productivity.

Summary of financial, operating and other information.

Particulars	2015	2014	2013	2012	2011
	(Amount in BDT)	(Amount in BDT)	(Amount in BDT)	(Amount in BDT)	(Amount in BDT)
Sales	659,350,739	762,064,419	681,620,509	680,467,500	653,452,274
Cost of Service	(270,168,909)	(262,071,729)	(250,050,045)	(216,454,586)	(169,662,395)
Gross profit	389,181,830	499,992,690	431,570,464	464,012,915	483,789,879
General & Administrative expenses	(100,157,948)	(88,279,688)	(81,639,646)	(66,398,344)	(72,628,706)
Selling Expenses	(19,456,358)	(19,537,495)	(24,516,675)	(16,167,146)	(13,496,507)
Profit from operation	269,567,524	392,175,507	325,414,143	381,447,425	397,664,666
Non-operating income/ (Expenses)	7,716,049	8,261,730	4,929,672	(1,767,508)	7,485,640
Non-operating expenses	-	-	-	-	-
Financial expenses	(85,178,485)	(99,043,776)	(108,518,136)	(118,727,544)	(95,171,580)
Net Profit before Tax & Reserve	192,105,089	301,393,462	221,825,679	260,952,373	309,978,725
Workers Profit Participation Fund & Welfare Fund	(9,147,861)	(14,352,070)	(7,031,964)	(9,831,470)	-
Tax holiday reserve @ 30%	-	-	-	-	(16,423,824)
Reserve for investment in publicly traded company (u/S 46A/c)	-	-	-	-	(5,474,608)
Deferred Tax	(28,255,542)	(31,565,039)	(9,421,274)	(33,940,109)	-
Provision for Tax	(15,570,057)	(68,899,448)	(6,615,536)	(17,329,025)	(80,715,725)
Net Profit after tax	139,131,629	186,576,905	198,756,905	199,851,769	207,364,569

Any seasonal aspects of the issuer's business;

There are Seasonal Events, Festival events and National & International Events.

Seasonal Events:

The seasonal events starts from October to January, next is from February to May and last is from June to September.

October to January:

This part of the calendar year is the pick period for the entire hospitality industry of Dhaka. Due to the favorable weather conditions, after religious festivals and international events of the country, all the business group and leisure travelers preferred to visit during this period of the year.

February to May:

This part of the calendar year is considered as the moderate period in terms of business volume for the entire hospitality industry of Dhaka. Compare to the pick period the guest flow decreases all over the city as the business travelers (mostly from RMG sector) don't intend to travel for business purposes.

June to September:

This part of the calendar year is considered as the soft period for the entire hospitality industry of the Dhaka. Due to the unfavorable weather condition, summer vacations, religious and others festivals of the country, all the business, group and leisure travelers don't preferred to visit during this period of the year.

Festival Events:

During all the national, religious and other festivals at any point of the year, the business volume always decreases. This effect is always true regardless of the month it is, in a calendar year.

National & International Events:

During any National and International Events, i.e. SAF Games, SA Games, SAARC Games, Cricket Tournaments and other sports tournaments, the business volume of the entire city increases substantially. This effect is always true regardless of the month it is, in a calendar year.

Any known trends, events or uncertainties that may have material effect on the issuer's future business;

The business operation of the Company may be affected by some known events as follows:

- Political unrest
- Natural disaster
- Entrance of new technology
- Increase competition

Any assets of the company used to pay off any liabilities;

None of the assets of the company has been used to pay off any liabilities of the company.

Any loan taken from or given to any related party or connected person of the issuer with details of the same;

The company did not take or give any loan from connected person or to its subsidiary except the transactions described in the following table:

Name of the Company/Person	Relationship	Nature of Transaction	2015		2014	
			Value of transaction during the year	Balance at year end Receivable/ (Payable)	Value of transaction during the year	Balance at year end Receivable/ (Payable)
Rukeya Khatun	Director	Director Loan	725,845	2,230,331	-	2,956,176
Zabun Nessa	Director	Director Loan	30,000	-	30,000	-
Total			22,528,345	2,230,331	21,810,000	2,956,176

Any future contractual liabilities the issuer may enter into within next one year, and the impact, if any, on the financial fundamentals of the issuer;

The company has no plan to enter into any contract creating future liabilities for the company except for those which are created in the normal course of business activities.

The estimated amount, where applicable, of future capital expenditure;

The Company has not any plan to make any capital expenditure except for those mentioned in the 'Use of Proceeds' section in this prospectus.

Any VAT, income tax, customs duty or other tax liability which is yet to be paid, including any contingent liabilities stating why the same was not paid prior to the issuance of the prospectus. Updated income tax status for the last 5 years or from commercial operation, which is shorter;

VAT: The Company has VAT registration no.18151063784/Area code: 50205 and it pays VAT in time and submits return accordingly. The company has current VAT liability as on December 31, 2015 which is shown in audited financial statement and subsequently paid within January 15, 2016.

Income Tax: The Company has enjoyed tax holiday for 4 (four) years commencing from April 01, 2007 to March 31, 2011.

The Company has E- TIN No. 6537-9056-7798, Circle – 139 (Companies), Taxes Zone-7, Dhaka. Year wise income tax status of the Company is depicted below:

Accounting Year	Assessment Year	Status
2010	2011-2012	As per certificate given by Deputy Commissioner of Tax, dated 22.05.2011 এই মর্মে প্রত্যয়ন করা যাইতেছে যে, ঢাকা রেজেন্সী হোটেল এন্ড রিসোর্ট লিঃ কর অঞ্চল-৭ এর কোম্পানীজ সার্কেল-২১, এর নিবন্ধিত করদাতা - কোম্পানী। করদাতা কোম্পানীর কর মামলা ২০১০-২০১১ করবর্ষ পর্যন্ত নিষ্পত্তি করা হইয়াছে।
2011	2012-2013	As per certificate given by Deputy Commissioner of Tax, dated 13.08.2012 This to certify that Dhaka Regency Hotel & Resort Ltd. Is a registered company-assessee of Circle-139 (Companies), Taxes Zone-7, Dhaka. The assessment of the company-assessee has been completed under Universal Self-Assessment (82BB) for the asstt. Year 2012-2013 & tax Tk.2,79,95,523.00 for this year was paid in full.
2012	2013-2014	As per certificate given by Deputy Commissioner of Tax, dated 04.11.2013 This to certify that Dhaka Regency Hotel & Resort Ltd. Is a registered company-assessee of Circle-139 (Companies), Taxes Zone-7, Dhaka. The assessment of the company-assessee has been completed under Universal Self-Assessment (82BB) for the asstt. Year 2013-2014 & tax Tk.2,40,00,000.00 for this year was paid in full.
2013	2014-2015	The Deputy Commissioner of Tax, Circle-139 (Companies), Taxes Zone-7, Dhaka, has assessed the tax liability of Dhaka Regency Hotel & Resort Ltd under section 83(2) for the assessment year 2014-2015 amounting Tk.36,298,938. The company made an appeal to Commissioner (Tax-Appeal) against the assessment of the Deputy Commissioner of Tax. After hearing the commissioner passed an order of reassessment amounting Tk 28,160,115. The company again made an appeal to Appellate Tribunal Taxes, dated 13-09-2015 which is under consideration of the tribunal.
2014	2015-2016	Dhaka Regency Hotel & Resort Ltd. Submit Tax return to the Deputy Commissioner of Tax, Circle-139 (Companies), Taxes Zone-7, Dhaka, for the assessment year 2015-2016 Date 16/09/2015 and it is under process now.

Customs Duty: The Company purchases all consumed products from the local market/suppliers. So, the Company doesn't need to pay any customs duty.

Any financial commitment, including lease commitment, the company had entered into during the past five years or from commercial operation, which is shorter, giving details as to how the liquidation was or is to be effected;

The company has obtained following financial lease/loan facilities during last 05 (five) years:

Sl. No.	Name of Bank	Type of Loan	Sanction Amount of Loan (Million)	Rate of interest	Purpose of Loan	Sanction Date	Expiry Date	Installment Qtr./ Monthly (Tk.)	Outstanding at Dec 31, 2015
1	Shahjalal Islami Bank Limited, Uttara Branch A/C No. 36500000116	HPSM*	63.00	14%	Equipment	March 10, 2010	March 29, 2016	1,978,134	16,909,363.70
2	Shahjalal Islami Bank Limited, Uttara Branch A/C No. 36500000139	HPSM*	210.00	14%	Equipment	April 13, 2010	July 29, 2016	7,363,786	83,434,701.37
3	Shahjalal Islami Bank Limited, Uttara Branch A/C No. 36500000151	HPSM*	50.00	14%	Equipment	January 13, 2011	January 29, 2017	1,581,191	26,514,289.29
4	Shahjalal Islami Bank Limited, Uttara Branch A/C No. 36500000306	HPSM*	70.00	14%	Equipment	January 12, 2012	December 29, 2017	1,924,333	45,770,816.06
5	Shahjalal Islami Bank Limited, Uttara Branch A/C No. 36500000346	HPSM*	200.00	14%	Equipment	October 30, 2014	October 29, 2024	3,105,329	193,203,894.42
6	Shahjalal Islami Bank Limited, Uttara Branch A/C No. 36500000841	HPSM*	60.00	14%	Real Estate	February 25, 2010	February 29, 2016	1,346,126	9,551,129.69
7	Shahjalal Islami Bank Limited, Uttara Branch A/C No. 36500000806	HPSM*	95.00	14%	Real Estate	November 23, 2009	November 29, 2015	3,011,812	14,726,573.74
8	Shahjalal Islami Bank Limited, Uttara Branch A/C No. 36500000426	HPSM*	2.20	14%	Transport	November 05, 2013	November 29, 2018	50,019	1,458,255.82
9	Shahjalal Islami Bank Limited, Uttara Branch A/C No. 6249	Bai-Muazzel	40.00	14%	Working Capital	July 29, 2015	-	-	42,426,667
10	Shahjalal Islami Bank Limited, Uttara Branch A/C No. 6250	Bai-Muazzel	40.00	14%	Working Capital	July 29, 2015	-	-	42,426,667
11	Industrial Promotion and Development Company of Bangladesh Ltd. (IPDC)	TermLoan	100.00	16%	Term Loan	April 18, 2013	April 17, 2018	2,133,914	46,044,468.91

Celebration other Festival: DRHRL celebrate number of festival like Eid-ul- Fitr, Eid-ul-Azha, Bangla noboborsha, Happy New Year, X-Mas Day, Durga puja Food Festivals, Mother's Day, Employee Birth day Greetings Card & Flowers, Annual Picnic and many others events for employees and their family members.

Details of all personnel related schemes for which the company has to make provision for in future years;

Dhaka Regency Hotel and Resort Limited (DRHRL) offers a number of benefits, which include short-term employee benefits like Sick Leave, casual leave, annual leave and Non-monetary Benefits like Medical Care etc. DRHRL incorporate WPPF from 2011 for employees and the management of the company has positive intention to implement the provident fund and gratuity fund benefits.

Celebration other Festival: DRHRL celebrate number of festival like Eid-ul- Fitr, Eid-ul-Azha, Bangla Noboborsha, Happy New Year, X-Mas Day, Durga Puja Food Festivals, Mother's Day, Employee Birth Day Greetings Card & Flowers, Annual Picnic and many others events for employees and their family members.

Break down of all expenses related to the public issue;

Estimated IPO expenses will be determined after the determination of cut-off price through bidding process and will be adjusted accordingly with the IPO proceeds.

If the issuer has revalued any of its assets, the name, qualification and experiences of the valuer and the reason for the revaluation, showing the value of the assets prior to the revaluation separately for each asset revalued in a manner which shall facilitate comparison between the historical value and the amount after revaluation and giving a summary of the valuation report along with basis of pricing and certificates required under the revaluation guideline of the Commission;

The Company has not revalued any of its assets during the year.

Where the issuer is a holding/subsidiary company, full disclosure about the transactions, including its nature and amount, between the issuer and its subsidiary/holding company, including transactions which had taken place within the last five years of the issuance of the prospectus or since the date of incorporation of the issuer, whichever is later, clearly indicating whether the issuer is a debtor or a creditor;

The Company has no subsidiary nor it is operated under a holding company nor does it have any associate company. Hence, no transaction has taken place.

Financial Information of Group Companies: following information for the last three years based on the audited financial statements, in respect of all the group companies of the issuer, wherever applicable, along with significant notes of auditors:

The Company has not under any kind of Group of companies.

Discussion on the results of operations shall inter-alia contain the following:

- **A summary of the past financial results after adjustments as given in the auditor's report containing significant items of income and expenditure;**

There was no adjustment given by the auditors during the last five year. Summary of the past financial results and operations are presented below:

Particulars	31.12.2015	31.12.2014	31.12.2013	31.12.2012	31.12.2011
Sales	659,350,739	762,064,419	681,620,509	680,467,500	653,452,274
Gross Profit	389,181,830	499,992,690	431,570,464	464,012,915	483,789,879
Net Profit before Tax	182,957,227	301,393,462	221,825,679	260,952,373	309,978,725
Net Profit After Tax	139,131,629	186,576,905	198,756,905	199,851,769	207,364,569
Total Assets	2,756,610,047	2,755,819,372	2,440,052,580	2,330,910,638	2,173,944,301
Paid-up Capital	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000
Retained Earnings	847,259,530	748,328,752	561,751,847	314,769,914	295,577,252
NAV per share	30.58	28.94	25.83	23.02	22.74
Earnings per Share	2.32	3.11	3.31	3.33	3.46

- **A summary of major items of income and expenditure;**

Particulars	2015	2014	2013	2012	2011
	(Amount in BDT)	(Amount in BDT)	(Amount in BDT)	(Amount in BDT)	(Amount in BDT)
Sales	659,350,739	762,064,419	681,620,509	680,467,500	653,452,274
Cost of Service	(270,168,909)	(262,071,729)	(250,050,045)	(216,454,586)	(169,662,395)
Gross profit	389,181,830	499,992,690	431,570,464	464,012,915	483,789,879
General & Administrative expenses	(100,157,948)	(88,279,688)	(81,639,646)	(66,398,344)	(72,628,706)
Selling Expenses	(19,456,358)	(19,537,495)	(24,516,675)	(16,167,146)	(13,496,507)
Profit from operation	269,567,524	392,175,507	325,414,143	381,447,425	397,664,666
Non-operating income/ (Expenses)	7,716,049	8,261,730	4,929,672	(1,767,508)	7,485,640
Non-operating expenses	-	-	-	-	-
Financial expenses	(85,178,485)	(99,043,776)	(108,518,136)	(118,727,544)	(95,171,580)
Net Profit before Tax & Reserve	192,105,089	301,393,462	221,825,679	260,952,373	309,978,725
Workers Profit Participation Fund & Welfare Fund	(9,147,861)	(14,352,070)	(7,031,964)	(9,831,470)	-
Tax holiday reserve @ 30%	-	-	-	-	(16,423,824)
Reserve for investment in publicly traded company (u/S 46A/c)	-	-	-	-	(5,474,608)
Deferred Tax	(28,255,542)	(31,565,039)	(9,421,274)	(33,940,109)	-
Provision for Tax	(15,570,057)	(68,899,448)	(6,615,536)	(17,329,025)	(80,715,725)
Net Profit after tax	139,131,629	186,576,905	198,756,905	199,851,769	207,364,569

▪ **The income and sales on account of major products or services;**

The income and sales on account of major products or services are as follows:

Sl. No.	Particulars	Amount (BDT) as on December 31, 2015	Contribution (%)
1	Rooms	461,867,306	60.07
2	Food & Beverage	226,943,298	29.52
3	Misc. Operating Revenue	80,043,027	10.41
Total		768,853,631	100

▪ **In case, other income constitutes more than 10% of the total income, the breakup of the same along with the nature of the income, i.e., recurring or non-recurring;**

The Company's other income is not more than 10% of the total income.

▪ **If a material part of the income is dependent upon a single customer or a few major customers, disclosure of this fact along with relevant data. Similarly, if any foreign customer constitutes a significant portion of the issuer's business, disclosure of the fact along with its impact on the business considering exchange rate fluctuations;**

The Company's income is not dependent upon a single customer or a few major customers nor foreign customer.

▪ **In case the issuer has followed any unorthodox procedure for recording sales and revenues, its impact shall be analyzed and disclosed.**

The issuer has not followed any unorthodox procedure for recording sales and revenues.

Comparison of recent financial year with the previous financial years on the major heads of the profit and loss statement, including an analysis of reasons for the changes in significant items of income and expenditure, inter-alia, containing the following:

Particulars	2015	2014
	(Amount in BDT)	(Amount in BDT)
Sales	659,350,739	762,064,419
Cost of Service	(270,168,909)	(262,071,729)
Gross profit	389,181,830	499,992,690
General & Administrative expenses	(100,157,948)	(88,279,688)
Selling Expenses	(19,456,358)	(19,537,495)
Profit from operation	269,567,524	392,175,507
Non-operating income/ (Expenses)	7,716,049	8,261,730
Non-operating expenses	-	-
Financial expenses	(85,178,485)	(99,043,776)
Net Profit before Tax & Reserve	192,105,089	301,393,462
Workers Profit Participation Fund & Welfare Fund	(9,147,861)	(14,352,070)
Tax holiday reserve @ 30%	-	-
Reserve for investment in publicly traded company (u/S 46A/c)	-	-
Deferred Tax	(28,255,542)	(31,565,039)
Provision for Tax	(15,570,057)	(68,899,448)
Net Profit after tax	139,131,629	186,576,905

There are no significant change in the items of income and expenditure.

▪ **Unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses etc.**

There is no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses etc.

▪ **Significant economic changes that materially affect or are likely to affect income from continuing operations;**

There are no significant economic changes that materially affect or are likely to affect income from continuing operations.

- **Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations;**

The business operation of the Company may be affected by some known events as follows:

- a. Political unrest
- b. Natural disaster
- c. Entrance of new technology
- d. Increase competition

- **Future changes in relationship between costs and revenues, in case of events such as future increase in labor or material costs or prices that will cause a material change are known;**

We are aware of the fact that future is always uncertain that affect business and plan as well. So in future labor price or material price may change. However, revenue is always adjusted and follow the trend in line with cost. Hence, any change in cost will be reflected in revenues.

- **The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices;**

Dhaka Regency steadily maintained its market share in some segments, especially crew accommodation and retaining key clients. Aside to this, marketing and promotional movements along with strategic affiliation with prominent business partners are set and aligned in a perfect way to bring incremental revenue and client base for most of the outlets.

The following are our key strategic moves to cope up with current competitions:

- **Take more advantage of the Location Benefit:** Due to close distance from International Gateway and Current Business Pattern; airlines crew, layover, corporate business will be retained.
- **Grab the Growing Business Travelers Worldwide:** Economic Progression, Foreign Direct Investment will attract more international visitors or business clients and is expected to grow at an average rate of 7.5%. Dhaka Regency is all set to attract and convert these growing travelers to its clientele.
- **Product Enhancement:** To cope up with the competition, Dhaka Regency will work on to upgrade and enhance the existing products through renovation and expansion.
- **Retention of Skilled and Experienced Workforce:** With the increased level of competition and the invasion of new but chain properties, retention of experienced and skilled workers will be another challenging task to cope with the existing competitions.
- **Introduction of New Products:** Regency Hospitality Training institute (RHTi) is another venture of Dhaka Regency Hotel & resort which has started its journey in February 2016. RHTi will enable its aspiring students to build a professional career in the hospitality industry through a personalized approach, research-based, professional instruction and working very closely with industry to give them a career of choice. Hospitality education is very demanding these days and RHTi is currently contributing a significant amount of Revenue to Dhaka Regency. Aside from this, Dhaka Regency has already started the construction work to set up another hotel in Cox Bazar, Cox Regency to grab new business opportunities in the country's most popular tourist spot.
- **Innovative Service Marketing Activities:**

The hotel also opted for a change in strategy when acquiring new businesses. For example, to increase room revenue, more high end and reputable organizations were targeted and acquired, e.g. Gulf Air, Air Arabia, GMG Airlines, Biman Bangladesh and fly Dubai. While it is granted that crew business usually means lower room rate, it is also a necessity given our proximity to the airport as well as to ensure consistent base business. Moreover, for the first time, Dhaka Regency integrated itself with GDS (Global Distribution System) to ensure a portion of its rooms is automatically suggested for first viewing over online booking search engines. In F&B and other recreational outlets, much revenue was achieved by close marketing collaborations with banks, financial institutions and telecommunication service providers. Dhaka Regency also owns the only Loyalty Recognition

Program, Premier Club, continued to bring in a high number of daily guests and promotional event guests for the restaurants. Moreover, during major festivals and cultural events such as Ramadan was promoted with credit card facilities such as The City Bank America Express and Standard Chartered Bank which brought in tremendous influx of customers and also a higher end segment of city patrons. Overall, business developed further as some new and prominent companies were added to Dhaka Regency's client portfolio, such as Aggreko, SIA Engineering Company, IBM India, Chevron, Progressive test center etc.

The Department of Sales & Marketing also took dynamic movements in generating new business through participating in Travel and Tourism Networking events and fairs both at home and abroad. Among the prominent, Dhaka Regency represented in the JATA 2012 travel and tourism fair in Tokyo, Japan, Regular participation of PATA Travel Mart, World Travel Market 2012 in UK.

It has also benefited the hotel tremendously as more focus was given to strengthening the recruitment procedure, increasing training and development, and lowering HR turnover rate. The hotel also now has a bigger team to ensure more strategic and specialized effort and results from its employees. Notably, the increase in the Sales & Marketing team ensured more direct marketing and one-on-one sales goals were achieved, leading to greater PR and increase long-term business.

▪ **Status of any publicly announced new products or business segment;**

The Company did not announce new products or business segment.

▪ **The extent to which the business is seasonal.**

October to January is the pick period for the entire hospitality industry of Dhaka. Due to the favorable weather conditions, after religious festivals and international events of the country, all the business group and leisure travelers preferred to visit during this period of the year. February to May is considered as the moderate period in terms of business volume for the entire hospitality industry of Dhaka. Compare to the pick period the guest flow decreases all over the city as the business travelers (mostly from RMG sector) don't intend to travel for business purposes and June to September is considered as the soft period for the entire hospitality industry of the Dhaka. Due to the unfavorable weather condition, summer vacations, religious and others festivals of the country, all the business, group and leisure travelers don't preferred to visit during this period of the year.

Defaults or rescheduling of borrowings with financial institutions/banks, conversion of loans into equity along with reasons thereof, lock out, strikes and reasons for the same etc.

The Company has neither rescheduled of borrowing with financial institutions/banks nor converted of loans into equity, there no lock out, strikes etc.

Details regarding the changes in the activities of the issuer during the last five years which may had a material effect on the profits/loss, including discontinuance of lines of business, loss of agencies or markets and similar factors;

There were no changes in the activities of the Company during the last five years and had not any material effect on the profits/loss, including discontinuance of lines of business, loss of agencies or markets and similar factors.

Injunction or restraining order, if any, with possible implications;

The Company does not have any injunction or restraining order.

Technology, market, managerial competence and capacity built-up;

Dhaka Regency Hotel and Resort Limited has 214 rooms/suites of different categories. Each of the rooms and suites has been immaculately decorated with complete attention to the comfort of the guests. All rooms are centrally air conditioned with individual temperature control, with attached toilet, Bathrobe & Hairdryer, running hot and cool water, satellite TV channels, International Direct Dialing, Mini bar, Electronic safe, 24-hours room services, Laundry services, Wi-Fi Services, Mini bar, bed for physically challenged person.

Changes in accounting policies in the last three years;

Depreciation effective on Land & RCC Construction as per revised policy

Depreciation has been charged at the rate of 1.25% on the value of Land & RCC Construction since the Board of directors has decided to charge Depreciation on carrying amount of Land & RCC Construction. This was approved in a Board Meeting held on July 27, 2016 and the Board instructed to the management to consider the proper accounting policies for taking effective action into accounts. As per deed of Land & RCC Construction, the individual value could not be ascertained separately by the management as result has charged depreciation on total value considering value of land and RCC construction as one non-current asset.

Re-Valuation of Property, Plant & Equipment

The company revalued its fixed assets like property, plant and equipments of the Company were revalued and certified by the valuer M/S. Saha Majumder & Co.; Chartered Accountants in their valuation report dated December 28, 2011 and reserve was created by the sum of revaluation surplus as per the provision of BAS- 16. Previously the Fixed Assets of the company were revalued and certified by the licensed valuer M/S. GK Adjuster Ltd. dated December 03, 2009.

The Board of directors has decided to discard the revaluation surplus of all assets in a board meeting held on October 04, 2015 and instructed the management to consider the proper Accounting Policies for effective into accounts. Details are shown in note: 02.

Significant developments subsequent to the last financial year: A statement by the directors whether in their opinion there have arisen any circumstances since the date of the last financial statements as disclosed in the prospectus and which materially and adversely affect or is likely to affect the trading or profitability of the issuer, or the value of its assets, or its ability to pay its liabilities within the next twelve months;

STATEMENT REGARDING SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

This is to declare that, there have been no circumstances arisen since the date of the last financial statements as disclosed in the red-herring prospectus and which materially and adversely affect or is likely to affect the trading or profitability of the issuer or the value of its assets, or its ability to pay its liabilities within the next twelve months.

Sd/-
Musleh Uddin Ahmed
Chairman

Sd/-
Mrs. Rukeya Khatun
Director

Sd/-
Prof. Dr. Mojib Uddin Ahmed
Independent Director

Sd/-
Mrs. Dilkush Begum
Vice Chairman

Sd/-
Mrs. Zebun Nessa
Director

Sd/-
Mrs. Najma Arif
Director

Sd/-
Kabir Reza
Director & Managing Director

Sd/-
Mr. Ahmed Ali
Independent Director

If any quarter of the financial year of the issuer ends after the period ended in the audited financial statements as disclosed in the prospectus, unaudited financial statements for each of the said quarters duly authenticated by the CEO and CFO of the issuer;

The issuer ends after the period ended in the audited financial statements as incorporated in the prospectus, there are no unaudited financial statements for each of the said quarters.

Factors that may affect the results of operations.

There are no such factors that may affect the results of operations.

a) Overview of Business and Strategies

Dhaka Regency Hotel & Resort Limited has been engaged in the hospitality business in order to provide lodging and hotel services. The Regency is a hotel based service oriented company to offer for room services, restaurant services, conferences, corporate events. The hotel is recognized as five star, so that customers are treated with all five star quality services.

Dhaka Regency is a magnificent new-generation business class hotel ideally located on Airport Road in the commercial area of Nikunja 2. It is most conveniently situated to target and attract the market segment that requires lodging services most frequently. Amazingly it just takes a 3-minute drive from the only international gateway to Dhaka, the Hazrat Shahjalal International Airport and around the bend from Baridhara Diplomatic Zone and, about a 15-20 minutes ride away from the Banani and Gulshan Commercial Areas. Moreover, its closeness to the industrial belts of Tongi and Export and Processing Zone (EPZ), where the ever-flourishing Readymade Garments (RMG) sector of Bangladesh is situated and which contributes to the lion share of inbound travels to the nation, makes the hotel's location even more prime.

Company Background

Name	:	Dhaka Regency Hotel & Resort Limited (DRHRL)
Nature of Business	:	Service oriented Company
Office Address	:	Airport Road, Nikunja-2, Dhaka-1229
Current Managing Director	:	Mr. Kabir Reza
Revenue as per Audited Financial Statements December 31, 2015	:	Tk. 659,350,739.00 (Net of VAT)
Net Profit as per Audited Financial Statements December 31, 2015	:	Tk. 139,131,629.00
Employees as per Audited Financial Statements December 31, 2015	:	384 Persons
Main Competitors	:	Le Méridien Dhaka 79/A C/A, Airport Road, Nikunja 2, Khilkhet, Dhaka-1229, Bangladesh
	:	Pan Pacific Sonargaon Dhaka 107, Kazi Nazrul Islam Avenue, Dhaka-1215, Bangladesh
	:	The Westin Dhaka Main Gulshan Avenue, Plot#01, Road#45, Gulshan-2, Dhaka-1212, Bangladesh
	:	Radisson Blu Water Garden Hotel, Dhaka Airport Road, Dhaka Cantonment, Dhaka City 1206, Bangladesh
	:	Hotel Sarina Plot # 27, Road # 17, Banani C/A, Dhaka-1213, Bangladesh

The Company has been incorporated as a public Limited company on November 14, 2006 vide registration no. C-64465 (1956)/06 under the companies Act 1994 with the Registrar of Joint Stock Companies and Firms, Bangladesh. The Dhaka Regency Hotel and Resort Limited started its commercial operation from April 14, 2007.

❖ DRHRL's Strategies

DRHRL's key strategic objectives are to:

- Ensure good service and happiness for all;
- Ensure stable and long term return to our investors;
- Maintain state-of-the-art service facilities for ensuring best quality products to the customers;
- Excellent facilities for corporate travelers with spacious meeting, conference and banquet space;
- Use of technology reduced the time consumed in negotiating and booking rooms;
- Excellent internet service with up to date information on reservations, rooms and rates;
- Comprehensive advertising and marketing network (Both in domestic and international markets);
- See new ways of working to improve efficiency and ensure sustainability.

b) SWOT Analysis

It is a common phenomenon that each and every business has its some strength and weakness as well as some opportunities and threats comes before it. But, through proper management, it is possible to convert the weakness into strength and to convert threat into opportunities. DRHRL's Strength, Weakness, Opportunities and Threats are like follows:



Strengths:

- Attractive customer base. As our Hotel located in Airport Road, Nikunja-2, Dhaka-1229, we will get attractive customer base, which will help us to increase our sales.
- Our workers are highly trained and efficient.
- Government shows positive signs towards this kind of business.
- Price and cost are competitive. As our service qualities are high, we will easily compete with our industry rivals
- It is also only two kilometers from Hazrat Shahjalal International Airport

Weaknesses:

- Customer base is based on goodwill. We know that the goodwill helps a business.
- They cannot expand because of land shortage
- The late entry is another weakness.

Opportunities:

- Government rules and regulations are not strong enough, in our country
- Consistent, accurate fulfillment of the clients wishes
- Competitive pricing for the quality of services offered
- Significant profit on each planned
- Most popular tourist sight of Bangladesh

Threats:

- New government regulations. As the business is getting competitive, govt. may impose new starting up business
- Higher competition existing rivals in all aspects
- There are many players of about same size and strategy

Analysis of the financial statements of last five years with reason(s) of fluctuating revenue/sales, other income, total income, cost of material, finance cost, depreciation and amortization expense, other expense; changes of inventories, net profit before & after tax, EPS etc.

Particulars	2015	2014	2013	2012	2011
	(Amount in BDT)	(Amount in BDT)	(Amount in BDT)	(Amount in BDT)	(Amount in BDT)
Sales	659,350,739	762,064,419	681,620,509	680,467,500	653,452,274
Cost of Service	(270,168,909)	(262,071,729)	(250,050,045)	(216,454,586)	(169,662,395)
Gross profit	389,181,830	499,992,690	431,570,464	464,012,915	483,789,879
General & Administrative expenses	(100,157,948)	(88,279,688)	(81,639,646)	(66,398,344)	(72,628,706)
Selling Expenses	(19,456,358)	(19,537,495)	(24,516,675)	(16,167,146)	(13,496,507)
Profit from operation	269,567,524	392,175,507	325,414,143	381,447,425	397,664,666
Non-operating income/ (Expenses)	7,716,049	8,261,730	4,929,672	(1,767,508)	7,485,640
Non-operating expenses	-	-	-	-	-
Financial expenses	(85,178,485)	(99,043,776)	(108,518,136)	(118,727,544)	(95,171,580)
Net Profit before Tax & Reserve	192,105,089	301,393,462	221,825,679	260,952,373	309,978,725
Workers Profit Participation Fund & Welfare Fund	(9,147,861)	(14,352,070)	(7,031,964)	(9,831,470)	-
Tax holiday reserve @ 30%	-	-	-	-	(16,423,824)
Reserve for investment in publicly traded company (u/S 46A/c)	-	-	-	-	(5,474,608)
Deferred Tax	(28,255,542)	(31,565,039)	(9,421,274)	(33,940,109)	-
Provision for Tax	(15,570,057)	(68,899,448)	(6,615,536)	(17,329,025)	(80,715,725)
Net Profit after tax	139,131,629	186,576,905	198,756,905	199,851,769	207,364,569
Un-Realize Gain/(Loss) on Investment	(65,556)	(8,156)	2,000,767	(2,178,142)	-
Total Comprehensive Income	139,066,073	186,568,749	200,757,672	197,673,627	207,364,569
Earning Per Share	2.32	3.11	3.31	3.33	3.46

The Company's revenue, other income total income, cost of material, finance cost, depreciation and amortization expense, other expense; changes of inventories, net profit before & after tax, EPS etc. fluctuating due to increasing or decreasing productivity.

c) Known trends demands, commitments, events or uncertainties that are likely to have an effect on the company's business

The business operation of the Company may be affected by some known events as follows:

- | | |
|---------------------|-------------------------------|
| a. Political unrest | b. Entrance of new technology |
| c. Natural disaster | d. Increased competition |

d) Trends or expected fluctuations in liquidity

There are no trends of expected fluctuations in liquidity. Moreover, from the cash flow of the company, it has been revealed that the company can generate sufficient fund internally to service its debt burden and other liabilities also. The company generated operating cash flow of Tk. 339.15 million for the year ended December 31, 2015 to meets its liquidity and obligation.

e) Off-balance sheet arrangements those have or likely to have a current or future effect on financial condition.

There are no off-balance sheet arrangements those have or likely to have a current or future effect on financial condition.

DIRECTORS AND OFFICERS
SECTION: VIII

- a) Name, Father's name, age, residential address, educational qualification, experience and position of each of the directors of the company and any person nominated/represented to be a director, showing the period for which the nomination has been made and the name of the organization which has nominated him;

Name of Directors	Father's Name	Age (Years)	Residential Address	Educational Qualification	Experience	Position
Musleh Uddin Ahmed	Shams Uddin Ahmed Noori	42	House-487/A, Road- 8C, DOHS, Baridhara, Dhaka	B.A (Hon.) Marketing & Management, London Guildhall	17	Chairman
Dilkush Begum	Rahimuddin Patwari	75	House-32, Road-18, Sector-7, Uttara, Dhaka	B.A, B. Ed	45	Vice Chairman
Kabir Reza	Habibur Rahman	44	House-24, Road-8, Sector-3, Uttara, Dhaka	B.A	21	Director & Managing Director
Najma Arif	Mohamed Ali	51	House-32, Road-18, Sector-7, Uttara, Dhaka	PGCE and Masters from the London University	21	Director
Rukeya Khatun	Aftab Miah	41	House-24, Road-8, Sector-3, Uttara, Dhaka	B.A	12	Director
Zebun Nessa	Mufti Alauddin	40	House-487/A, Road- 8C, DOHS, Baridhara, Dhaka	Hon's in Psychology & Sociology from London Guildhall University	12	Director
Prof. Dr. Mojib Uddin Ahmed	Md. Habib Uddin Ahmed	56	House-32, Road-PC Culture Housing Sociaty, Mohammadpur, Dhaka	Ph.D	26	Independent Director
Ahmed Ali	Late Fazar Uddin Ahmed	64	Lawghai, Purbadhala, Netrokona	Masters of Arts (Economics) from University of Dhaka	35	Independent Director

- b) The date on which he first became a director and the date on which his current term of office shall expire;

Name of Directors	Position	Date of Becoming director for the First Time	Date of Expiration of current term
Musleh Uddin Ahmed	Chairman	14.11.2006	In the AGM of 2016
Dilkush Begum	Vice Chairman	14.11.2006	In the AGM of 2018
Kabir Reza	Director & Managing Director	14.11.2006	In the AGM of 2016
Najma Arif	Director	14.11.2006	In the AGM of 2017
Rukeya Khatun	Director	14.11.2006	In the AGM of 2018
Zebun Nessa	Director	14.11.2006	In the AGM of 2017
Prof. Dr. Mojib Uddin Ahmed	Independent Director	March 24, 2016	In the AGM of 2019
Mr. Ahmed Ali	Independent Director	March 24, 2016	In the AGM of 2019

- c) If any director has any type of interest in other businesses, names and types of business of such organizations. If any director is also a director of another company or owner or partner of any other concern, the names of such organizations;

Directors' interest in other Business

Name of Directors	Directorship/Sponsorship/Ownership with other Company		Position
	Name of Company	Type of Business	
Musleh Uddin Ahmed	Home to Home Travels & Tour Ltd.	Tours & Travels Ltd.	Director
	Furniture Direct Ltd.	Import, Manufacture & Distribution of Furniture	Director
Dilkush Begum	Retail Technologies Ltd.	IT	Director
Kabir Reza	Doner & Gyros Bd. Ltd.	Restaurant	Director
	Sylhet Land Development Ltd.	Real-estate	Director
	Madina Apparels Ltd.	Garments	Director
	Friends House Ltd.	Restaurant	Director
	Furniture Direct Ltd.	Import, Manufacture & Distribution of Furniture	Director
Najma Arif	Retail Technologies Ltd.	IT	Director
Rukeya Khatun	N/A	N/A	N/A
Zebun Nessa	N/A	N/A	N/A
Prof. Mojib Uddin Ahmed, PhD	Investment Corporation Of Bangladesh	NBFI	Chairman
Ahmed Ali	N/A	N/A	N/A

- d) Statement of if any of the directors of the issuer are associated with the securities market in any manner. If any director of the Issuer Company is also a director of any issuer of other listed securities during last three years then dividend payment history and market performance of that issuer;

There is no involvement of any director of The DRHRL with securities market. No director of the DRHRL is a director of any issuer of the listed securities Except Prof. Mojib Ahmed, PhD, is the Chairman of Investment Corporation

- e) Any family relationship (father, mother, spouse, brother, sister, son, daughter, spouse's father, spouse's mother, spouse's brother, spouse's sister) among the directors and top five officers;

Family relationship among Directors

Name of the Director	Position in the Company	Relationship
Musleh Uddin Ahmed	Chairman	Husband of Zebun Nessa (Director)
Dilkush Begum	Vice Chairman	Mother in Law of Najma Arif (Director)
Kabir Reza	Director & Managing Director	Husband of Rukeya Khatun (Director)
Najma Arif	Director	Daughter in Law of Dilkush Begum (Vice Chairman)
Rukeya Khatun	Director	Wife of Kabir Reza (Managing Director)
Zebun Nessa	Director	Wife of Musleh Uddin Ahmed (Chairman)
Prof. Dr. Mojib uddin Ahmed	Independent Director	N/A
Mr. Ahmed Ali	Independent Director	N/A

Family Relationship among the Directors and Top Five Officers:

There is no family relation between directors & officers of the Company. However, following 3 (three) Directors namely Mr. Kabir Reza, Mr. Musleh Uddin Ahmed & Mrs. Dilkush Begum serve the Company as Managing Director, Director (Finance) & Director (Food & Beverage) respectively.

- f) A very brief description of other businesses of the directors;

There is no involvement of any director of The DRHRL with other business except as mentioned in the para (c).

g) Short Bio Data of the Directors

Mr. Musleh Uddin Ahmed

Chairman

Born in January 1975, Musleh Uddin Ahmed worked as Business Advisor for over Five years at EMEP (Ethnic Minority Enterprise Project) and assisted in creation of many successful business ventures. He was also a successful Investment Banker working for Blue Chip organizations such as NatWest, Close Brothers Investment and Lloyds TSB. Having an honors degree in Marketing & Management from London Guildhall, he has successfully set up Aarong outlet in London, a franchise operation of BRAC from Bangladesh. Presently, Mr. Musleh Uddin Ahmed is the Chairman of Dhaka Regency Hotel And Resort Limited.

Mrs. Dilkush Begum

Vice-Chairman

Mrs. D K Begum has been a teacher for over thirty years in government schools. She is currently involved with various philanthropic work involving children and education. Presently, Mrs. D K Begum is Director of Dhaka Regency Hotel And Resort Limited. She is currently residing on Plot # 4, 6, 31, 33, Airport Road, Nikunja 02, Dhaka-1229. Mrs. D.K Begum is currently holding the position of Director (Food & Beverage) of Dhaka Regency Hotel And Resort Limited.

Mr. Kabir Reza

Director & Managing Director

Born in January 1972, Kabir Reza was involved in the Catering Industry for over Eight years. Keeping his signature as a successful entrepreneur, he is currently running Real Estate Business both in UK and Bangladesh. Besides, Dhaka Regency Hotel And Resort Limited is proudly having Mr. Reza as the Managing Director of the property.

Mrs. Najma Arif

Director

Born in 1965, Mrs. Najma Arif has a long career in the field of education. She completed her PGCE and Masters from the London University. She has been a teacher and psychological counselor in various institutes locally and abroad. Presently she is Director of Dhaka Regency Hotel And Resort Limited. She is currently residing on Plot # 4, 6, 31, 33, Airport Road, Nikunja 02, Dhaka-1229

Mrs. Rukeya Khatun

Director

Born in February 1975, Rukeya Khatun has a long career in the field of education. She successfully established and run retail fashion outlets in the UK. Presently, Mrs. Rukeya Khatun is Director of Dhaka Regency Hotel And Resort Limited.

Mrs. Zebun Nessa

Director

Born in December 1976, Zebun Nessa worked with Royal London NHS Primary Care Trust. She also worked with the Local government Housing Department of London Borough of Tower Hamlets. She completed an honors degree in Psychology & Sociology from London Guildhall University, Presently; Mrs. Zebun Nessa is Director of Dhaka Regency Hotel And Resort Limited.

Prof. Dr. Mojib Uddin Ahmed**Independent Director**

Prof. Dr. Mojib Uddin Ahmed is a well-known person in Bangladesh capital market for his diversified skill and knowledge. He is the Chairman of Investment Corporation of Bangladesh (ICB) since November, 2014. He was the former Chairman of the Department of Tourism and Hospitality Management, University of Dhaka. Prof. Dr. Mojib is also a Director, MBA Program, BRAC Business School, BRAC University, Mohakhali, Dhaka, Bangladesh.

He was also an Associate Professor, Department of Accounting, Economics and Finance, Elizabeth City State University, Elizabeth City, North Carolina, USA, Associate Professor and Area Co-coordinator for Accounting and Finance, Center for Distance Learning, Empire State College, State University of New York, USA, Visiting Associate Professor, Department of Business, The University of Balamand, Tripoli, Lebanon and Visiting Faculty, Department of Financial Management, The University of the South Pacific, Fiji. He also served as member in the Curriculum committee and technology committee at the Davis Business School at the Elizabeth City state University, North Carolina, USA

Prof. Dr. Mojib received his graduate degree from the University of Glasgow, a graduate degree from the University of Illinois and a doctorate degree from Old Dominion University. He has obtained Ph.D. in Finance from Department of Accounting and Finance, Old Dominion University, Norfolk, Virginia, USA in December 1998. The title for the doctoral dissertation was "Market Reaction to Seasoned Equity Offerings: The Relevance of Leverage, Growth Opportunities, and Corporate Structure". Master of Accounting Science, University of Illinois at U-C, Illinois, USA, Master in Accountancy, University of Glasgow, Scotland, UK and Master of Commerce & Bachelor of Commerce, University of Dhaka, Bangladesh. Professor Mojib got Fellowships of Commonwealth Scholarship, Fulbright Scholarship, University Grants Commission Scholarship and Merit Scholarship. He also obtained the Dean's Research Award and Dr. Md. Habibullah Foundation Gold Medal. Professor Mojib has 17 (Seventeen) Refereed Publications in the various International Journal and participated and presented Research Works in 18 (Eighteen) International Conferences in different parts of the world (USA, Canada, Thailand, Spain, Hong Kong). His areas of Interest are Corporate Finance, Financial Markets and Institutions, Managerial Finance, Working Capital Management, International Finance, Financial Accounting, Intermediate Accounting; Advanced Financial Accounting, Cost and Management Accounting, Analysis of Financial Statements.

Mr. Ahmed Ali**Independent Director**

Mr. Ahmed Ali was born in well renowned muslim family in Lawghai, Purbadhala, Netrokona in the year of February 29, 1952. He obtained the degree of Masters of Arts (Economics) from University of Dhaka in the year 1974. He was the Member of Tax Administration & Monitoring, and Large Tax Payers' Unit, (LTU), National Board of Revenue (NBR), Dhaka. During his career he performed a vital role in formulating tax policies of the govt. in successful implementation of the step towards automation in Income Tax Department of Bangladesh, formulation of training policies & monitoring training activities of all the cadre members and staff of the Income Tax Department. Monitoring tax collection activities of all tax commissionerates of Bangladesh. Taking part in tax reform and modernization works at NBR & giving guidelines to tax collection authorities, exchanging information among the tax collecting departments including VAT, Customs, Income Tax, etc. to improve revenue collection. He also Performed a vital role in monitoring the activities of both LTU (Income Tax) & LTU (VAT). He started his career as a Deputy Commissioner of Taxes, National Board of Revenue (NBR).

During his service career, he has participated in many foreign training including Commonwealth Tax Officers' Course, Board of Inland Revenue (U.K), From 11/07/1988 to 11/12/1988, Tax policy and Administration Course (Singapore), From 17/09/2001 to 28/09/2001, 16th Tax Conference sponsored by ADB at Tokyo, Japan, From 17/10/2006 to 20/10/2006, Comparative Tax policy and Administration, John F Kennedy School of Govt, Harvard University, Boston, Massachusetts, USA, From 22/06/2008 to 03/07/2008, Study Tour (Malaysia), From 03/11/2008 to 08/11/2008.

h) Loan status of the issuer, its directors and shareholders who hold 5% or more shares in the paid-up capital of the issuer in terms of the CIB Report of Bangladesh Bank

Credit Information Bureau (CIB) report

Neither Dhaka Regency Hotel And Resort Limited nor any of its Sponsors or Directors or shareholders who hold 5% or more shares in paid-up capital of the issuer is loan defaulter.

i) Name with position, educational qualification, age, date of joining in the company, overall experience (in year), previous employment, salary paid for the financial year of the Chief Executive Officer, Managing Director, Chief Financial Officer, Company Secretary, Advisers, Consultants and all Departmental Heads. If the Chairman, any director or any shareholder received any monthly salary than this information should also be included;

Particulars of Top Executives & Departmental heads of the Company including Consultants & Advisers

Name of the Officers	Position	Date of Joining	Age	Educational Qualification	Overall Experience (in years)	Salary paid (2015)	Previous employment
Musleh Uddin Ahmed	Director Finance	Since Inception	42	B.A (Hon.) Marketing & Management, London Guildhall	17	72,00,000	Own business in England
Dilkush Begum	Director Food & Beverage	03/09/2015	75	B.A, B.ED	45	18,00,000	Teacher
Kabir Reza	Managing Director	Since Inception	44	B.A	21	72,00,000	Own business in England
Shahid Hamid FIH	Executive Director	10/03/2008	66	M.A	37	30,00,000	Assistant General Manager at Pan Pacific Sonargaon Hotel
Md. Rafiqul Alam Mia	Financial Controller	01/04/2010	66	B.com	37	1,925,000	As Director of Finance, The Westin Dhaka from July 2006 to June 2008; As Financial Controller, Radisson Water Hotel Dhaka from July 2004 to June 2006; As Financial Controller, Dhaka Sheraton Hotel from June 1995 to March 2004
Md. Mizanur Rahman Siddiquee	Company Secretary	08/07/2006	46	MBA	18	10,20,000	Served in BRAC Aarong in different managerial position since 1996. Joined in Dhaka Regency 2006 as Asst. Finance Manager, subsequently promoted to Finance Manager and Company Secretary.
Md. Kamal Hossain Morshed	Chief Financial Officer	28/08/2006	36	MBA (Finance)	16	1,020,000	BRAC-Aarong

It is mentionable that the Company has no Consultant except Tax Advisor **Ahmed Zaker & Co. Chartered Accountant** during the year 2015.

Apart from this following Chairman, Director, Shareholder of the Company received monthly Salary

Name	Position	Department	Salary Paid (2015)
Musleh Uddin Ahmed	Chairman	Director Finance	72,00,000
Dilkush Begum	Vice Chairman	Director Food & Beverage	18,00,000
Kabir Reza	Director & Managing Director	Managing Director	72,00,000
Shahid Hamid FIH	Executive Director	Head of Operation	30,00,000
Arif Motahar**	Sponsor Director & Shareholder	N/A	54,00,000

** In the Board Meeting dated September 03, 2015 Mr. Arif Motahar, former Managing Director resigned from his position effective from 03 September, 2015.

- j) Changes in the key management persons during the last three years. Any change otherwise than by way of retirement in the normal course in the senior key management personnel particularly in charge of production, planning, finance and marketing during the last three years prior to the date of filing the information memorandum. If the turnover of key management personnel is high compared to the industry, reasons should be discussed;

Sl. No.	Name	Position	Department	Remarks
01	Arif Motahar	Managing Director		Retired
02	Dilkush Begum	Director	Food & Beverage	Continue From 03, September, 2015
03	Faisal Aziz	Head of Sales & Marketing	Sales & Marketing	Continue From 01, February, 2016
04	Anwar Hossain MIH	Head of Sales & Marketing	Sales & Marketing	Resign From 15 April, 2015
05	Major Md. Mahbul Wadud (Retd.)	Executive Housekeeper & Manager Safety & Security	Housekeeping & Safety & Security	Resign From 30 April, 2014
06	Md. Afjal Hossain	Chief Engineer	Maintenance	Resign From 28 February 2015
07	A.T.M. Ahmed Hossain	Head of F & B Division	F & B Division	Continue From 01 March, 2013
08	Md. Ruhul Amin	Head of HR & Admin	HRD, Safety & Security & Transport	Continue From 29 June, 2014

- k) A profile of the sponsors including their names, father's names, age, personal addresses, educational qualifications, and experiences in the business, positions/posts held in the past, directorship held, other ventures of each sponsor and present position;

Name of the Sponsors	Father's Name	Age	Personal Address	Educational Qualification	Experience in the Business	Position	Directorship held
Musleh Uddin Ahmed	Shams Uddin Ahmed Noori	42	Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	B.A	17	Chairman	14.11.2006
Dilkush Begum	Rahimuddin Patwari	75	Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	B.A, B. Ed	45	Vice Chairman	14.11.2006
Kabir Reza	Habibur Rahman	44	Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	B.A (Hon.) Marketing & Management, London Guildhall	21	Director & Managing Director	14.11.2006
Najma Arif	Mohamedali	51	Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	PGCE and Masters from the London University	21	Director	14.11.2006
Rukeya Khatun	Aftab Miah	41	Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	B.A	12	Director	14.11.2006
Zebun Nessa	Mufti Alauddin	40	Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	Hon's in Psychology & Sociology from London Guildhall University	12	Director	14.11.2006
Arif Motahar**	Mohammad Motahar	48	Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	-	13	Sponsor Director & Shareholder	14.11.2006 To 03.09.2015

** In the Board Meeting dated September 03, 2015 Mr. Arif Motahar, former Managing Director resigned from his position effective from 03 September, 2015.

Other ventures of each sponsor, directors and present position

Name of Directors	Directorship/Sponsorship/Ownership with other Company		Position
	Name of Company	Type of Business	
Musleh Uddin Ahmed	Home to Home Travels & Tour Ltd.	Tours & Travels Ltd.	Director
	Furniture Direct Ltd.	Import, Manufacture & Distribution of Furniture	Director
Dilkush Begum	Retail Technologies Ltd.	IT	Director
Kabir Reza	Doner & Gyros Bd. Ltd.	Restaurant	Director
	Sylhet Land Development Ltd.	Real-estate	Director
	Madina Apparels Ltd.	Garments	Director
	Friends House Ltd.	Restaurant	Director
	Furniture Direct Ltd.	Import, Manufacture & Distribution of Furniture	Director
Najma Arif	Retail Technologies Ltd.	IT	Director
Rukeya Khatun	N/A	N/A	N/A
Zebun Nessa	N/A	N/A	N/A
Prof. Dr. Mojib Uddin Ahmed	N/A	N/A	Independent Director
Mr. Ahmed Ali	N/A	N/A	Independent Director

- l) If the present directors are not the sponsors and control of the issuer was acquired within five years immediately preceding the date of filing prospectus details regarding the acquisition of control, date of acquisition, terms of acquisition, consideration paid for such acquisition etc.**

Name	Acquisition of Control	Date of Acquisition	Terms of Acquisition	Consideration paid for such Acquisition
Musleh Uddin Ahmed	Chairman	27.12.2010	Directors to the Board	Cash
Dilkush Begum	Vice Chairman	27.12.2010	Directors to the Board	Cash
Kabir Reza	Director & Managing Director	27.12.2010	Directors to the Board	Cash
Najma Arif	Director	27.12.2010	Directors to the Board	Cash
Rukeya Khatun	Director	27.12.2010	Directors to the Board	Cash
Zebun Nessa	Director	27.12.2010	Directors to the Board	Cash
Arif Motahar**	Sponsor Director & Shareholder	27.12.2010	Directors to the Board	Cash

** In the Board Meeting dated September 03, 2015 Mr. Arif Motahar, former Managing Director resigned from his position effective from 03 September, 2015.

- m) If the sponsors/directors do not have experience in the proposed line of business, the fact explaining how the proposed activities would be carried out/managed;**

The sponsors/directors of the Company have experience in the proposed line of business.

- n) Interest of the key management persons;**

There is no other interest with the key management except the Directors' Remuneration.

- o) All interests and facilities enjoyed by a director, whether pecuniary or non-pecuniary;**

Name of the Directors	Relationship	Name of the Transaction	Amount in BDT
Musleh Uddin Ahmed	Chairman	Remuneration	72,00,000
		Board Atten. Fee	30,000
		Dividend	cash
		Stock	N/A
Dilkush Begum	Vice Chairman	Remuneration	18,00,000
		Board Atten. Fee	30,000
		Dividend	cash
		Stock	N/A
Kabir Reza	Director & Managing Director	Remuneration	72,00,000
		Board Atten. Fee	30,000
		Dividend	cash
		Stock	N/A
Najma Arif	Director	Remuneration	N/A
		Board Atten. Fee	30,000
		Dividend	cash
		Stock	N/A
Rukeya Khatun	Director	Remuneration	N/A
		Board Atten. Fee	30,000
		Dividend	cash
		Stock	N/A
Zebun Nessa	Director	Remuneration	N/A
		Board Atten. Fee	30,000
		Dividend	cash
		Stock	N/A
Arif Motahar**	Sponsor Director & Shareholder	Remuneration	54,00,000
		Board Atten. Fee	22,500
		Dividend	cash
		Stock	N/A

** In the Board Meeting dated September 03, 2015 Mr. Arif Motahar, former Managing Director resigned from his position effective from 03 September, 2015 and after resignation he is not getting any remuneration.

- 3 Directors name in Mr. Musleh Uddin Ahmed , Mr. Kabir Reza & Mrs. Dilkush Begum as Director (Finance), Managing Director & Director (Food & Beverage) working in the Company.

- The Company has been providing Car facilities to the 3 Directors (Musleh Uddin Ahmed, Kabir Reza & Mrs. Dilkush Begum) as per Audited Accounts.
- The Company pays Tk. 7,500.00 each as attendance fee per Board meeting to its Directors.
- Remuneration to Directors was paid as per article 166 of Articles of Association of the Company

p) Number of Shares held and percentage of Shareholding (Pre issue)

Sl. No.	Name of the Shareholders	BO ID	Address	No. of Shares	Shareholding (%)
Shareholdings by the Directors & Sponsors [A]					
1	Musleh Uddin Ahmed	1204030043672812	Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	7,731,886	12.89
2	Dilkush Begum		Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	4,202,000	7.00
3	Kabir Reza	1204500041542920	Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	5,780,000	9.63
4	Najma Arif		Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	3,200,000	5.33
5	Rukeya Khatun		Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	3,200,000	5.33
6	Zebun Nessa	1204030061786349	Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	3,200,000	5.33
7	Arif Motahar		Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	2,970,000	4.95
Total Shareholding by Directors and Sponsors:				30,283,886	50.47
8	Mohsin Ahmed		House # 487A, Road # 8C, Baridhara DOHS, Dhaka	174,000	0.29
9	Minaz Ahmed		Village & PO: East Bhadeshwar, PS: Gulapgonj, Sylhet	174,000	0.29
10	Anhar Miah		Village: bongao, thana: jogonnathpur, District: Sunamgonj, Sylhet	174,000	0.29
11	Mohammed Kamal Uddin		Naima Villa, Purobi, House no 7, Road no 1, Islam Pur, Sylhet 3100	174,000	0.29
12	Karim Uddin		Village: Mathuirura, PO: Menari, Sylhet	174,000	0.29
13	Shah Jahan		Habibpur Shahpur, Jagannathpur, Sunamgonj	174,000	0.29
14	Md. Kamrul Islam		Village Musgul, PO: Barlekha, Moulvi Bazar	174,000	0.29
15	Yabor Ali		West Shiraj Nogar, PO: Barunga Bazar, Sylhet	174,000	0.29
16	Hefzur Rahman		House #9, Road #8, Sector #7, Uttara Model Town, Dhaka	348,000	0.58
17	Tamjida Khatun		B-3 of Seza Court, 152 Monipuri Para, Tejgaon, Dhaka	174,000	0.29
18	Shafique Uddin		15-B Bihongo, Kazitula, Sylhet	174,000	0.29
19	Mumin Ali		Airport Road, Nikunja-2, Dhaka	174,000	0.29
20	Goffar Miah		Village: Ashampur, PO: rasulganj bazar, Thana:Jagannathpur, District: Sunamgonj, Sylhet	696,000	1.16
21	Badar Uddin Ahmed		Airport Road, Nikunja-2, Dhaka	174,000	0.29
22	Aminur Rashid		Mullar Gown, PO Mullar Gown, Sodor, Sylhet	174,000	0.29
23	Mohammed Salim Uddin		Vill: Bagirhat, P.O. Budbari Bazar, U.Z. Gulapgonj, Dist: Sylhet	174,000	0.29
24	Monzur Hussain		326 Dhaka Ibrahimpur, Dhaka-1206	174,000	0.29
225	Abdul Shahid Mannan		village: horipur, PO:hatinganj, Thana: Golapgonj, Sylhet	174,000	0.29
26	Mustakim Ali		Village: Dori Kunjonpur PO: Rosulgonj Bazar, Thana: Jogonnathpur, Sunamgonj	174,000	0.29

27	Moinul Islam		Airport Road, Nikunja-2, Dhaka	174,000	0.29
28	Mustafizur Rahman		House 774, Abbas Mongil Nagra, PO: Netrokona, Dist: Netrokona	174,000	0.29
29	Muhammad Iman Ali		Flat No: B-8, Bailey Heights, 2 Nawratan Colony, New Bailey Road, Dhaka-1000	120,000	0.20
30	Juber Ahmed		Village: Angura Mohd pur, Beani Bazar, Sylhet	174,000	0.29
31	Iman Uddin		Airport Road, Nikunja-2, Dhaka	174,000	0.29
32	MD. Kashedul Haque Misson		162/3/1 Wapda Road, Rampura, Dhaka	174,000	0.29
33	Qazi Kaiser Ahmed		College Road, Ibrahimpur, Badeshor Monzil, PO: Sreemongal, Moulvi Bazaar	870,000	1.45
34	Sadaqur Rahman Chowdhury		Dewan Bari, College Road, Sreemongol, Sreemongol	174,000	0.29
35	Ashraf Khan		Niloy 53, Chowhatta, Sylhet	174,000	0.29
36	Afzal Khan		Niloy 53, Chowhatta, Sylhet	174,000	0.29
37	Mohammed Jamal Uddin		Hotlib, 126 Komla bagaar,, Mozumdari, Sylhet	174,000	0.29
38	Dr. Abdur Rahim Khan		Village: Kusta, PO: Ghior, Manikgonj	174,000	0.29
39	Sanu Miah		Village: Hamtonpur, PO: mullahpara, Thana: Balaganj, Sylhet	174,000	0.29
40	Momota Begum		Dewan Bari, College Road, Sreemongol, Sreemongol	174,000	0.29
41	Matin Rashed Khan		Village & PO: Moushria, Rajnagar, Moulvi Bazar	203,000	0.34
42	Kabir Ahmed		Village: Nowakhani, PO: Charkhai, PS: Bianibazar, Sylhet	174,000	0.29
43	Fakhrul Islam Chowdhury		Airport Road, Nikunja-2, Dhaka	174,000	0.29
44	Nasima Akhtar		Abdulah Villa, PO: Kulaura, PS: Kulaura, Moulvi Bazar	60,000	0.10
45	Sheikh Halima Akhtar		Hamid Monzil, Village : Borkatpur, PO: Gohor Pur, Dewan Bazar; PS: Balagonj District : Sylhet	60,000	0.10
46	Mashud Uddin		Sheromoni, 28/2 Badam Bagicha, Sylhet	174,000	0.29
47	Md. Musa Al kajem		Dori Kunjonpur PO: Rosulgonj Bazar, Jogonnathpur, Sunamgonj	174,000	0.29
48	Abdul Bari		19/4 Fajilichist, Shubid Bazar, Sylhet	174,000	0.29
49	Mojibul Hoque		SW4 Arafa Nelay, House:10, Road: 10, Gulshan-1, Dhaka	348,000	0.58
50	Luckey Chowdhury		Airport Road, Nikunja-2, Dhaka	174,000	0.29
51	Muhammad Muzammil Ali		Village: Dori Kunjonpur PO: Rosulgonj Bazar, Thana: Jogonnathpur, Sunamgonj	174,000	0.29
52	Hasina Momtaz		33 Monipuri para, Sherebanglanagar, Dhaka	174,000	0.29
53	Babul Akhtar		Village: Ray Pur, Kamal Pur Bazar, PS: Moulvi Bazar, Dist: Moulvi Bazar	696,000	1.16
54	Najrul Khasru		Kotal Pur (Mohidpur), PO: Hajigonj, Sylhet	199,000	0.33
55	Mohammed Mohed Ali Mitu		Rushna Cottage, School Road, Goala Bazar, P.S.Osmani Nogor, Sylhet	174,000	0.29
56	Nozrul Islam		Rosul Gonj, Rosul Gonj Bazar, Shunamgonj	174,000	0.29
57	Motiur Rahman		Rosul Gonj, Rosul Gonj Bazar, Shunamgonj	174,000	0.29

58	Abdul Khalik		Village + Post Office : Baishghor, Thana: Bishwanath, Sylhet	174,000	0.29
59	Md Sadrul Islam		Village:Nagor PO: Dhaka Dakshin, Gulapgonj, Sylhet	174,000	0.29
60	Akik Uddin		Village: Ronkali, Nurupara, Golapganj, Sylhet	174,000	0.29
61	Mohammed Qumruzzaman		Urban Valley, House #29, Flat #2C, Road #27, Dhanmondi R/A, Dhaka	174,000	0.29
62	Haji Mohammed Mamun Choudury		Village: Burhanpur, PO: Burhanpur, Hobigonj	174,000	0.29
63	Md Taj Ullah		Prothom Pasha, PO: Burunga Bazar, Sylhet	174,000	0.29
64	Rezaul Islam Choudhury		464 Kumar Para, Sylhet - 3100	174,000	0.29
65	Saydikur Rahman		Village: Bani Gazi, Post: Chandar pur, Sylhet	696,000	1.16
66	Dr Quazi Mohafuzal Haque		Kerninewaz, Road 10, DOHS Baridhara, Dhaka	174,000	0.29
67	Dr Uddin Ahmed Afsaer		Airport Road, Nikunja-2, Dhaka	174,000	0.29
68	Mokbul Ali		Hasina Cottage, 4 Al-Amin Road, Patantula, Sylhet	174,000	0.29
69	Abdus Salam		Village: Mirrar Aon, PO: Brahmmon Shason, Osmani Nagor, Sylhet	174,000	0.29
70	Abdul Asad Choudhury		109 Noverun, Shibgonj, Sunapara, Sylhet-3100	174,000	0.29
71	Mustafa Kamal		Village: Noyagram, Post: Purbo Muria, Beani Bazaar, Sylhet	174,000	0.29
72	Mansur Ali		Village: Hajir Kuna, PO: Deputy Bazar, PS: Golapgonj, Sylhet	174,000	0.29
73	Shabbir Ahmed		Village: Nagor, Dhaka Dakshin, Sylhet	174,000	0.29
74	Layekul Islam		House:133/1, Road No:4, Block-E, Shahjalal Uposhohor, Sylhet	174,000	0.29
75	Faruk Miah Talukder		Aysha Villa, 36 Lovley Road, Subid Bazar West, Sylhet	174,000	0.29
76	Shahidul Islam		Village: Chowdury Gao, PO: Bishwanath, Sylhet	174,000	0.29
77	Imranul Islam		Jubada Monjal, Shak Ghat, Suvacha 407, Sylhet	174,000	0.29
78	Md Faysol Hussain		Village: Hijolshah, PS: Omarpur, Thana: Balagonj, Sylhet	174,000	0.29
79	Md. Goyas Miah		Village : Shombumordon, PO:Dashghor, PS: Bishwanath, sylhet	696,000	1.16
80	Shamsul Haque		57a Lohar Para, Kazitula, Sylhet	174,000	0.29
81	Mohammed Ashik Miah		Roseate, House63, Road 3, Block B/2, Niketon, Gulshan 1, Dhaka	174,000	0.29
82	Nuraz Zaman		Sulemanpur, Jhigli Bazar, Sunamganj, Sylhet	174,000	0.29
83	Zuber Ahmed Laskar		Village: Bataishail, PO: Porchak, Upazila (Thana): Zakiganj, Sylhet	174,000	0.29
84	Enam-ul Haque Chowdhury		Islam Pur, Major Tila, Sylhet	174,000	0.29
85	Luthfur Rahman		Village: Khujgi pur Post: Umorpur Bazar, Ushmani Nogor, Balagonj, Sylhet	174,000	0.29
86	Yahya Chowdhury		20, Evergreen, Zerzeri Para, Sylhet	174,000	0.29
87	Ali Mohammed Zakaria		330 Ekota, North Bagbari, Sylhet	696,000	1.16
88	Badrul Haque		Village & PO: Chanderpur, PS: Gulapgonj, Sylhet	174,000	0.29

89	Suraiya Khatun		Village & PO: Chanderpur, PS: Gulapgonj, Sylhet	348,000	0.58
90	Qazi Faisal Ahmed		College Road, Ibrahimpur, Badeshor Monzil, PO: Sreemongal, Moulvi Bazaar	696,000	1.16
91	Sahadat Hossain Monir		B-3 of Seza Court, 152 Monipuri Para, Tejgaon, Dhaka	174,000	0.29
92	Mohammed Sayed Reza	1204030061786357	Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	1,044,000	1.74
93	Md. Alim Uddin		Road No. 30, House No. 15 , 2nd Floor, Shahjalal Uposhohor, Sylhet	174,000	0.29
94	Israk Ali		Village : Shombumordon, PO:Dashghor, PS: Bishwanath, sylhet	1,044,000	1.74
95	Abdul Basith Khan		Village: Atgor, PO: Hason Fatema Pur, PS: Jogonnatpur, Shunamgong	696,000	1.16
96	Jubel Ahmed		College Road, Ibrahimpur, Badeshor Monzil, PO: Sreemongal, Moulvi Bazaar	174,000	0.29
97	Rajia Tahmina Khanam		Village:Azmot Pur, PO: Talal Pur, Thana: sodor, Sylhet	174,000	0.29
98	Abdul Gani		Chadnighat, Moulvi Bazar	348,000	0.58
99	Labibun B Nessa		Village: Nagor, PO: Dhaka Dakshin, Sylhet	174,000	0.29
100	Abdul Quaim		Village & PO: Hydopur, Sunamgonj, Sylhet	174,000	0.29
101	Mohammed Helal Uddin		Village:Nagor PO: Dhaka Dakshin, Gulapgonj, Sylhet	174,000	0.29
102	Rahnaz Khasru		Kotal Pur (Mohidpur), PO: Hajigonj, Sylhet	174,000	0.29
103	Nazmul Haque Siddique	1204240017029505	D136 Mohanagar Project, West Rampura, Dhaka	174,000	0.29
104	Razina Begum		Village : Prothom Pasha, Post : Burunga Bazar Sylhet	174,000	0.29
105	Abdul Hamid		Village: Atghor, PO: Hasonfatema pur, PO: Jogonnath pur, Sunamgonj	174,000	0.29
106	Shofi Mustafa		10 Bonosri, Amborkhana, Sylhet	174,000	0.29
107	Jadab Debnath		House 49, Road 9, DOHS Baridhara, Dhaka	174,000	0.29
108	Sahidur Rahman		Village: Dawrai, PO: dawrai bazar, Sunamgonj, Sylhet	696,000	1.16
109	Faruk Uddin		63/1A Lakecircus, Kolabagan, Dhaka	522,000	0.87
110	Shamsu Miah		Vill: Gozia, PO: Begompur, PS: Usmaninogor Sylhet	174,000	0.29
111	Naharun Nessa Begum		Hotlib, 126 Komla bagaar,, Mozumdari, Sylhet	174,000	0.29
112	Md. Kawsar Jahan		Ghurni-6 R/A, Mirzapur House, Amberkhana, Sylhet	696,000	1.16
113	Mohib Uddin Al Chowdhury		15 Muhona, Niamot Road, Sylhet	174,000	0.29
114	Mujibul Hussain		Raj Villa, Road No. 1, Block-E, Shahjalal Uposhohor, Sylhet	174,000	0.29
115	Dr. Badrul Amin Siddique		Flat No:C5, Build No: 2, 20/22 Villa Road-15, Gulshan 1, Dhaka	174,000	0.29
116	Anfor Farooque		Sulemanpur, Jhigli Bazar, Sunamganj, Sylhet	174,000	0.29
117	Mohi Ahmed		House # 487A, Road # 8C, Baridhara DOHS, Dhaka	136,114	0.23
118	Fahim Arif Motahar		Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	696,000	1.16
119	Luthfur Rahman		Muhib Saw Mills, Bishwanath Notun Bazar, PO: Bishwanath, Sylhet	174,000	0.29
120	Shanaz Perveen		Naraping, Gulapgonj, Sylhet	174,000	0.29

121	Farhana Yasmin		13/2 West & Street , Central Road Dhanmondi, Dhaka	87,000	0.15
122	Nazmun Nahar		Village: Sharia, PO: Dullov pur, PS: Molovi Bazar, Dist: Molovi Bazar	87,000	0.15
123	Rajea Mahmuda Khwnam		Village : Dawrai, Post : Dawrai Bazar, Jaganath Pur, Shunamgonj	54,000	0.09
124	Mohammed Sajid Reza	1204500041542920	Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	696,000	1.16
125	Sameeha Reza	1204500041542920	Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	696,000	1.16
Total Shareholdings by other than Directors & Sponsors [B]				29,716,114	49.53
Total Shareholdings Before IPO [A + B]				60,000,000	100

q) Changes in the Board of Directors in last three years;

Sl. No.	Name of the Directors	Date of Joining	Date of retirement	Present Status as on 31.12.2015
1	Musleh Uddin Ahmed	14.11.2006	Continuing	Chairman
2	Dilkush Begum	14.11.2006	Continuing	Vice Chairman
3	Kabir Reza	14.11.2006	Continuing	Director & Managing Director
4	Najma Arif	14.11.2006	Continuing	Director
5	Rukeya Khatun	14.11.2006	Continuing	Director
6	Zebun Nessa	14.11.2006	Continuing	Director
7	Arif Motahar	14.11.2006	03 September 2015	Voluntary retirement from the post of Director due to illness.
8	Prof. Dr. Mojib Uddin Ahmed, Ph.D	24.03.2016	In the AGM of 2019	Independent Director
9	Mr. Ahmed Ali	24.03.2016	In the AGM of 2019	Independent Director

r) Director's engaged with similar business;

There is no engagement of any director with similar business.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS
SECTION: IX

(a)

TO WHOM IT MAY CONCERN

This is to certify that the Financial Statements of the DRHRL furnished for our audit does not have any transaction during the last five years, or any proposed transaction, between the issuer and any of the following persons:

- I. Any director or sponsor or executive officer of the issuer;
- II. Any person holding 5% or more of the outstanding shares of the issuer;
- III. Any related party or connected person of any of the above persons;

Except the transactions described in the following table:

Name of the Company/Person	Relationship	Nature of Transaction	2015		2014		2013		2012		2011	
			Value of transaction during the year	Balance at year end Receivable/ (Payable)	Value of transaction during the year	Balance at year end Receivable/ (Payable)	Value of transaction during the year	Balance at year end Receivable/ (Payable)	Value of transaction during the year	Balance at year end Receivable/ (Payable)	Value of transaction during the year	Balance at year end Receivable/ (Payable)
Dilkush Begum	Director	Remuneration	2,400,000	-	-	-	-	-	-	-	-	-
		Board Meeting fees	30,000	-	30,000	-	30,000	-	30,000	-	30,000	-
		Director Loan	-	-	-	-	2,900,000	-	2,900,000	2,900,000	-	-
Rukeya Khatun	Director	Remuneration	-	-	-	-	-	-	-	-	-	-
		Board Meeting fees	30,000	-	30,000	-	30,000	-	30,000	-	30,000	-
		Director Loan	725,845	2,230,331	-	2,956,176	67,824	2,956,176	3,024,000	3,024,000	-	-
Nazma Arif	Director	Remuneration	-	-	-	-	-	-	-	-	-	-
		Board Meeting fees	30,000	-	30,000	-	30,000	-	30,000	-	30,000	-
		Director Loan	-	-	-	-	3,000,000	-	3,000,000	3,000,000	-	-
Zabun Nessa	Director	Remuneration	-	-	-	-	-	-	-	-	-	-
		Board Meeting fees	-	-	-	-	30,000	-	30,000	-	30,000	-
		Director Loan	30,000	-	30,000	-	3,020,000	-	3,020,000	3,020,000	-	-
Kabir Reza	Director	Remuneration	7,200,000	-	7,200,000	-	7,200,000	-	7,200,000	-	7,200,000	-
		Board Meeting fees	30,000	-	30,000	-	30,000	-	30,000	-	30,000	-
		Director Loan	-	-	-	-	6,841,014	-	17,799,146	6,841,014	21,209,011	-
Musleh Ahmed	Director	Remuneration	7,200,000	-	7,200,000	-	7,200,000	-	7,200,000	-	7,200,000	-
		Board Meeting fees	30,000	-	30,000	-	30,000	-	30,000	-	30,000	-
		Director Loan	-	-	-	-	7,380,578	-	17,259,546	7,380,578	-	-
Arif Motahar	Director	Remuneration	4,800,000	-	7,200,000	-	7,200,000	-	7,200,000	-	7,200,000	-
		Board Meeting fees	22,500	-	30,000	-	30,000	-	30,000	-	30,000	-
		Director Loan	-	-	-	-	4,384,166	-	14,489,166	4,384,166	-	-
Total			22,528,345	2,230,331	21,810,000	2,956,176	49,403,582	2,956,176	83,301,858	30,549,758	43,019,011	-

Place: Dhaka;
March 29, 2016

Sd/-
Ahmed Zaker & Co.
Chartered Accountants

- (b) Any transaction or arrangement entered into by the issuer or its subsidiary or associate or entity owned or significantly influenced by a person who is currently a director or in any way connected with a director of either the issuer company or any of its subsidiaries/holding company or associate concerns, or who was a director or connected in any way with a director at any time during the last three years prior to the issuance of the prospectus;

The information given in above under the head certain relationships and related transactions (para-a) is applicable in this respect.

- (c) Any loans either taken or given from or to any director or any person connected with the director, clearly specifying details of such loan in the prospectus, and if any loan has been taken from any such person who did not have any stake in the issuer, its holding company or its associate concerns prior to such loan, rate of interest applicable, date of loan taken, date of maturity of loan, and present outstanding of such loan.

The company did not take or give any loan from connected person or to its subsidiary except the transactions described in the following table:

Name of the Company/Person	Relationship	Nature of Transaction	2015		2014	
			Value of transaction during the year	Balance at year end Receivable/ (Payable)	Value of transaction during the year	Balance at year end Receivable/ (Payable)
Rukeya Khatun	Director	Director Loan	725,845	2,230,331	-	2,956,176
Zabun Nessa	Director	Director Loan	30,000	-	30,000	-
Total			22,528,345	2,230,331	21,810,000	2,956,176

EXECUTIVE COMPENSATION

SECTION: X

- (a) The total amount of remuneration/salary/perquisites paid to the top five salaried officers of the issuer in the last accounting year and the name and designation of each such officer;

The total amount of remuneration/salary/perquisites paid to the top five salaried officers of the company in the last accounting year is as follows:

(As per Audited Accounts)

Name	Position	Department	Remuneration (January '15 to December '15)
Musleh Uddin Ahmed*	Chairman	Director Finance	72,00,000
Dilkush Begum*	Vice Chairman	Director Food & Beverage	54,00,000
Kabir Reza*	Director & Managing Director	Managing Director	72,00,000
Shahid Hamid FIH	Executive Director	Head of Operation	30,00,000
Arif Motahar**	Sponsor Director & Shareholder	Former Managing Director	18,00,000
Md. Rafiqul Alam Mia	Financial Controller	Finance	1,925,000

* Also Shareholders of the Company

** In the Board Meeting dated September 03, 2015 Mr. Arif Motahar, former Managing Director resigned from his position effective from 03 September, 2015 and after resignation he is not getting any remuneration.

- (b) Aggregate amount paid to all directors and officers as a group during the last accounting year;

Aggregated amount of remuneration paid to all Directors and Officers during the last accounting year is as follows-

(As per Audited Accounts)

Particulars	Nature of Payment	January to December '2015
Directors	Board Meeting Fees	202,500
Directors	Remuneration	21,600,000
Officers and Executives	Salary and Allowances	94,242,664

(c) If any shareholder director received any monthly salary/perquisite/benefit of shareholder director and approval date of AGM/EGM Including terms thereof and payments made last year;

Monthly remuneration to the Directors who are involved in day-to-day operations of the Company. The amounts of fixed monthly remuneration are stated below:

(Amount in BDT)

Name	Position	Department	Monthly remuneration
Musleh Uddin Ahmed	Chairman	Director Finance	6,00,000.00
Dilkush Begum	Vice Chairman	Director Food & Beverage	6,00,000.00
Kabir Reza	Director & Managing Director	Managing Director	6,00,000.00
Arif Motahar*	Sponsor Director & Shareholder	Former Managing Director	6,00,000.00

* In the Board Meeting dated September 03, 2015 Mr. Arif Motahar, former Managing Director resigned from his position effective from 03 September, 2015 and after resignation he is not getting any remuneration.

(d) The board meeting attendance fees received by the director including the managing director along with date of approval in AGM/EGM;

The Directors who are participated in the Company's board meeting has received board meeting attendance fee @ Tk. 7,500 per meeting.

(e) Any contract with any director or officer providing for the payment of future compensation;

The Company has not entered into any contract with any of its Directors or Officers for providing of any future compensation packages.

(f) If the issuer intends to substantially increase the remunerations paid to its Directors and Officers in the current year, appropriate information regarding thereto;

The Company has no plan to substantially increase the remunerations to its directors and officers except for those that are paid as annual increment to their salaries.

(g) Any other benefit/facility provided to the above persons during the last accounting year

No directors and officers of DRHRL received any other benefit/facility in the last accounting year except which is disclosed above.

OPTIONS GRANTED TO DIRECTORS, OFFICERS AND EMPLOYEES

SECTION: XI

The company did not grant any options to any director, officer all other officers as a group. Further to the above, no options are held by any person other than the directors.

- (a) The names of the directors and subscribers to the memorandum, the nature and amount of anything of value received or to be received by the issuer from the above persons, or by the said persons, directly or indirectly, from the issuer during the last five years along with the description of assets, services or other consideration received or to be received;

The directors and subscribers to the memorandum have not received any benefits except as specified below:

(Amount in BDT)

Name of the Directors & Subscribers	Name of the Transaction	2015	2014	2013	2012	2011
Musleh Uddin Ahmed	Remuneration	7,200,000	7,200,000	7,200,000	7,200,000	7,200,000
	Board Atten. Fee	30,000	30,000	30,000	30,000	30,000
	Dividend	cash	N/A	N/A	N/A	18,503,772
		Stock	N/A	N/A	N/A	N/A
Dilkush Begum	Remuneration	1,800,000	-	-	-	-
	Board Atten. Fee	30,000	30,000	30,000	30,000	30,000
	Dividend	cash	N/A	N/A	N/A	3,223,796
		Stock	N/A	N/A	N/A	N/A
Kabir Reza	Remuneration	7,200,000	7,200,000	7,200,000	7,200,000	7,200,000
	Board Atten. Fee	30,000	30,000	30,000	30,000	30,000
	Dividend	cash	N/A	N/A	N/A	18,503,792
		Stock	N/A	N/A	N/A	N/A
Najma Arif	Remuneration	-	-	-	-	-
	Board Atten. Fee	30,000	30,000	30,000	30,000	30,000
	Dividend	cash	N/A	N/A	N/A	3,340,000
		Stock	N/A	N/A	N/A	N/A
Rukeya Khatun	Remuneration	-	-	-	-	-
	Board Atten. Fee	30,000	30,000	30,000	30,000	30,000
	Dividend	cash	N/A	N/A	N/A	3,360,000
		Stock	N/A	N/A	N/A	N/A
Zebun Nessa	Remuneration	-	-	-	-	-
	Board Atten. Fee	30,000	30,000	30,000	30,000	30,000
	Dividend	cash	N/A	N/A	N/A	3,360,000
		Stock	N/A	N/A	N/A	N/A
Arif Motahar**	Remuneration	5,400,000	7,200,000	7,200,000	7,200,000	7,200,000
	Board Atten. Fee	30,000	30,000	30,000	30,000	22,500
	Dividend	cash	N/A	N/A	N/A	15,300,000
		Stock	N/A	N/A	N/A	N/A

** In the Board Meeting dated September 03, 2015 Mr. Arif Motahar, former Managing Director resigned from his position effective from 03 September, 2015 and after resignation he is not getting any remuneration.

- ✓ 3 Directors name in Mr. Musleh Uddin Ahmed , Mr. Kabir Reza & Mrs. Dilkush Begum as Director (Finance), Managing Director & Director (Food & Beverage) working in the Company.
- ✓ The Company has been providing Car facilities to the 3 Directors (Musleh Uddin Ahmed, Kabir Reza & Mrs. Dilkush Begum) as per Audited Accounts.
- ✓ The Company pays Tk. 7,500.00 each as attendance fee per Board meeting to its Directors.
- ✓ Remuneration to Directors was paid as per article 166 of Articles of Association of the Company

- (b) If any assets were acquired or to be acquired from the aforesaid persons, the amount paid for such assets and the method used to determine the price shall be mentioned in the prospectus, and if the assets were acquired by the said persons within five years prior to transfer those to the issuer, the acquisition cost thereof paid by them.

The Company has not received any assets, services of other consideration from its directors and subscribers to the memorandum except fund against allotment of shares.

OWNERSHIP OF THE COMPANY'S SECURITIES

SECTION : XIII

- (a) The names, addresses, BO ID Number of all shareholders of the company before IPO, indicating the amount of Securities owned and the percentage of the securities represented by such ownership, in tabular form;

Sl. No.	Name of the Shareholders	BO ID	Address	No. of Shares	Shareholding (%)
Shareholdings by the Directors & Sponsors [A]					
1	Musleh Uddin Ahmed	1204240017029505	Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	7,731,886	12.89
2	Dilkush Begum		Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	4,202,000	7.00
3	Kabir Reza	1204500041542920	Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	5,780,000	9.63
4	Najma Arif		Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	3,200,000	5.33
5	Rukeya Khatun		Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	3,200,000	5.33
6	Zebun Nessa	1204030061786349	Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	3,200,000	5.33
7	Arif Motahar		Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	2,970,000	4.95
Total Shareholding by Directors and Sponsors:				30,283,886	50.47
8	Mohsin Ahmed		House # 487A, Road # 8C, Baridhara DOHS, Dhaka	174,000	0.29
9	Minaz Ahmed		Village & PO: East Bhadeshwar, PS: Gulapgonj, Sylhet	174,000	0.29
10	Anhar Miah		Village: bongao, thana: jogonnathpur, District: Sunamgonj, Sylhet	174,000	0.29
11	Mohammed Kamal Uddin		Naima Villa, Purobi, House no 7, Road no 1, Islam Pur, Sylhet 3100	174,000	0.29
12	Karim Uddin		Village: Mathuirura, PO: Menari, Sylhet	174,000	0.29
13	Shah Jahan		Habibpur Shahpur, Jagannathpur, Sunamgonj	174,000	0.29
14	Md. Kamrul Islam		Village Musgul, PO: Barlekha, Moulvi Bazar	174,000	0.29
15	Yabor Ali		West Shiraj Nogar, PO: Barunga Bazar, Sylhet	174,000	0.29
16	Hefzur Rahman		House #9, Road #8, Sector #7, Uttara Model Town, Dhaka	348,000	0.58
17	Tamjida Khatun		B-3 of Seza Court, 152 Monipuri Para, Tejgaon, Dhaka	174,000	0.29
18	Shafique Uddin		15-B Bihongo, Kazitula, Sylhet	174,000	0.29
19	Mumin Ali		Airport Road, Nikunja-2, Dhaka	174,000	0.29
20	Goffar Miah		Village: Ashampur, PO: rasulganj bazar, Thana:Jagannathpur, District: Sunamgonj, Sylhet	696,000	1.16
21	Badar Uddin Ahmed		Airport Road, Nikunja-2, Dhaka	174,000	0.29
22	Aminur Rashid		Mullar Gown, PO Mullar Gown, Sodor, Sylhet	174,000	0.29
23	Mohammed Salim Uddin		Vill: Bagirhat, P.O. Budbari Bazar, U.Z. Gulapgonj, Dist: Sylhet	174,000	0.29
24	Monzur Hussain		326 Dhaka Ibrahimpur, Dhaka-1206	174,000	0.29

25	Abdul Shahid Mannan		village: horipur, PO:hatinganj, Thana: Golapgonj, Sylhet	174,000	0.29
26	Mustakim Ali		Village: Dori Kunjonpur PO: Rosulgonj Bazar, Thana: Jogonnathpur, Sunamgonj	174,000	0.29
27	Moinul Islam		Airport Road, Nikunja-2, Dhaka	174,000	0.29
28	Mustafizur Rahman		House 774, Abbas Mongil Nagra, PO: Netrokona, Dist: Netrokona	174,000	0.29
29	Muhammad Iman Ali		Flat No: B-8, Bailey Heights, 2 Nawratan Colony, New Bailey Road, Dhaka-1000	120,000	0.20
30	Juber Ahmed		Village: Angura Mohd pur, Beani Bazar, Sylhet	174,000	0.29
31	Iman Uddin		Airport Road, Nikunja-2, Dhaka	174,000	0.29
32	MD. Kashedul Haque Misson		162/3/1 Wapda Road, Rampura, Dhaka	174,000	0.29
33	Qazi Kaisar Ahmed		College Road, Ibrahimpur, Badeshor Monzil, PO: Sreemongal, Moulvi Bazaar	870,000	1.45
34	Sadaqur Rahman Chowdhury		Dewan Bari, College Road, Sreemongol, Sreemongol	174,000	0.29
35	Ashraf Khan		Niloy 53, Chowhatta, Sylhet	174,000	0.29
36	Afzal Khan		Niloy 53, Chowhatta, Sylhet	174,000	0.29
37	Mohammed Jamal Uddin		Hotlib, 126 Komla bagaar,, Mozumdari, Sylhet	174,000	0.29
38	Dr. Abdur Rahim Khan		Village: Kusta, PO: Ghior, Manikgonj	174,000	0.29
39	Sanu Miah		Village: Hamtonpur, PO: mullahpara, Thana: Balaganj, Sylhet	174,000	0.29
40	Momota Begum		Dewan Bari, College Road, Sreemongol, Sreemongol	174,000	0.29
41	Matin Rashed Khan		Village & PO: Moushria, Rajnagar, Moulvi Bazar	203,000	0.34
42	Kabir Ahmed		Village: Nowakhani, PO: Charkhai, PS: Bianibazar, Sylhet	174,000	0.29
43	Fakhrul Islam Chowdhury		Airport Road, Nikunja-2, Dhaka	174,000	0.29
44	Nasima Akhtar		Abdulah Villa, PO: Kulaura, PS: Kulaura,Moulovi Bazar	60,000	0.10
45	Sheikh Halima Akhtar		Hamid Monzil, Village : Borkatpur, PO: Gohor Pur, Dewan Bazar; PS: Balagonj District : Sylhet	60,000	0.10
46	Mashud Uddin		Sheromoni, 28/2 Badam Bagicha, Sylhet	174,000	0.29
47	Md. Musa Al kajem		Dori Kunjonpur PO: Rosulgonj Bazar, Jogonnathpur, Sunamgonj	174,000	0.29
48	Abdul Bari		19/4 Fajilchist, Shubid Bazar, Sylhet	174,000	0.29
49	Mojibul Hoque		SW4 Arafa Nelay, House:10, Road: 10, Gulshan-1, Dhaka	348,000	0.58
50	Luckey Chowdhury		Airport Road, Nikunja-2, Dhaka	174,000	0.29
51	Muhammad Muzammil Ali		Village: Dori Kunjonpur PO: Rosulgonj Bazar, Thana: Jogonnathpur, Sunamgonj	174,000	0.29
52	Hasina Momtaz		33 Monipuri para, Sherebanglanagar, Dhaka	174,000	0.29
53	Babul Akhtar		Village: Ray Pur, Kamal Pur Bazar, PS: Moulovi Bazar,	696,000	1.16

			Dist: Moulovi Bazar		
54	Najrul Khasru		Kotal Pur (Mohidpur), PO: Hajigonj, Sylhet	199,000	0.33
55	Mohammed Mohed Ali Mitu		Rushna Cottage, School Road, Goala Bazar, P.S.Osmani Nogor, Sylhet	174,000	0.29
56	Nozrul Islam		Rosul Gonj, Rosul Gonj Bazar, Shunamgonj	174,000	0.29
57	Motiur Rahman		Rosul Gonj, Rosul Gonj Bazar, Shunamgonj	174,000	0.29
58	Abdul Khalik		Village + Post Office : Baishghor, Thana: Bishwanath, Sylhet	174,000	0.29
59	Md Sadrul Islam		Village:Nagor PO: Dhaka Dakshin, Gulapgonj, Sylhet	174,000	0.29
60	Akik Uddin		Village: Ronkali, Nurupara, Golapganj, Sylhet	174,000	0.29
61	Mohammed Qumruzzaman		Urban Valley, House #29, Flat #2C, Road #27, Dhanmondi R/A, Dhaka	174,000	0.29
62	Haji Mohammed Mamun Choudury		Village: Burhanpur, PO: Burhanpur, Hobigonj	174,000	0.29
63	Md Taj Ullah		Prothom Pasha, PO: Burunga Bazar, Sylhet	174,000	0.29
64	Rezaul Islam Choudhury		464 Kumar Para, Sylhet - 3100	174,000	0.29
65	Saydikur Rahman		Village: Bani Gazi, Post: Chandar pur, Sylhet	696,000	1.16
66	Dr Quazi Mohafuzal Haque		Kerninewaz, Road 10, DOHS Baridhara, Dhaka	174,000	0.29
67	Dr Uddin Ahmed Afsaer		Airport Road, Nikunja-2, Dhaka	174,000	0.29
68	Mokbul Ali		Hasina Cottage, 4 Al-Amin Road, Patantula, Sylhet	174,000	0.29
69	Abdus Salam		Village: Mirrar Aon, PO: Brahmmon Shason, Osmani Nagor, Sylhet	174,000	0.29
70	Abdul Asad Choudhury		109 Noverun, Shibgonj, Sunapara, Sylhet-3100	174,000	0.29
71	Mustafa Kamal		Village: Noyagram, Post: Purbo Muria, Beani Bazaar, Sylhet	174,000	0.29
72	Mansur Ali		Village: Hajir Kuna, PO: Deputy Bazar, PS: Golapgonj, Sylhet	174,000	0.29
73	Shabbir Ahmed		Village: Nagor, Dhaka Dakshin, Sylhet	174,000	0.29
74	Layekul Islam		House:133/1, Road No:4, Block-E, Shahjalal Uposhohor, Sylhet	174,000	0.29
75	Faruk Miah Talukder		Aysha Villa, 36 Lovley Road, Subid Bazar West, Sylhet	174,000	0.29
76	Shahidul Islam		Village: Chowdury Gao, PO: Bishwanath, Sylhet	174,000	0.29
77	Imranul Islam		Jubada Monjal, Shak Ghat, Suvacha 407, Sylhet	174,000	0.29
78	Md Faysol Hussain		Village: Hijolshah, PS: Omarpur, Thana: Balagonj, Sylhet	174,000	0.29
79	Md. Goyas Miah		Village : Shombumordon, PO:Dashghor, PS: Bishwanath, sylhet	696,000	1.16
80	Shamsul Haque		57a Lohar Para, Kazitula, Sylhet	174,000	0.29
81	Mohammed Ashik Miah		Roseate, House63, Road 3, Block B/2, Niketon, Gulshan 1, Dhaka	174,000	0.29

82	Nuraz Zaman		Sulemanpur, Jhigli Bazar, Sunamganj, Sylhet	174,000	0.29
83	Zuber Ahmed Laskar		Village: Bataishail, PO: Porchak, Upazila (Thana): Zakiganj, Sylhet	174,000	0.29
84	Enam-ul Haque Chowdhury		Islam Pur, Major Tila, Sylhet	174,000	0.29
85	Luthfur Rahman		Village: Khuji pur Post: Umorpur Bazar, Ushmani Nogor, Balagonj, Sylhet	174,000	0.29
86	Yahya Chowdhury		20, Evergreen, Zerzeri Para, Sylhet	174,000	0.29
87	Ali Mohammed Zakaria		330 Ekota, North Bagbari, Sylhet	696,000	1.16
88	Badrul Haque		Village & PO: Chanderpur, PS: Gulapgonj, Sylhet	174,000	0.29
89	Suraiya Khatun		Village & PO: Chanderpur, PS: Gulapgonj, Sylhet	348,000	0.58
90	Qazi Faisal Ahmed		College Road, Ibrahimpur, Badeshor Monzil, PO: Sreemongal, Moulvi Bazaar	696,000	1.16
91	Sahadat Hossain Monir		B-3 of Seza Court, 152 Monipuri Para, Tejgaon, Dhaka	174,000	0.29
92	Mohammed Sayed Reza	1204030061786357	Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	1,044,000	1.74
93	Md. Alim Uddin		Road No. 30, House No. 15 , 2nd Floor, Shahjalal Uposhohor, Sylhet	174,000	0.29
94	Israk Ali		Village : Shombumordon, PO:Dashghor, PS: Bishwanath, sylhet	1,044,000	1.74
95	Abdul Basith Khan		Village: Atgor, PO: Hason Fatema Pur, PS: Jagonnatpur, Shunamgong	696,000	1.16
96	Jubel Ahmed		College Road, Ibrahimpur, Badeshor Monzil, PO: Sreemongal, Moulvi Bazaar	174,000	0.29
97	Rajia Tahmina Khanam		Village:Azmot Pur, PO: Talal Pur, Thana: sodor, Sylhet	174,000	0.29
98	Abdul Gani		Chadnighat, Moulvi Bazar	348,000	0.58
99	Labibun B Nessa		Village: Nagor, PO: Dhaka Dakshin, Sylhet	174,000	0.29
100	Abdul Quaim		Village & PO: Hydopur, Sunamgonj, Sylhet	174,000	0.29
101	Mohammed Helal Uddin		Village:Nagor PO: Dhaka Dakshin, Gulapgonj, Sylhet	174,000	0.29
102	Rahnaz Khasru		Kotal Pur (Mohidpur), PO: Hajigonj, Sylhet	174,000	0.29
103	Nazmul Haque Siddique	1204240017029505	D136 Mohanagar Project, West Rampura, Dhaka	174,000	0.29
104	Razina Begum		Village : Prothom Pasha, Post : Burunga Bazar Sylhet	174,000	0.29
105	Abdul Hamid		Village: Atghor, PO: Hasonfatema pur, PO: Jagonnath pur, Sunamgonj	174,000	0.29
106	Shofi Mustafa		10 Bonosri, Amborkhana, Sylhet	174,000	0.29
107	Jadab Debnath		House 49, Road 9, DOHS Baridhara, Dhaka	174,000	0.29
108	Sahidur Rahman		Village: Dawrai, PO: dawrai bazar, Sunamgonj, Sylhet	696,000	1.16
109	Faruk Uddin		63/1A Lakecircus, Kolabagan, Dhaka	522,000	0.87
110	Shamsu Miah		Vill: Gozia, PO: Begompur, PS: Usmaninogor Sylhet	174,000	0.29
111	Naharun Nessa Begum		Hotlib, 126 Komla bagaar,,	174,000	0.29

			Mozumdari, Sylhet		
112	Md. Kawsar Jahan		Ghurni-6 R/A, Mirzapur House, Amberkhana, Sylhet	696,000	1.16
113	Mohib Uddin Al Chowdhury		15 Muhona, Niamot Road, Sylhet	174,000	0.29
114	Mujibul Hussain		Raj Villa, Road No. 1, Block-E, Shahjalal Uposhohor, Sylhet	174,000	0.29
115	Dr. Badrul Amin Siddique		Flat No: C5, Build No: 2, 20/22 Villa Road-15, Gulshan 1, Dhaka	174,000	0.29
116	Anfor Farooque		Sulemanpur, Jhigli Bazar, Sunamganj, Sylhet	174,000	0.29
117	Mohi Ahmed		House # 487A, Road # 8C, Baridhara DOHS, Dhaka	136,114	0.23
118	Fahim Arif Motahar		Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	696,000	1.16
119	Luthfur Rahman		Muhib Saw Mills, Bishwanath Notun Bazar, PO: Bishwanath, Sylhet	174,000	0.29
120	Shanaz Perveen		Naraping, Gulapgonj, Sylhet	174,000	0.29
121	Farhana Yasmin		13/2 West & Street, Central Road Dhanmondi, Dhaka	87,000	0.15
122	Nazmun Nahar		Village: Sharia, PO: Dullov pur, PS: Molovi Bazar, Dist: Molovi Bazar	87,000	0.15
123	Rajea Mahmuda Khwnam		Village : Dawrai, Post : Dawrai Bazar, Jaganath Pur, Shunamgonj	54,000	0.09
124	Mohammed Sajid	1204500041542920	Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	696,000	1.16
125	Sameeha Reza	1204500041542920	Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	696,000	1.16
Total Shareholdings by other than Directors & Sponsors [B]				29,716,114	49.53
Total Shareholdings Before IPO [A + B]				60,000,000	100

(b) There shall also be a table showing the name and address, age, experience, BO ID Number, TIN number, numbers of shares held including percentage, position held in other companies of all the directors before the public issue;

Name of the Directors ¹	Address	Age	Experience	BO ID	E- TIN No.	No. of Shares held	Pre-issue %	Name of other Company	Position held
Musleh Uddin Ahmed	Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	40	21	1204030043 672812	857617138779	9,251,886	15.42	N/A	Chairman
Dilkush Begum	Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	74	45		753104374380	4,202,000	7.00	N/A	Vice Chairman
Kabir Reza	Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	43	17	1204500041 542920	217871198407	9,251,896	15.42	N/A	Director & Managing Director
Najma Arif	Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	49	21		851565849302	3,200,000	5.33	N/A	Director
Rukeya Khatun	Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	39	12		422155767668	1,816,104	3.03	N/A	Director
Zebun Nessa	Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	39	12	1204030061 786349	142193653302	1,680,000	2.80	N/A	Director
Arif Motahar*	Plot # 4,6,31,33 Airport Road, Nikunja-2, Dhaka	45	13		843467477224	2,970,000	4.95	N/A	Sponsor Director & Shareholder
Prof. Dr. Mojib Uddin Ahmed, Ph.D	House No: 32, PC Culture Housing Society, 02 Ramchandrapur, Mohammedpur, Dhaka-1207	56	34		-	-	-	-	Independent Director
Mr. Ahmed Ali	Tower Flat no: 2/1101; Eastern Rokeya 98,Boromoghbazar, Dhaka-1217	64	41		-	-	-	-	Independent Director

* In the Board Meeting dated September 03, 2015 Mr. Arif Motahar, former Managing Director resigned from his position effective from 03 September, 2015.

(c) The average cost of acquisition of equity shares by the directors certified by the auditors;

TO WHOM IT MAY CONCERN

This is to certify that all the shares of Dhaka Regency Hotel And Resort Limited have been allotted to its Directors in face value & in Cash/bonus/other than cash and the average cost of acquisition of equity by the Directors is Tk. 10 each. Necessary Particulars of shareholdings, allotment dates and considerations are given below:

Date of Allotment	Nature of Transaction	No. of Share Hold.							Consideration	Average Cost of Share/Face Value (Tk.)
		Dilkush Begum	Rukeya Khatun	Najma Arif	Zebun Nessa	Kabir Reza	Musleh Uddin Ahmed	Arif Motahar*		
First Subscribers to the Memorandum & Articles of Association at the time of Incorporation	Memorandum	1,000	1,550	550	1,550	170,000	170,000	170,000	Cash	10/-
20/11/2006	1st Allotment	-	-	-	-	-	-	-	-	10/-
27/11/2008	2nd Allotment	3,050	3,050	3,050	3,050	3,050	3,050	3,050	Cash	10/-
25/06/2009	3rd Allotment	177,140	276,230	96,050	276,230	8,572,250	8,572,250	8,572,250	Cash	10/-
15/06/2010	Transfer By 117	-	-	-	-	147,900	147,900	147,900	Cash	10/-
15/06/2010	Transfer By 117	-	-	-	-	(47,360)	(47,370)	(47,370)	Cash	10/-
27/12/2010	4th Allotment	36,238	56,166	19,930	56,166	1,749,060	1,749,060	1,749,060	Cash	10/-
18/04/2012	Transfer By 117	1,394,470	1,343,004	1,550,420	1,343,004	(1,343,004)	(1,343,004)	(2,944,890)	Cash	10/-
12/12/2012	Transfer By 117	-	136,104	-	-	-	-	-	Cash	10/-
30/09/2015	Transfer By 117	2,590,102	1,383,896	1,530,000	1,520,000	(3,471,896)	(1,520,000)	(4,680,000)	Cash	10/-
Total		4,202,000	3,200,000	3,200,000	3,200,000	5,780,000	7,731,886	2,970,000	Cash	10/-

* In the Board Meeting dated September 03, 2015 Mr. Arif Motahar, former Managing Director resigned from his position effective from 03 September, 2015.

Dated: Dhaka
March 29, 2016

Sd/-
Ahmed Zaker & Co
Chartered Accountants

(d) A detail description of capital built up in respect of shareholding (name-wise) of the issuer's sponsors/ directors. In this connection, a statement to be included:

Mr. Musleh Uddin Ahmed, Chairman

Date of Allotment/Transfer of fully paid-up shares	Consideration	Nature of issue	No of Equity shares	Face value	Issue Price/ Acquisition Price/ Transfer Prices	Cumulative no. of Equity shares	% pre- issue paid up capital	% Post issue paid up capital	Sources of fund
As per Memorandum	Cash	Ordinary Shares	170,000	10	10	170,000	33.03	[•]	Own
27/11/2008	Cash	Ordinary Shares	3,050	10	10	173,050	17.31	[•]	
25/06/2009	Cash	Ordinary Shares	8,572,250	10	10	8,745,300	17.49	[•]	
15/06/2010	Cash	Ordinary Shares	147,900	10	10	8,893,200	17.79	[•]	
15/06/2010	Cash	Ordinary Shares	(47,370)	10	10	8,845,830	17.69	[•]	
27/12/2010	Cash	Ordinary Shares	1,749,060	10	50	10,594,890	17.66	[•]	
18/04/2012	Cash	Ordinary Shares	(1,343,004)	10	10	9,251,886	15.42	[•]	
12/12/2012	Cash	Ordinary Shares	-	10	10	9,251,886	15.42	[•]	
30/09/2015	Cash	Ordinary Shares	(1,520,000)	10	10	7,731,886	12.89	[•]	
Total			7,731,886						

Mrs. Dilkush Begum, Vice Chairman

Date of Allotment/Transfer of fully paid-up shares	Consideration	Nature of issue	No of Equity shares	Face value	Issue Price/ Acquisition Price/ Transfer Prices	Cumulative no. of Equity shares	% pre- issue paid up capital	% Post issue paid up capital	Sources of fund
As per Memorandum	Cash	Ordinary Shares	1,000	10	10	1,000	0.19	[•]	Own
27/11/2008	Cash	Ordinary Shares	3,050	10	10	4,050	0.41	[•]	
25/06/2009	Cash	Ordinary Shares	177,140	10	10	181,190	0.36	[•]	
15/06/2010	Cash	Ordinary Shares	-	10	10	181,190	0.36	[•]	
15/06/2010	Cash	Ordinary Shares	-	10	10	181,190	0.36	[•]	
27/12/2010	Cash	Ordinary Shares	36,238	10	50	217,428	0.36	[•]	
18/04/2012	Cash	Ordinary Shares	1,394,470	10	10	1,611,898	2.69	[•]	
12/12/2012	Cash	Ordinary Shares	-	10	10	1,611,898	2.69	[•]	
30/09/2015	Cash	Ordinary Shares	2,590,102	10	10	4,202,000	7.00	[•]	
Total			4,202,000						

Mr. Kabir Reza, Director & Managing Director

Date of Allotment/Transfer of fully paid-up shares	Consideration	Nature of issue	No of Equity shares	Face value	Issue Price/ Acquisition Price/ Transfer Prices	Cumulative no. of Equity shares	% pre- issue paid up capital	% Post issue paid up capital	Sources of fund
As per Memorandum	Cash	Ordinary Shares	170,000	10	10	170,000	33.03	[•]	Own
27/11/2008	Cash	Ordinary Shares	3,050	10	10	173,050	17.31	[•]	
25/06/2009	Cash	Ordinary Shares	8,572,250	10	10	8,745,300	17.49	[•]	
15/06/2010	Cash	Ordinary Shares	147,900	10	10	8,893,200	17.79	[•]	
15/06/2010	Cash	Ordinary Shares	(47,370)	10	10	8,845,830	17.69	[•]	
27/12/2010	Cash	Ordinary Shares	1,749,060	10	50	10,594,890	17.66	[•]	
18/04/2012	Cash	Ordinary Shares	(1,343,004)	10	10	9,251,886	15.42	[•]	
12/12/2012	Cash	Ordinary Shares	-	10	10	9,251,886	15.42	[•]	
30/09/2015	Cash	Ordinary Shares	(3,471,896)	10	10	5,780,000	9.63	[•]	
Total			5,780,000						

Mrs. Najma Arif, Director

Date of Allotment/Transfer of fully paid-up shares	Consideration	Nature of issue	No of Equity shares	Face value	Issue Price/ Acquisition Price/ Transfer Prices	Cumulative no. of Equity shares	% pre- issue paid up capital	% Post issue paid up capital	Sources of fund
As per Memorandum	Cash	Ordinary Shares	550	10	10	550	0.11	[•]	Own
27/11/2008	Cash	Ordinary Shares	3,050	10	10	3,600	0.36	[•]	
25/06/2009	Cash	Ordinary Shares	96,050	10	10	99,650	0.20	[•]	
15/06/2010	Cash	Ordinary Shares	-	10	10	99,650	0.20	[•]	
15/06/2010	Cash	Ordinary Shares	-	10	10	99,650	0.20	[•]	
27/12/2010	Cash	Ordinary Shares	19,930	10	50	119,580	0.20	[•]	
18/04/2012	Cash	Ordinary Shares	1,550,420	10	10	1,670,000	2.78	[•]	
12/12/2012	Cash	Ordinary Shares	-	10	10	1,670,000	2.78	[•]	
30/09/2015	Cash	Ordinary Shares	1,530,000	10	10	3,200,000	5.33	[•]	
Total			3,200,000						

Mrs. Rukeya Khatun, Director

Date of Allotment/Transfer of fully paid-up shares	Consideration	Nature of issue	No of Equity shares	Face value	Issue Price/ Acquisition Price/ Transfer Prices	Cumulative no. of Equity shares	% pre- issue paid up capital	% Post issue paid up capital	Sources of fund
As per Memorandum	Cash	Ordinary Shares	1,550	10	10	1,550	0.30	[•]	Own
27/11/2008	Cash	Ordinary Shares	3,050	10	10	4,600	0.46	[•]	
25/06/2009	Cash	Ordinary Shares	276,230	10	10	280,830	0.56	[•]	
15/06/2010	Cash	Ordinary Shares	-	10	10	280,830	0.56	[•]	
15/06/2010	Cash	Ordinary Shares	-	10	10	280,830	0.56	[•]	
27/12/2010	Cash	Ordinary Shares	56,166	10	50	336,996	0.56	[•]	
18/04/2012	Cash	Ordinary Shares	1,343,004	10	10	1,680,000	2.80	[•]	
12/12/2012	Cash	Ordinary Shares	136,104	10	10	1,816,104	3.03	[•]	
30/09/2015	Cash	Ordinary Shares	1,383,896	10	10	3,200,000	5.33	[•]	
Total			3,200,000						

Mrs. Zebun Nessa, Director

Date of Allotment/Transfer of fully paid-up shares	Consideration	Nature of issue	No of Equity shares	Face value	Issue Price/ Acquisition Price/ Transfer Prices	Cumulative no. of Equity shares	% pre- issue paid up capital	% Post issue paid up capital	Sources of fund
As per Memorandum	Cash	Ordinary Shares	1,550	10	10	1,550	0.30	[•]	Own
27/11/2008	Cash	Ordinary Shares	3,050	10	10	4,600	0.46	[•]	
25/06/2009	Cash	Ordinary Shares	276,230	10	10	280,830	0.56	[•]	
15/06/2010	Cash	Ordinary Shares	-	10	10	280,830	0.56	[•]	
15/06/2010	Cash	Ordinary Shares	-	10	10	280,830	0.56	[•]	
27/12/2010	Cash	Ordinary Shares	56,166	10	50	336,996	0.56	[•]	
18/04/2012	Cash	Ordinary Shares	1,343,004	10	10	1,680,000	2.80	[•]	
12/12/2012	Cash	Ordinary Shares	-	10	10	1,680,000	2.80	[•]	
30/09/2015	Cash	Ordinary Shares	1,520,000	10	10	3,200,000	5.33	[•]	
Total			3,200,000						

***Mr. Arif Motahar, Sponsor Director & Shareholder**

Date of Allotment/Transfer of fully paid-up shares	Consideration	Nature of issue	No of Equity shares	Face value	Issue Price/ Acquisition Price/ Transfer Prices	Cumulative no. of Equity shares	% pre- issue paid up capital	% Post issue paid up capital	Sources of fund
As per Memorandum	Cash	Ordinary Shares	170,000	10	10	170,000	33.03	[•]	Own
27/11/2008	Cash	Ordinary Shares	3,050	10	10	173,050	17.31	[•]	
25/06/2009	Cash	Ordinary Shares	8,572,250	10	10	8,745,300	17.49	[•]	
15/06/2010	Cash	Ordinary Shares	147,900	10	10	8,893,200	17.79	[•]	
15/06/2010	Cash	Ordinary Shares	(47,370)	10	10	8,845,830	17.69	[•]	
27/12/2010	Cash	Ordinary Shares	1,749,060	10	50	10,594,890	17.66	[•]	
18/04/2012	Cash	Ordinary Shares	(2,944,890)	10	10	7,650,000	12.75	[•]	
12/12/2012	Cash	Ordinary Shares	-	10	10	7,650,000	12.75	[•]	
30/09/2015	Cash	Ordinary Shares	(4,680,000)	10	10	2,970,000	4.95	[•]	
Total			2,970,000						

* In the Board Meeting dated September 03, 2015 Mr. Arif Motahar, former Managing Director resigned from his position effective from 03 September, 2015.

(e) Detail of shares issued by the company at a price lower than the issue price;

The Company has not issued any share at a price lower than the issue price.

(f) History of significant (5% or more) changes in ownership of securities from inception;

Date of Transfer	Transferor				Receiver			
	Name of the Shareholders	Transferred Quantity	% of Transferred	Balance of Share Holding	Name of the Shareholders	Received	% of	Balance of Share Holding
15-Jun-10	Faruk Uddin	145,000	25.00	435,000	Arif Motahar	145,000	100.00	8,890,300
15-Jun-10	Mollik Kobir Miah	2,900	100.00	-	Arif Motahar	2,900	100.00	8,893,200
15-Jun-10	Arif Motahar	47,370	0.53	8,845,830	Dr. Badrul Amin Siddique	47,370	100.00	145,000
18-Apr-12		2,944,890	27.80	7,650,000	Dilkush Begum	1,394,470	47.35	1,611,898
18-Apr-12					Najma Arif	1,550,420	52.65	1,670,000
30-Sep-15		4,680,000	61.18	2,970,000	Dilkush Begum	2,590,102	55.34	4,202,000
30-Sep-15					Najma Arif	1,530,000	32.69	3,200,000
30-Sep-15					Fahim Arif Motahar	559,898	11.96	696,000
15-Jun-10	Yaqub Hussain	145,000	100.00	-	Musleh Uddin Ahmed	145,000	100.00	8,890,300
15-Jun-10	Aminul Islam	2,900	100.00	-	Musleh Uddin Ahmed	2,900	100.00	8,893,200
15-Jun-10	Musleh Uddin Ahmed	47,370	0.54	8,845,830	Dr. Badrul Amin Siddique	47,370	100.00	145,000
18-Apr-12		1,343,004	12.68	9,251,586	Zebun Nessa	1,343,004	100.00	1,680,000
30-Sep-15		1,520,000	16.43	7,731,886	Zebun Nessa	1,520,000	100.00	3,200,000
15-Jun-10	Juned Ahmed	145,000	100.00	-	Kabir Reza	145,000	100.00	8,890,300
15-Jun-10	Nasser Miah	2,900	100.00	-	Kabir Reza	2,900	100.00	8,893,200
15-Jun-10	Kabir Reza	47,360	0.53	8,845,840	Dr. Badrul Amin Siddique	47,360	100.00	145,000

**Management Disclosure Regarding Compliance with the Requirements of Corporate Governance
Guidelines of the Bangladesh Securities and Exchange Commission (BSEC)**

The Company declare that it is in compliance with the requirements of the applicable regulations of Corporate Governance Guidelines of Bangladesh Securities and Exchange Commission (BSEC) in respect of corporate governance including constitution of the board and committees thereof.

Sd/-

Kabir Reza

Managing Director

Dhaka Regency Hotel And Resort Limited

A Compliance report of Corporate Governance requirements certified by competent authority

**Certificate on Compliance of Conditions of Corporate Governance Guidelines
Bangladesh Securities and Exchange Commission to the Shareholders
Of Dhaka Regency Hotel and Resort Limited**

We have examined the compliance of conditions of Corporate Governance Guidelines by Dhaka Regency Hotel and Resort Limited, for the year ended December 31, 2015, as set by Bangladesh Securities and Exchange Commission (BSEC) by Notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012 and subsequently amended through their notification no. SEC/CMRRCD/2006-158/147/Admin/48 dated July 21, 2013 issued under section 2CC of The Securities and Exchange Ordinance, 1969.

The compliance of conditions of Corporate Governance Guidelines is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance Guidelines. It is neither an audit nor an expression of opinion on the financial statements of the company.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

Place: Dhaka

Dated: July 21, 2016

Sd/-

Mohammad Ata Karim & Co.

Chartered Accountants

STATUS OF COMPLIANCE REPORT ON CORPORATE GOVERNANCE

Status of compliance with the conditions of Corporate Governance Guidelines as set by Bangladesh Securities and Exchange Commission (BSEC) by the Notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012 and subsequently amended through their notification no. SEC/CMRRCD/2006-158/147/Admin/48 dated July 21, 2013 issued under section 2CC of The Securities and Exchange Ordinance, 1969.

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	BOARD OF DIRECTORS:			
1.1	Board's Size: The number of the Board members of the company shall not be less than 5 (five) and more than 20 (twenty).	√		The Board of Director comprises of 08 (eight) members.
1.2	Independent Directors:			

1.2 (i)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors.	√		
1.2 (ii) a)	The independent director 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 (ii) b)	The independent director is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members;	√		
1.2 (ii) c)	The independent director does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies;	√		
1.2 (ii) d)	The independent director is not a member, director or officer of any stockexchange;	√		
1.2 (ii) e)	The independent director is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market;	√		
1.2 (ii) f)	The independent director 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;	√		
1.2 (ii) g)	The independent director shall not be an independent director in more than 3 (three) listed companies;	√		
1.2 (ii) h)	The independent director has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI);	√		
1.2 (ii) i)	The independent director has not been convicted for a criminal offence involving moral turpitude.	√		
1.2 (iii)	The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	√		Appointed by the Board of Directors. It will be placed to next AGM for approval.
1.2 (iv)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days.	√		Independent Director appointed on March 24, 2016.
1.2 (v)	The Board shall lay down, a code of conduct of all Board members and annual compliance of the code to be recorded.	√		
1.2 (vi)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	√		Independent Director appointed on March 24, 2016.
1.3	Qualification of Independent Director (ID):			
1.3 (i)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financials, regulatory and corporate laws and can make meaningful contribution to business.	√		
1.3 (ii)	The person should be a Business Leader/Corporate Leader/ Bureaucrat/University Teacher with Economics or Business Studies or Law background/Professionals like Chartered Accountants, Cost & Management Accountants and Chartered Secretaries. The independent director must have a least 12 (twelve) years of corporate management /professional experiences.	√		
1.3 (iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission.	N/A		
1.4	Chairman of the Board and Chief Executive Officer:	√		

	The positions of the Chairman of the Board and the Chief Executive Officer of the companies shall be filled by different individuals. The Chairman of the company shall be elected from among the directors of the company. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the Chief Executive Officer.			
1.5	The Director's Report to Shareholders:			
1.5 (i)	Industry outlook and possible future developments in the industry	√		<p>The last Directors' Report prepared on the basis of the Audited Financial Statements for the year 2014.</p> <p>The last Annual General Meeting (AGM) of the Company held on September 01, 2015. The next Annual General Meeting (AGM) of the Company held on in due course.</p>
1.5 (ii)	Segment-wise or product-wise performance	√		
1.5 (iii)	Risks and concerns	√		
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	√		
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss.	√		
1.5 (vi)	Basis for related party transactions a statement of all related party transactions should be disclosed in the Annual Report.	√		
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.	√		
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing etc.	√		
1.5 (ix)	If significant variance occurs between Quarterly Financial Performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.	√		
1.5 (x)	Remuneration to directors including independent directors.	√		
1.5 (xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.	√		
1.5 (xii)	Proper books of accounts of the issuer company have been maintained.	√		
1.5 (xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	√		
1.5 (xiv)	International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standard (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	√		
1.5 (xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	√		
1.5 (xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.	√		
1.5 (xvii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.	√		

1.5 (xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	√		
1.5 (xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.	√		
1.5 (xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	√		
1.5 (xxi)	The pattern of shareholding shall be reported to disclosed the aggregate number of shares (along with name wise details where stated below):	√		
1.5 (xxi) a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details).	√		
1.5 (xxi) b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details).	√		
1.5 (xxi) c)	Executives.	√		
1.5 (xxi) d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	√		
1.5 (xxii)	In case of appointment/re-appointment of a Director the company shall disclose the following information to the shareholders	√		
1.5 (xxii) a)	a brief resume of the director;	√		
1.5 (xxii) b)	Nature of his/her expertise in specific functional areas;	√		
1.5 (xxii) c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	√		
2	CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPANY SECRETARY (CS):			
2.1	Appointment of CFO, Head of Internal Audit and Company Secretary.	√		
2.2	Requirement to CFO and Company Secretary to attend the Board Meetings	√		
3	AUDIT COMMITTEE:			
3 (i)	The company shall have an Audit Committee as a sub-committee of the Board of Directors.	√		
3 (ii)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	√		
3 (iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	√		
3.1	Constitution of the Audit Committee:			
3.1 (i)	The Audit Committee shall be composed of at least 3 (three) members.			
3.1 (ii)	The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) independent director.	√		
3.1 (iii)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management experience.	√		
3.1 (iv)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until 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 of Directors shall appoint the new Committee member(s) to fill up the vacancy(ies) immediately or not later than 1 (one) month from the date of vacancy(ies) in the Committee to ensure continuity of the performance of work of the Audit Committee.	√		

3.1 (v)	The company secretary shall act as the secretary of the Committee.	√		
3.1 (vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
3.2	Chairman of the Audit Committee:			
3.2 (i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director.	√		
3.2 (ii)	Chairman of the Audit Committee shall remain present in the Annual General Meeting (AGM).	√		
3.3	Role of the Audit Committee:			
3.3 (i)	Oversee the financial reporting process.	√		
3.3 (ii)	Monitor choice of accounting policies and principles.	√		
3.3 (iii)	Monitor Internal Control Risk management process.	√		
3.3 (iv)	Oversee hiring and performance of external auditors.	√		
3.3 (v)	Review along with the management, the annual financial statements before submission to the board for approval.	√		
3.3 (vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.	√		
3.3 (vii)	Review the adequacy of internal audit function.	√		
3.3 (viii)	Review statement of significant related party transactions submitted by the management.	√		
3.3 (ix)	Review Management Letters/Letter of Internal Control weakness issued by statutory auditors.	√		
3.3 (x)	When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis and annual basis.	√		
3.4	Reporting of the Audit Committee			
3.4.1 (i)	The Audit Committee shall report on its activities to the Board of Directors.	√		
3.4.1 (ii)	The Audit Committee shall immediately report to the Board of Directors on the followings, if any:			
3.4.1 (ii) a)	Report on conflicts of interests;	√		
3.4.1 (ii) b)	Suspected or presumed fraud or irregularity or material defect in the internal control system;	√		
3.4.1 (ii) c)	Suspected infringement of laws;	√		
3.4.1 (ii) d)	Any other matter;	√		
3.4.2	Reporting material impact to the SEC by the Audit Committee;	√		
3.5	Reporting to the Shareholders and General Investors;	√		
4	EXTERNAL/STATUTORY AUDITORS:			
4 (i)	Appraisal or valuation services or fairness opinions.	√		
4 (ii)	Financial information systems design and implementation.	√		
4 (iii)	Book-keeping or other services related to the accounting records.	√		
4 (iv)	Broker-dealer services.	√		
4 (v)	Actuarial services.	√		
4 (vi)	Internal audit services.	√		
4 (vii)	Any other service that the Audit Committee determines.	√		

4 (viii)	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.	√		
4 (ix)	Audit/Certification services on compliance of corporate governance as required under clause (i) of condition no. 7.	√		
5	SUBSIDIARY COMPANY:			
5 (i)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company.	N/A		The company does not have any subsidiary company.
5 (ii)	At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.	N/A		The company does not have any subsidiary company.
5 (iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	N/A		The company does not have any subsidiary company.
5 (iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.	N/A		The company does not have any subsidiary company.
5 (v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	N/A		The company does not have any subsidiary company.
6	DUTIES OF CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO):			
6 (i) a)	Certify that no materially untrue statement that might be misleading;	√		
6 (i) b)	Certify that these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	√		
6 (ii)	Certify that no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.	√		
7	REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE:			
7 (i)	The company shall obtain a certificate from a practicing Professional Accountant/Secretary (Chartered Accountant/Cost and Management Accountant/Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis.	√		
7 (ii)	The directors of the company shall state, in accordance with the Annexure attached, in the directors' report whether the company has complied with these conditions.	√		The last Directors' Report prepared on the basis of the Audited Financial Statements for the year 2014. The last Annual General Meeting (AGM) of the Company held on September 01, 2015. The next Annual General Meeting (AGM) of the Company held on in due course.

Details relating to the issuer's audit committee and remuneration committee, including the names of committee members and a summary of the terms of reference under which the committees operate

Issuer's Audit Committee:

In accordance with the currently accepted Best Practice and Corporate Governance Guidelines adopted by Bangladesh Securities and Exchange Commission (BSEC), the Board appointed Audit Committee comprises of the following Non-Executive and Independent Directors of the Company:

- Prof. Dr. Mojib Uddin Ahmed, Ph.D., Independent Director (Chairman of the Audit Committee)
- Mr. Ahmed Ali, Independent Director (Member of the Audit Committee)
- Mr. Kabir Reza, Managing Director (Member of the Audit Committee)
- Mrs. Najma Arif, Director, (Member of the Audit Committee)
- Mr. Mizanur Rahman Siddique, Company Secretary

Terms of Reference of Audit Committee:

The main objective of the Audit Committee is to assist the Board of Directors to effectively carry on its responsibilities relating to financial and other relevant affairs of the Company. The Committee is empowered to monitor, review and examine the followings:

- Oversee the financial reporting process;
- Monitor implementation/ following the accounting policies and principles;
- Monitor Internal Control Risk Management Process;
- Oversee hiring and performance of external auditors;
- Review along with the management, the Annual Financial Statements before submission to the Board for approval;
- Review along with the management, the Quarterly and Half Yearly Financial Statements before submission to the Board for approval;
- Review the adequacy of Internal Audit team performance in terms of internal audit report;
- Review statement of significant related party transactions submitted by the management;
- Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors;
- When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue, the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document/prospectus.

Issuer's Remuneration Committee:

In accordance with the currently accepted Best Practice and Corporate Governance Guidelines adopted by Bangladesh Securities and Exchange Commission (BSEC), the Board appointed Audit Committee comprises of the following Non-Executive and Independent Directors of the Company:

- Mr. Kabir Reza, Managing Director (Chairman of the Remuneration Committee)
- Major Ruhul Amin (Retd.) (Member of the Remuneration Committee)
- Mr. Shahid Hamid FIH, Executive Director (Member of the Remuneration Committee)
- Mr. Md, Kamal Hossain Morshed, CFO (Member of the Remuneration Committee)
- Mr. Mizanur Rahman Siddique, Company Secretary

Terms of Remuneration Committee:

The Remuneration Committee has been established to assist the Board in developing and administering a fair and transparent procedure for setting policy on the remuneration of directors and senior management of the Company and for determining their remuneration packages and to review and oversee the Company's overall human resources strategy. The Committee is empowered to perform, monitor, review and examine the followings:

- Determine the remuneration of the Company's Chief Executive Officer, the Chairman, the Executive Directors and the Company Secretary;
- Review the ongoing appropriateness and relevance of the remuneration policy;
- Approve the design of, and determine targets for any performance related schemes and annual payments made under such schemes;
- Review the design of all new long-term schemes and significant changes to such schemes for approval, in each case, by the Board and shareholders.
- Determine the total individual remuneration package of each Executive Director, the Company Secretary and the Chairman including bonuses, incentive payments and any compensation payments;
- Monitor the level and structure of remuneration for senior management;
- Oversee any major changes in employee benefits structures throughout the Company or the Group;
- Review the policy for authorizing claims for expenses from the Chief Executive Officer and the Chairman;
- Ensure that all provisions regarding disclosure of remuneration;
- Review of the Remuneration Committee's performance;
- review of and proposed amendment to the terms of reference;
- approval of the Directors' remuneration report
- Be responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Remuneration Committee; and
- Obtain reliable, up-to-date information about remuneration in other companies, with a view to judging where to position the Company relative to other companies. The Remuneration Committee shall have full authority to commission any reports or surveys which it deems necessary to help it fulfil its obligations.

Valuation of Securities of Dhaka Regency Hotel & Resort Ltd.

The valuation report of securities shall be prepared on the basis of the financial and all other information pertinent to the issue. The fair value is determined under different valuation methods referred in Clause No. Annexure-E (B) (14) of Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015. The following table illustrates the calculation of fair value of Dhaka Regency Hotel & Resort Ltd. under different methods:

Sl. No.	Valuation Methods	Fair Value (BDT)
Method-1	Net Asset value (NAV) per share	30.58
Method-2(A)	Earning-based value per share (Considering Avg. Sector P/E)	44.71
Method-2(B)	Earning-based value per share (Considering Avg. Market P/E)	47.03
Method-3	Average Market Price of Similar Stocks Based Valuation	32.73
Method-4	P/BV multiple of Similar Stocks Based Valuation	16.51
Method-5	P/E multiple of Similar Stocks Based Valuation	43.78
Method-6	EV/EBITDA Multiple based Valuation	65.70

The detailed valuation workings under the above-mentioned methods are furnished under the head of “Valuation under different methods as prescribed in clause no. Annexure-E(B)(14) of Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015” described in this section.

Qualitative Factors:

- Structured and professionally run by company;
- Substantial retained earnings amounting to BDT 893.52 million as on 31 December 2015;
- DRHRL is one of the 3 five star hotel privet lay own and operated;
- It has got 214 international standards guest rooms with suites, full service food and beverage outlet, a largest live entertainment lounge in the country
- DRHRL provides international standard hospitality to its customers depicting Bangladeshi culture and heritage;
- DRHRL only hotel with premier club - food and beverage outlet loyalty program. Current membership status is over 3000;
- DRHRL provided employment opportunities to 380 male and female towards their social and financial emancipation;
- The company has a plan and accordingly to expansion at Cox’s bazar, 130 rooms with other facilities;
- As achieving strong market position DRHRL gets membership of PATA, SKAL, Metropolitan chamber of commerce, German chamber of commerce, British Bangladesh chamber of commerce, Bangladesh international hotel association, Institute of hospitality UK;
- DRHRL as being privately own and operated has effectively tide up with various digital marketing association including GDS, Booking.com, hotel.com, Lastminutes.com, Expedia and so on.

Valuation under different methods as prescribed in clause no. Annexure-E (B) (14) of Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015

METHOD 1: VALUATION WITH REFERENCE TO NET ASSET VALUE (NAV) PER SHARE

NAV per share is based on the information of the latest audited financial statements as on December 31, 2015. NAV per share at current costs is **BDT 30.58** that has been derived by dividing the net assets at the end of the period by the number of outstanding shares as shown in the table below:

(As per audited accounts)

Particulars	Amount in BDT
Share capital	600,000,000
Share premium	388,000,000
Un-Realize Gain/(Loss) on Investment	(251,088)
Retained earnings	847,259,530
Total Shareholders' Equity (A)	1,835,008,442
Number of Shares Outstanding as on December 31, 2015 (B)	60,000,000
Net Asset value (NAV) per share (A/B)	30.58

METHOD 2(A): VALUATION WITH REFERENCE TO EARNING-BASED-VALUE PER SHARE (CONSIDERING AVERAGE SECTOR P/E)

Earning-based-value per share based on historical information sourced from audited financial statements and statistics from Dhaka Stock Exchange Limited (DSE). The value was calculated by considering weighted net profit after tax for last 5 (five) years as per audited financial statements and sector earnings multiple. The weighted average Earnings per share (EPS) is **BDT 3.09** and the 12 months average DSE Sector P/E is **14.47**. Therefore, Earning-based-value per share has been derived as **BDT 44.65**

(Amount in BDT)

Accounting Year (Jan-Dec)	No. of Shares	Weight of No. of Shares	Net Profit After Tax (BDT)	Weighted Net Profit After Tax (BDT)
2011	60,000,000	0.20	20,73,64,569	4,14,72,914
2012	60,000,000	0.20	19,98,51,769	3,99,70,354
2013	60,000,000	0.20	19,87,56,905	3,97,51,381
2014	60,000,000	0.20	18,04,41,585	3,60,88,317
2015	60,000,000	0.20	13,91,31,629	2,78,26,326
Weighted Average Net Profit After Tax during the period 2011 to 2015 [C]				18,51,09,291
No. of shares outstanding as on December 31, 2015 [D]				60,000,000
Weighted Average Earnings per Share (EPS) [E = C/D]				3.09
12 months average DSE Sector P/E ¹ [F]				14.47
Earning-based-value per share (BDT) [E × F]				44.71

Calculation of Relevant Sector P/E Multiple:

Nature of business of Dhaka Regency Hotel & Resort Ltd. is similar to the business of companies listed in stock exchanges under Travel & Leisure Sector. So, we have consider the 12 months average sector P/E multiple to determine the earning-based-value per share.

Month	Sector P/E
Jul-15	14.23
Aug-15	13.46
Sep-15	13.69
Oct-15	12.45
Nov-15	12.20
Dec-15	16.76
Jan-16	16.46
Feb-16	15.80
Mar-16	15.20
Apr-16	13.31
May-16	15.34
Jun-16	15.43
Average	14.47

Source: Dhaka Stock Exchange Limited

METHOD 2(B): VALUATION WITH REFERENCE TO EARNING-BASED-VALUE PER SHARE (CONSIDERING AVERAGE MARKET P/E)

Earning-based-value per share based on historical information sourced from audited financial statements and statistics from Dhaka Stock Exchange Limited (DSE). The value was calculated by considering weighted net profit after tax for last 5 (five) years as per audited financial statements and market earnings multiple. The weighted average Earnings per share (EPS) is **BDT 3.09** and the 12 months average DSE Market P/E is **15.22**. Therefore, Earning-based-value per share has been derived as **BDT 46.95**.

Accounting Year (Jan-Dec)	No. of Shares	Weight of No. of Shares	Net Profit After Tax (BDT)	Weighted Net Profit After Tax (BDT)
2011	60,000,000	0.20	20,73,64,569	4,14,72,914
2012	60,000,000	0.20	19,98,51,769	3,99,70,354
2013	60,000,000	0.20	19,87,56,905	3,97,51,381
2014	60,000,000	0.20	18,04,41,585	3,60,88,317
2015	60,000,000	0.20	13,91,31,629	2,78,26,326

Weighted Average Net Profit After Tax during the period 2011 to 2015 [C]	18,51,09,291
No. of shares outstanding as on December 31, 2015 [D]	60,000,000
Weighted Average Earnings per Share (EPS) [E = C/D]	3.09
12 months average DSE Market P/E ² [J]	15.22
Earning-based-value per share (BDT) [I × J]	47.03

²Calculation of Relevant Market P/E Multiple:

Month	Market P/E
Apr-15	16.71
May-15	16.44
Jun-15	16.36
Jul-15	15.28
Aug-15	15.14
Sep-15	15.23
Oct-15	15.22
Nov-15	15.17
Dec-15	14.26
Jan-16	13.86
Feb-16	14.33
Mar-16	14.61
Average Market P/E	15.22

Source: Dhaka Stock Exchange Limited

METHOD 3: VALUATION WITH REFERENCE TO AVERAGE MARKET PRICE PER SHARE OF SIMILAR STOCKS

For similar stocks we have considered the comparable companies listed with Dhaka Stock Exchanges in Travel & Leisure Sector.

(Amount in BDT)

Date	The Peninsula Chittagong Limited	Unique Hotel & Resorts Limited
31-Aug-15	19.60	49.9
30-Sep-15	20.70	49.9
29-Oct-15	16.20	46.1
30-Nov-15	16.90	44.4
31-Dec-15	15.90	50.6
31-Jan-16	16.80	48.9
29-Feb-16	16.20	48.0
31-Mar-16	16.00	47.5
28-Apr-16	14.50	42.1
31-May-16	15.50	47.4
30-Jun-16	15.30	46.7
31-Jul-16	14.90	43.4
Average Price per share (BDT)	17.29	48.16

Source: Dhaka Stock Exchange Limited

METHOD 4: VALUATION WITH REFERENCE TO P/BV MULTIPLE OF SIMILAR STOCKS

The average month end close price of similar stocks from August 2015 to July 2016 and Net Asset Value based on Annual Report of 2015 have been considered.

Sl. No.	Similar Stocks	Last one year average Closing Price (P)	Net Asset Value/Book Value per share (BV)	P/BV
1.	The Peninsula Chittagong Ltd.	17.29	32.84	0.53
2.	Unique Hotel & Resorts Ltd.	48.16	87.74	0.55
Average P/BV (k)				0.54
NAV per share of Dhaka Regency Hotel & Resort Ltd. as on December 31, 2015 (I)				30.58
Fair value based on P/BV multiple of similar stocks (BDT) [k × I]				16.51

Source: Dhaka Stock Exchange Limited

METHOD 5: VALUATION WITH REFERENCE TO P/E MULTIPLE OF SIMILAR STOCKS

The average month end close price of similar stocks from August 2015 to July 2016, having positive Earnings per share as per the last audited financial statements has been considered.

Sl. No.	Similar Stocks	Last one year average Closing Price (P)	Earnings per share (E)	P/E
1.	The Peninsula Chittagong Ltd.	17.29	1.27	13.61
2.	Unique Hotel & Resorts Ltd.	48.16	3.27	14.73
Average P/E (m)				14.17
5 years weighted average earnings per share of Regency Hotel & Resort Ltd. (n)				3.09
Fair value based on P/BV multiple of similar stocks (BDT) [m × n]				43.78

Source: Dhaka Stock Exchange Limited

METHOD 6: VALUATION WITH REFERENCE TO EV/EBITDA MULTIPLE

The year-end close prices of the similar stocks have been considered. Other relevant information in calculating EV/EBITDA multiple of the similar companies have been considered based on Annual Report of 2015.

Sl. No.	Similar Stocks	Enterprise Value (EV)	EBITDA	EV/EBITDA Multiple
1.	The Peninsula Chittagong Ltd.	1,969,432,556	167,778,412	11.74
2.	Unique Hotel & Resorts Ltd.	13,632,180,640	1,211,304,271	11.25
Average EV/EBITDA Multiple (o)				11.50
EBITDA of Dhaka Regency Hotel & Resort Ltd. as on December 31, 2015 (p)				34,29,03,067
Enterprise Value of Dhaka Regency Hotel & Resort Ltd. [q = o × p]				3,94,20,87,282
No. of shares outstanding as on December 31, 2015 [r]				60,000,000
Fair value based on EV/EBITDA Multiple (BDT) [q / r]				65.70

Source: Dhaka Stock Exchange Limited

Conclusion:

From the above justification, it can be seen that the fair value of Regency Hotel & Resort Ltd. Under different valuation methods are determined considering the future growth perspective, performance with similar comparable listed with stock exchanges and risk aspects of the Company.

DEBT SECURITIES**SECTION:XVI**

The Company has not issued or is planning to issue any debt security within the next 6 (six) months.

PARTIES INVOLVED AND THEIR RESPONSIBILITIES**SECTION: XVII**

Parties Involved with DRHRL		Responsibilities of the Parties
Issue Managers	LankaBangla Investments Limited & Banco Finance and Investment Limited	The ISSUE MANAGER(s) is responsible to comply with all the requirements as per Bangladesh Securities and Exchange Commission (Public Issue) Rules 2015 including preparation and disclosures made in the prospectus and use of the public issue proceeds by the issuer.
Auditors	Ahmed Zaker & Co. Chartered Accountants.	Auditors' responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing, those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
Credit Rating Company	Credit Rating Information & Services Ltd. (CRISL)	Credit Rating Company is responsible for: Examination, preparation, finalization and issuance of credit rating report without compromising with the matters of any conflict of interest; and Compliance with all the requirements, policy procedures of the rules as prescribed by the Bangladesh Securities and Exchange Commission.

MATERIAL CONTRACTS**SECTION: VIII****Major Agreements Entered into by the Issuer:**

- **Issue Management Agreement between the Issuer Company and the Issue Managers:**
 - 1) LankaBangla Investments Limited
 - 2) Banco Finance and Investment Limited
- **Registrar to the Issue Agreement with ICB Capital Management Ltd.**
- **Credit Rating Agreement between the Company and the Credit Rating Information & Services Ltd. (CRISL)**

Material Parts of the Agreements:

- **Issue Management Agreement:**

- 01 This Agreement shall be valid until completion of subscription of shares and unless this Agreement is extended or earlier terminated in accordance with the terms of this Agreement

- 02 According to Article 2.1; the scope of the services to be rendered by the ISSUE MANAGER to the ISSUER under this agreement shall cover Regulatory Compliance, Underwriting Co-operation, Issue Arrangements and Public offer and invitation.
- 03 According to Article 2.2; The ISSUE MANAGER takes the responsibility to take such steps as are necessary to ensure completion of allotment and dispatch of letters of allotment and refund warrants to the applicants according to the basis of allotment approved by the Bangladesh Securities and Exchange Commission. The ISSUER undertakes to bear all expenses relevant to share application processing, allotment, and dispatch of letters of allotment and refund warrant. The ISSUER shall also bear all expenses related to printing and issuance of share certificate and connected govt. stamps and hologram expenses.
- 04 According to Article 4.1; without prejudice ISSUER hereby declares that it agrees to comply with all statutory formalities under Companies Act, Guidelines issued by Bangladesh Securities and Exchange Commission and other relevant status to enable it to make the issue.
- 05 According to Article 7.1; The ISSUE MANAGER hereby undertake to keep in strict compliance all information (whether written or oral) proprietary documents and data secured in connection with or as a result of this Agreement (Confidential Information) and shall limit the availability of such information to employees, who have a need to see and use it for the express and limited purpose stated in this Agreement.
- 06 According to Article 9.1; The Issuer and ISSUE MANAGER shall ensure compliance of the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, The Listing Regulations of Stock Exchanges, The Companies Act, 1994 and other relevant rules, regulations, practices, directives, guidelines etc.

Registrar to the Issue Agreements:

- 01 According to article 2; The scope of the services to be rendered by the Registrar to the Issue under this Agreement shall be as detailed hereunder:

The Registrar shall ensure due compliance of the book building procedures and the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015.

The Registrar shall coordinate all other actions necessary for completing the post-issue functions or to comply with the regulatory requirements with the support of Issuer.

The Registrar shall coordinate for completing the post-issue processing activities for public issue of the Company within the stipulated time as specified by the Bangladesh Securities and Exchange Commission.

The Registrar will have to complete all statements and ensure timely delivery of them to the relevant authorities /organizations.

The Registrar will have to deliver one soft copy of entire database of all applications to the Company in the format and headings specified by the Company.
- 02 According to article 3.1; Without prejudice the Issuer hereby declares that it has complied with or agrees to comply with all statutory formalities under the Companies Act 1994, Guidelines issued by Bangladesh Securities and Exchange Commission (BSEC) and other relevant laws
- 03 According to article 6.1; The Registrar hereby undertakes to keep in strict compliance to all information (whether written or oral) proprietary documents and data secured in connection with or as a result of this Agreement (Confidential Information) and shall limit the availability of such information to its employees, who have a need to see and use it for the express and limited purpose stated in this Agreement.

Credit Rating Agreement between the Company and the Credit Rating Information & Services Ltd. (CRISL)

1. That it is understood and agreed by both the parties that this agreement for credit rating is being executed as per the provision of the Credit Rating Companies Rules 1996 promulgated by the Bangladesh Securities and Exchange Commission;
2. That the first party will be responsible to conduct the rating as per the requirement of the Bangladesh Bank recognition criterion as External Credit Assessment Institution;
3. That the first party will require both financial, operational data and related data for its independent analysis and assessment. The Second Party has agreed to provide such data / information as required by the First Party while rating and also during its surveillance;
4. That the Second Party will authorize all concerned banks/ creditors to provide information as required by the first party for its independent analysis. An official letter to the banks/ creditors as approved by the Second Party is to be issued so that the information can be collected by the first Party professionals directly;
5. That the First Party has agreed to undertake the rating assignment and complete the same within Three weeks from the date of providing all information required vide First Party's primary questionnaire and its subsequent queries;

Fees Payable to different parties:

Sl.	Name of the Parties	Role	Fees Payable
1	LankaBangla Investments Limited ICB Capital Management Limited EBL Investments Limited NBL Capital and Equity Management Limited IL Capital Limited BMSL Investments Limited Prime Finance Capital Management Limited Riverstone Capital Limited	Underwriter	0.50%
2.	LankaBangla Investments Ltd.	Issue Manager	2.00% on the public offer amount (including premium)
	Banco Investment & Finance Ltd.		
3.	ICB Capital Management Limited	Registrar to the Issue	0.50% on the public offer amount (including premium)
3.	Credit Rating Information And Services Limited (CRISL)	Credit Rating	BDT 172,500.00

OUTSTANDING LITIGATIONS, FINE OR PENALTY**SECTION: XIX**

The following outstanding litigations against the issuer or any of its directors and fine or penalty imposed by any authority:

The issuer or any of its directors was not involved in any of the following type of legal proceedings mentioned below;

I.	Litigation involving Civil Laws	:	There is no conviction of the Issuer or director(s) in a civil proceeding
II.	Litigation involving Criminal Laws	:	There is no conviction of the Issuer or director(s) in a criminal proceeding
III.	Litigation involving Securities, Finance and Economic Laws	:	There is no order, judgment or decree of any court of competent jurisdiction against the Issuer or director(s) permanently or temporarily enjoining, barring, suspending or otherwise limiting the involvement of any director(s) or officer in any type of securities, Finance and Economic laws
IV.	Litigation involving Labor Laws	:	There is no conviction of the Issuer or director(s) in connection to applicable Labor Laws
V.	Litigation involving Taxation (Income tax, VAT, Customs Duty and any other taxes/duties)	:	There is no conviction of the Issuer or director(s) in connection to taxation (Income tax, VAT, Customs Duty and any other taxes/duties)
VI.	Litigation involving any other Laws	:	There is no litigation involving any other Laws

Outstanding cases filed by the Company or any of its directors:

There is no outstanding cases filed by the Issuer or any of its directors to any of the following types of legal proceedings mentioned below;

I.	Litigation involving Civil Laws	:	There is no conviction of the Issuer or director(s) in a civil proceeding
II.	Litigation involving Criminal Laws	:	There is no conviction of the Issuer or director(s) in a criminal proceeding
III.	Litigation involving Securities, Finance and Economic Laws	:	There is no Litigation involving Securities, Finance and Economic Laws
IV.	Litigation involving Labor Laws	:	There is no Litigation involving Labor Laws
V.	Litigation involving Taxation (Income tax, VAT, Customs Duty and any other taxes/duties)	:	There is no Litigation involving Taxation (Income tax, VAT, Customs Duty and any other taxes/duties) except Litigation involving Taxation for the assessment year 2014-2015 which is pending in the Income Tax Appellate Tribunal.
VI.	Litigation involving any other Laws	:	There is no litigation involving any other Laws

Any investment always associates with both internal and external risk factors having both direct and indirect effect on the investments made by the investor. Among those risks some can be averted, others are beyond control, which may cause loss. Before making any investment decision, investors need to consider the associated risk factors, the risk premium and management perception. If any of the following risks actually happens in the business, operational results and financial conditions could suffer and investors could lose their investments partly or fully. The management of Dhaka Regency Hotel And Resort Limited perceives the following risk factors, both external and internal, which are enumerated hereunder:

INTERNAL RISK FACTORS MAY INCLUDE, AMONG OTHERS

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, and arises principally from the company's receivable from customers and investment securities. In operating any business there is always credit risk lies in the business.

Management Perception

Dhaka Regency Hotel And Resort Limited is concentrating in Hospitality and tourism Industry and has an insignificant chance of such credit risk. DRHRL has a credit policy in place and exposure to credit risk is monitored on an on-going basis. To mitigate the credit risk, the management of the company follows robust credit control and collections policies. The company has dedicated credit collections team.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Liquidity is a common phenomenon of the business.

Management Perception

The Company's slant to managing liquidity is to ensure 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 its reputation. DRHRL always try to ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

Risk associated with the Issuer's Interest in Subsidiaries, Joint Ventures and Associates

This risk may arise when the Issuer Company has any Subsidiaries, Joint Ventures and Associates.

Management Perception

Dhaka Regency Hotel And Resort Limited has not any Subsidiaries, Joint Ventures and Associates. As a result, this risk factor does not applicable for the Company.

Significant revenue generated from limited number of customers, losing any one or more of which would have a material adverse effect on the issuer.

Management Perception

Dhaka Regency Hotel And Resort Limited is concentrating in Hospitality and tourism Industry and it has not limited customers from whom it generates significant amount of revenue, it is almost free from this sort of risk.

Dependency on a single or few suppliers of raw materials, failure of which may affect production adversely.

Management Perception

Dhaka Regency Hotel And Resort Limited is operating a business in which supplier play an insignificant roles. In business, having many suppliers of raw materials helps to get competitive advantage of cheaper price of raw materials. Because,

it helps to bargain over price with suppliers. In addition, having many supplier helps to maintain doing business efficiently. With this view, DRHRL is not dependent on a single or few suppliers.

More than 20% revenue of the issuer comes from sister concern or associate or subsidiary

Management Perception

Dhaka Regency Hotel And Resort Limited has no sister concern or associate or subsidiary. As a result, this risk factor is not applicable for the Company.

Negative earnings, negative cash flows from operating activities, declining turnover or profitability, during last five years, if any.

Management Perception

The Company does not have any negative earnings, negative cash flows from operating activities, declining turnover or profitability during last five years.

Loss making associate/subsidiary/group companies of the issuer

Management Perception

The Company does not have any associate/subsidiary/group companies. That's why this risk is immaterial for DRHRL.

Financial weakness and poor performance of the Company or any of its subsidiary or associates

Management Perception

Dhaka Regency Hotel And Resort Limited does not have any subsidiary or associates. Therefore, this risk is immaterial for DRHRL.

Management Perception

DRHRL has no subsidiary or associate concerns. Besides, DRHRL is a highly competent, resourceful, and profitable company. The Company's net profit after Tax and other business performance indicators show increasing trend due to the management dedication and suitable strategic action to face competition in the industry. Successive strong financial performance is the result of unwavering commitment of the promoters, management efficiency, employees' sincerity, use of appropriate technology, among others. Over the year, company's financial performance is improving due to its long terms vision in this sector, experienced top tier management, favorable economic and government rules and regulations, the commendable repayment culture is contributing for growth of the company. As such, possibility of liquidity and going concern risks are significantly minimum.

Decline in value of any investment

Management Perception

DRHRL has investment in shares of several listed companies amounting Tk.505,017.00 at cost in the note 8.00 of Audited Financial Statements as at December 31, 2015 from which it earned unrealized loss amounting Tk.251,088.00 Considering the facts, it is evident that DRHRL is not under the preview of material risk.

Risk associated with useful economic life of plant and machinery, if purchased in second hand or reconditioned.

Management Perception

Dhaka Regency Hotel And Resort Limited is concentrating in Hospitality and tourism Industry. Therefore, this risk is immaterial for DRHRL.

Adverse effect on future cash flow if interest free loan given to related party or such loans taken from directors may recall.

Management Perception

DRHRL did not provide any loan to its related party. As such, this risk is not applicable.

Potential conflict of interest, if the sponsors or directors of the issuer are involved with one or more ventures which are in the same line of activity or business as that of the Company and if any supplier of raw materials or major customer is related to the same sponsors or directors

Management Perception

No DRHRL's sponsor or director is engaged in same line of business of the Company. No supplier of raw materials or major customer is related to the same sponsors or directors. So, such risk is not relevant to DRHRL.

Related party transactions entered into by the Company those may adversely affect competitive edge

Management Perception

DRHRL did not engage any such transaction, which may adversely affect competitive edge.

Any restrictive covenants in any shareholders' agreement, sponsors' agreement or any agreement for debt or preference shares or any restrictive covenants of banks in respect of the loan/ credit limit and other banking facilities

Management Perception

There are no restrictive covenants in any shareholders' agreement, sponsors' agreement or any agreement relating to debt or preference shares or any restrictive covenants of Banks in respect of loan or credit limit and other banking facilities.

Business operations may be adversely affected by strikes, work stoppages or increase in wage demands by employees

Management Perception

Dhaka Regency Hotel And Resort Limited is one of the leading five star hotels in Bangladesh and always prioritizing its Human Resources, as its success immensely depends upon performance of the patrons. With the view to go forward by retaining the resource, DRHRL always offers inspiring propositions along with a best working environment. Considering the facts, it is apparent that risk of strikes, work stoppages or increase in wage/salary demands by employees is very remote for DRHRL.

Seasonality of the business

Management Perception

The entire hospitality industry has a seasonal impact. Seasonal Aspects can be divided into three periods in a year. One is from October to January, next is from February to May and last is from June to September.

October to January:

This part of the calendar year is the pick period for the entire hospitality industry of Dhaka. Due to the favorable weather conditions, all the business, group and leisure travelers preferred to visit during this period of the year.

February to May:

This part of the calendar year is considered as the moderate period in terms of business volume for the entire hospitality industry of Dhaka.

June to September:

This part of the calendar year is considered as the soft period for the entire hospitality industry of the Dhaka.

National & International Events:

During any National and International Events, i.e. SAARC Summit, SAF Games, SA Games, SAARC Games, Cricket Tournaments and other sports tournaments, the business volume of the entire city increases substantially. This effect is always true regardless of the month it is, in a calendar year.

Expiry of any revenue-generating contract that may adversely affect the business

Management Perception

DRHRL has no long-term revenue-generating contract with any customer. So, there is no chance to affect the business adversely on this ground.

Excessive dependence on debt financing which may adversely affect the cash flow**Management Perception**

The management of DRHRL fully aware about the risk and always trying to mitigate the dependency on debt financing which may adversely affect the Cash Flow of the Company. This is one of the important fact that drive DRHRL to equity financing through public offering.

Excessive dependence on any key management personnel absence of whom may have adverse effect on the Company's business performance**Management Perception**

DRHRL has been running its business over a long time with name and fame. It is a structured Company. It practices strong human resources management and corporate governance principles. Succession planning is always in our mind and Company is running very professionally. As such, there is very little possibility of adversely affect the business due to excessive dependence on key management personnel.

Enforcement of contingent liabilities which may adversely affect financial condition

A contingent liability is where there is significant uncertainty about a number of aspects regarding the liability. A contingent liability arises where an event that occurred in the past may lead to the entity having a liability in the future, but the financial impact of the event will only be confirmed by the outcome of some future event not wholly within the entity's control.

Management Perception

DRHRL does not have any contingent liabilities which may adversely affect financial condition.

Insurance coverage not adequately protect against certain risks of damages**Management Perception**

DRHRL is maintaining different insurance coverage for all the relating issues that are risky to operating the business.

Absence of assurance that directors will continue its engagement with Company after expiry of lock in period**Management Perception**

All running director of the Company gave their kind consent that they shall serve the Company. The directors are also involved with DRHRL for long time and observing their previous track record we may expect that they will continue the business after expiry of lock in period. Further, since the Company follows corporate governance principles and other relevant laws of the land, absence of assurance that director will continue its engagement will not affect the business.

Ability to pay any dividends in future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditure**Management Perception**

The Company's net profit after Tax and other business performance indicators show increasing trend due to the management dedication and suitable strategic action to face competition in the industry. Successive strong financial performance is the result of unwavering commitment of the promoters, management efficiency and employees' sincerity. Over the year company's financial performance is improving due to its long terms vision in this sector, experienced top tier management, favorable economic and government rules and regulations, the commendable repayment culture is contributing for growth of the Company. DRHRL follows prudent financial management. The Company has a good record of paying dividend. Besides, as at 31 December 2015 Company's retained earnings stood at Tk.847,259,530 So, risk is minimum.

History of non-operation, if any and short operational history of the issuer and lack of adequate background and experience of the sponsors**Management Perception**

The Company has been incorporated as a public Limited company on November 14, 2006 vide registration no. C-64465

(1956)/06 under the companies Act 1994 with the Registrar of Joint Stock Companies and Firms, Bangladesh. The Dhaka Regency Hotel and Resort Limited started its commercial operation from April 14, 2007. Since commencement of its operation, it has no history of non-operation till now. The company is running by a professional team and its sponsors have adequate business background and experience, which reduce the non-operating risk.

Risks related to engagement in new type of business, if any

Management Perception

Right now, DRHRL has no plan to engage in new type of business.

Risks related to conflict of Management and Owners, if any

Management Perception

The company has not face any conflict between management and owners from the inception. Board of Directors and Management of DRHRL are very professional to handle any situation which might arise conflict between management and owners. Since company maintaining good governance to ensure better corporate culture.

Risk in investing the securities being offered with comparison to other available investment options

Management Perception

Investment in share market is risky. But, it is not true for investment in companies which basic fundamentals are strong. It also depends on the sector in which the Company belongs to. If investors make investment in good company and better sector, there is a possibility to earn higher dividend as well as capital gain. As far as the financial performances are concern, DRHRL is fundamentally strong Company. Further, as per Monthly Review February 2016 of Dhaka Stock Exchange, we found that sectoral PE ratio is 15.80. So, investment in DRHRL's share may be a better option for investors.

Any penalty or action taken by any regulatory authorities for non-compliance with provisions of any law

Management Perception

No penalty or action taken by any regulatory authorities for non-compliance with provisions of any law;

Litigations against the issuer for Tax and VAT related matters and other government claims, along with the disclosures of amount, period for which such demands or claims are outstanding, financial implications and the status of the case

Management Perception

We did not have any litigation relating to Tax, VAT or other government claims against of our company.

Registered office or factory building or place of operation is not owned by the issuer

Management Perception

The registered office and the hotel premises are entirely owned by DRHRL. Hence, this risk is not applicable for the Company.

Lack of renewal of existing regulatory permissions/licenses

Management Perception

A dedicated team professional supervises renewal processes of all the regularity permission/ licenses. So, risk with regard to lack of renewal of existing regulatory permissions/licenses is very remote.

Failure in holding AGM or declaring dividend or payment of interest by any listed securities of the Company or any of its subsidiaries or associates

Management Perception

DRHRL has no listed securities or any of its subsidiaries or associates. Hence, this risk is not applicable for DRHRL.

Issuances of securities at lower than the IPO offer price within one year

Management Perception

DRHRL has no plan to issue any sort of securities within one year of IPO. As such, this issue is not applicable for DRHRL.

Refusal of application for public issue of any securities of the issuer or any of its subsidiaries or associates at any time by the Commission.

Management Perception

DRHRL has no subsidiary or associates. No refusal of application for public issue of any securities of the DRHRL's at any time by the commission.

EXTERNAL RISK FACTORS MAY INCLUDE, AMONG OTHERS

Interest Rate Risk

Interest rate risk is the risk that company faces due to unfavorable movement in the interest rates. Changes in the government's monetary policy, along with increased demand for loans/investments tend to increase the interest rates. Such rises in interest rates mostly affect companies having floating rate loans or companies investing in debt securities.

Management Perception:

Since the Dhaka Regency Hotel And Resort Limited has not borrowed funds at flexible rate, hence, The Interest rate risk does not arise. The company has been repaying borrowed funds on a continuous basis to reduce such interest risk.

Exchange Rate Risk

Exchange rate risk occurs due to changes in exchange rates. As the Company imports equipment from abroad and also earns revenue in foreign currency, unfavorable volatility or currency fluctuation may affect the profitability of the Company. If exchange rate is increased against local currency opportunity will be created for generating more profit.

Management Perception:

Dhaka Regency Hotel And Resort Limited changes the price of their services in accordance with the change in exchange rate to mitigate the affect of unfavorable volatility in exchange rate on the company's earnings.

Industry Risks

Industry risk refers to the risk of increased competition from foreign and domestic sources leading to lower prices, revenues, profit margins, market share etc. which could have an adverse impact on the business, financial condition and results of operation.

Management Perception:

The Company continuously carries out research and development (R&D) to keep pace with the customer choices and fashions.

Economic and political risks

Bangladesh is prone to serious unrest in the political condition which produces Hartal, Road-Block and many other barriers to the business. This could also propel the cost of the product upwards.

Management Perception

Although the country has passed a political turmoil until the end of last year, a sound political atmosphere is prevailing from early this year which is expected to continue in future. Both the ruling and opposition parties are committed to the betterment of the country. Last democratic national assembly election and local council polls are instances of peaceful political situation in Bangladesh.

Market Risks and Technology Related Risks

Market Risks

Market Risks refers to the risk of adverse market condition affecting the sales and profitability of the company. Mostly, the risk arises from falling demand for the product or service which would harm the performance of the company. On the other hand, strong market and brand management would help the company increase their customer base.

Management Perception

However, as any responsible organization, Dhaka Regency opts to stay armed with a contingency plan that umbrellas product, people, and process. Continuous marketing activities to explore new markets and launch new products to create the optimal level of brand association are constantly in practice. Moreover, much effort is exerted to ensure that

each tier of association drawn to Dhaka Regency is placed in the maximum positive light. And the company is continuously penetrating the market and upgrading the quality of their services to minimize the risk.

Technology Related Risks

Technology always plays a vital role for each and every type of business. Better technology can increase productivity and reduce costs of production. Firms are exposed to technology risks when there are better technologies available in the market than the one used by the company which may cause technological obsolescence and negative operational efficiency.

Management Perception

The company is aware of technological changes and has adopted new technology according to its needs. Furthermore, routine and proper maintenance of the equipment carried out by the Company ensures longer service life for the existing equipment carried out by the company ensures longer service life for the existing equipment and facilities.

Potential or Existing Government Regulations

The Company operates under Company's Act 1994 and other related regulation, Income Tax Ordinance 1984, Income Tax Rules 1984, Value Added Tax (VAT) Act 1991 and Value Added Tax (VAT) Rules 1991. Any abrupt changes of the policies made by the regulatory authorities may adversely affect the business of the company.

Management Perception

Since The Company Operates in hospitality sector, the Government regulations are mostly investment-friendly. However, unless any policy change that may negatively and materially affect the industry as a whole, the business of the Company is expected not to be affected. As it is an emerging sector, it is highly likely that the Government will frustrate the growth of the industry with adverse policy measures.

Potential or Existing Changes in Global or National Policies

The performance of the Company may be affected due to unavoidable circumstances both in Bangladesh and worldwide, such as war, terrorism, political unrest in the country or customer's countries. Changes in global or national policies may also adversely affect the economy in general.

Management Perception

The risk due to changes in global or national policies is beyond control of any company. The management of the company is always concerned about the prevailing and future changes in the global and national policy and shall respond appropriately and timely to safeguard its interest. The company's strong brand image and worldwide customer base will enable it to withstand any such potential threats.

Statutory clearances and approvals those are yet to be received by the issuer

Management Perception

All the required statutory clearances and approvals, those are required for day to day running business is obtained.

Competitive condition of the business

Management Perception

In recent days we have observed phenomenal growth in hospitality establishment both in Dhaka and other areas surrounding capital and numerous tourist zones in Bangladesh. The growth is seen from 5 star deluxe properties to the basic accommodations and interestingly investments in upscale hotels are more attractive than the basic ones.

The government has named next year the 'Year of Tourism', and a number of advertising and PR campaigns are underway to attract more visitors to the country. The Minister of Tourism and Civil Aviation Rashed Khan Menon, who has set an ambitious target to increase foreign tourists' arrivals by 70% to 1 million in 2016. If the number of visitors increases by 7 percent per annum, then it will require a 235 room hotel every year. The industry is coming up with Hilton, Marriott Courtyard in Gulshan Avenue and Holiday Inn at Kawran Bazar with over 300 rooms. One or two hotel construction might begin inside the airport as well. Within 3 to 5 years, the industry's inventory will reach to over 15000 rooms. Although it will not fulfill the aggregate demand but will regularly put pressure on room rate due to more competition.

Complementary and supplementary products/services which may have an impact on business of the issuer;

Management perception

The company has not faced any challenges relating to supplementary and complementary products and Management are concerned with the issue. In future, if necessary, management may diversify the product to be competitive over the competitors.

Risk Associated with new Project

Management Perception

In order to cater to the growing demand of quality tourism in Bangladesh the promoter of the Cox Regency has planned to develop a sophisticated and economically viable resort at Cox's Bazar with a project cost of BDT 550 million and then considering the future potentiality and factual economic implication of the expansion project of the existing business, HBD conducted a feasibility study on the proposed development of a Hotel to be located at Cox's Bazar. Management finds the construction of the recommend hotel facility to be feasible. The following bullet points summarize feasibility aspects of the proposed project within the market.

Economic Feasibility – Economic feasibility is evidenced by information related to the project site location; availability of trained or trainable labor; utilities; air, and road service to the site; and the overall impact of the project. Overall, the subject project's construction is deemed feasible due to the hotel's planned location in the rapidly growing tourism sector in Cox's Bazar. The area has an emerging source of demand and the proposed hotel is expected to capture a healthy share of this demand over the forecast period, noting occupancy levels near the market average.

Market Feasibility – Market feasibility is evidenced by information on the sales organization and management, nature and extent of market area, marketing plans for sale of project output, extent of competition, and commitments from customers or brokers. The proposed subject project's ownership/management entity would be expected to be well rehearsed in hotel operations. The proposed subject project's construction and favorable condition, as well as the anticipated popular brand affiliation, is expected to appeal to users of demand generators in this market.

Technical Feasibility – The technical feasibility of the proposed project addresses the suitability of the site for its intended use, as well as the feasibility of achieving the levels of income projected and the estimated operating costs. Overall, given the availability of land in the market, the technical feasibility of the proposed project is reasonable. The general location of the subject site and the physical plant has been described in the Technical Aspect Section. The projected income and expense levels are illustrated in the Financial Aspect Section.

Financial Feasibility - Financial feasibility can be determined by an opinion on the reliability of the financial projections and ability of the business to achieve the projected income and cash flow. An assessment of the cost accounting system, the availability of short-term credit for seasonal business, and the adequacy of raw materials and supplies are also considered. The subject project's projection of income has been estimated in the Financial Aspect Section. Overall, the subject project's construction is deemed feasible as the estimated income and expense levels represent a profitable operation.

DESCRIPTION OF THE ISSUE
SECTION:XXI
Issue Size

Public Offering of [•] Ordinary Shares of Tk.10.00 each at an issue price of Tk. [•] per share including a premium of Tk. [•] per share totaling Tk.600,000,000.00

Number of securities to be issued

Public Offering of [•] Ordinary Shares

Authorized capital and paid-up capital

Particulars	No. of Shares	Amount in BDT
Authorized Capital	300,000,000	3,000,000,000
Paid-up Capital (as on December 31, 2015)	60,000,000	600,000,000
Pre-IPO Paid-up Capital	60,000,000	600,000,000
Capital to be issued through IPO under Book Building Method	[•]	[•]
Post-IPO Paid-up Capital	[•]	[•]

Face value, Premium and offer price per unit of securities

Face value per share	Tk. 10 each
Offer Price per share to Eligible Investors (EIs)	Tk. [•] with a premium of Tk. [•]
Offer Price per share to General Public	Tk. [•] with a premium of Tk. [•]

Number of securities to be entitled for each category of applicants

Category	Particulars	No. of Shares	Issue Price per share	Amount in BDT
Eligible Investors (EIs)	10% of IPO i.e. [•] Ordinary Shares shall be reserved for Mutual Funds	[•]	[•]	[•]
	50% of IPO i.e. [•] Ordinary Shares shall be reserved for Other Eligible Investors (EIs)	[•]		[•]
General Public	10% of IPO i.e. [•] Ordinary Shares shall be reserved for Non Resident Bangladeshis (NRBs)	[•]	[•]	[•]
	30% of IPO i.e. [•] Ordinary Shares shall be reserved for and General Public	[•]		[•]
Total		[•]	[•]	[•]

Holding Structure of Different Classes of Securities Before and After the Issue

Shareholders Category	No. of Ordinary Shares Hold		Percentage of Holding (%)	
	Pre-IPO	Post-IPO	Pre-IPO	Post-IPO
Sponsors and Directors	30,283,886	[•]	50.47	[•]
Institutional	-	[•]	-	[•]
Mutual Fund	-	[•]	-	[•]
Individual	29,716,114	[•]	49.53	[•]
Non Resident Bangladeshis (NRBs)		[•]		[•]

Objective of the issue including financing requirements and feasibility in respect of enhanced paid-up capital:

Net proceeds from Initial Public Offering (IPO) will be used for business expansion (upgrading of current product and facilities), civil construction (Construction of a Hotel in Cox's-Bazar), Loan repayment of Shahjalal Islami Bank Limited, Uttara Br. Dhaka (Partial) and for IPO expenses.

- a) Use of net proceeds of the offer indicating the amount to be used for each purpose with head-wise break-up

USE OF IPO PROCEEDS & IMPLEMENTATION SCHEDULE

Dhaka Regency Hotel And Resort Limited will raise paid-up capital through Initial Public Offering (IPO) in order to meet the present business needs for the purpose of business augmentation and repayment of its debt to enhance profitability in the following way:

Particulars	Required Amount (in BDT)	Source of Fund		Implementation Schedule
		From IPO Proceeds	Bank/Own Finance	
A. Business Expansion:				
Upgrading of Current product and facilities	100,000,000	100,000,000	-	Within 6 (Six) Months of receiving the IPO fund
Construction of a Hotel in Cox’s-Bazar	550,100,000	270,000,000	280,100,000	Within 24 (twenty four) Months of receiving the IPO fund
B. Loan Repayment (Partial):				
Shahjalal Islami Bank Limited, Uttara Br. Dhaka	200,000,000	200,000,000	-	Immediately on availability of IPO fund
C. IPO Expenses*:				
	30,000,000	30,000,000	-	As and When Required
Total	880,100,000	600,000,000	280,100,000	

* Estimated IPO expenses will be determined after the determination of cut-off price through bidding process and will be adjusted accordingly with the IPO proceeds.

DETAILS OF FUND UTILIZATION

A. Business Expansion:

Upgrading of Current product and facilities

Particulars	Amount in BDT
Furniture Items	55,000,000
Kitchen & Restaurant Items	20,000,000
Equipments	25,000,000
Total	100,000,000

Construction of a Hotel in Cox's-Bazar

Particulars	Amount in BDT
Civil Construction with Super Structure	126,000,000
Air Conditioning System	67,000,000
Electrical Works	39,000,000
Sanitary Works	10,100,000
Tiles Works	8,600,000
False Ceiling	14,500,000
Acoustic Materials at Floor and Roof	5,000,000
Bar Equipments with Live Music sound system	5,000,000
SPA Equipments	4,500,000
Health Club Equipments	4,500,000
Kitchen Equipments	8,000,000
Painting	7,400,000
Furniture	108,500,000

Overall interior works with consultancy	42,000,000
Total	450,100,000

Details of Construction of Hotel in Cox's-Bazar

SI No	Items	Unit	Total Price in Million
01	Civil Construction with Super Structure		
	Various types Bricks	Lot	30.00
	Cements	Lot	24.00
	Local Sand	Lot	10.00
	MS Rod	Lot	10.00
	Stone Chips	Lot	21.00
	Labour and Other Materials	Lot	31.00
02	Air Conditioning System		
	Chiller, Pumps, FCU with related equipments, control & fittings	Lot	45.00
	Local Materials and Labor Charge	Lot	22.00
03	Electrical Works		
	Bus duct & Electric Cable	Lot	5.00
	Switch, Sockets, CKT Breakers and other materials	Lot	2.00
	MDB & SDB Boards	Lot	1.50
	Labour and Other Materials	Lot	4.00
	Generator	Pcs	21.00
	Substation	Pcs	5.50
04	Sanitary Works		
	Pipes (GI, UPVC)	Lot	2.80
	Bath tube, Commode and Other related Materials	Lot	5.50
	Labour and Other Materials	Lot	1.80
05	Tiles Works		
	Tiles	Lot	5.20
	Cements	Lot	1.50
	Sand	Lot	1.00
	Labour and Other Materials	Lot	0.90
06	False Ceiling	Lot	14.50
07	Acoustic Materials at Floor and Roof	Lot	5.00
08	Bar Equipments with Live Music sound system	Lot	5.00
09	SPA Equipments	Lot	4.50
10	Health Club Equipments	Lot	4.50
11	Kitchen Equipments	Lot	8.00
12	Painting		
	Paints	Lot	4.50
	Labour and Other Materials	Lot	2.90
13	Furniture		
	Furniture such as door, writing desk, minibar cabinet, closet, chair, table etc.	Lot	65.00
	Carpets & Underlay with related materials	Lot	16.50
	Labour and Other Materials	Lot	15.00
	Electrical Items: LCD, Safe box, light, Light shade etc.	Lot	12.00
14	Overall interior works with consultancy	Lot	42.00
Total Amount			450.10

- b) Where the sponsors' contribution or privately placed fund has been brought prior to the public issue and has already been deployed by the issuer, indication of use of such funds in the cash flow statement;

Indication of use of privately placed fund in the statement of cash flows:

Dhaka Regency Hotel And Resort Limited has not been raised through private placement prior to public issue.

- c) If one of the objects is an investment in a joint venture, a subsidiary, an associate or any acquisition, details of the form of investment, nature of benefit expected to accrue to the issuer as a result of the investment, brief description of business and financials of such venture:

The issuer has no objects to investment in a joint venture, a subsidiary, an associate or any acquisition.

- d) If IPO proceeds are not sufficient to complete the project, then source of additional fund must be mentioned. In this connection, copies of contract to meet the additional funds are required to be submitted to the Commission. The means and source of financing, including details of bridge loan or other financial arrangement, which may be repaid from the proceeds of the issue along with utilization of such funds:

IPO proceeds are not sufficient to complete the project. Already the company invested Tk.8.89 crore for the land purchase of Cox's Bazar project and the rest will be funded from company internal sources and bank financing.

- e) A schedule mentioning the stages of implementation and utilization of funds received through public offer in a tabular form, progress made so far, giving details of land acquisition, civil works, installation of plant and machinery, the approximate date of completion of the project and the projected date of full commercial operation etc. The schedule shall be signed by the Chief Executive Officer or Managing Director, Chief Financial Officer and Chairman on behalf of Board of Directors of the issuer:

Projects/Particulars	Progress made so Far	Approximate date of Completion of the projects	Projected date of full commercial operation
Business Expansion:			
Upgrading of Current product and facilities	Furniture Items, Kitchen & Restaurant Items, Plant & Machineries, Erection, Electrical Fittings and Installation will be started after receiving of IPO fund	Within 6 (Six) Months of receiving the IPO fund	Within one month of the completion of the project
Construction of a Hotel in Cox's-Bazar	Land has already been acquired. Civil Construction with Super Structure, Air Conditioning System, Sanitary Works, Tiles Works, False Ceiling, Plant & Machineries, Erection, Electrical Fittings and Installation and furniture will be started after receiving of IPO fund.	Within 24 (twenty four) Months of receiving the IPO fund	
Loan Repayment (Partial):			
Shahjalal Islami Bank Limited, Uttara Br. Dhaka	Immediately on availability of IPO fund	Within 07 days after receiving the IPO fund	

Sd/-
Kabir Reza
Director & Managing Director

Sd/-
Md. Kamal Hossain Morshed
Chief Financial Officer

Sd/-
Musleh Uddin Ahmed
Chairman

- f) If one of the objects of the issue is utilization of the issue proceeds for working capital, basis of estimation of working capital requirement along with the relevant assumptions, reasons for raising additional working capital substantiating the same with relevant facts and figures and also the reasons for financing short with long term investments and an item wise break-up of last three years working capital and next two years projection:

Not applicable for the company.

- g) **If one of the objects of the issue is utilization of the issue proceeds for working capital, basis of estimation of working capital requirement along with the relevant assumptions, reasons for raising additional working capital substantiating the same with relevant facts and figures and also the reasons for financing short with long term investments and an item wise break-up of last three years working capital and next two years projection;**

Not applicable for the company.

- h) Where the issuer proposes to undertake one or more activities like diversification, modernization, expansion, etc., the total project cost activity-wise or project wise, as the case may be:

The company has a planned to renovate its existing facilities and construction a hotel in Cox's Bazar by using IPO proceeds, which have been mentioned in Use of IPO proceeds and project implementation schedule.

Particulars	Amount in BDT
Furniture Items	55,000,000
Kitchen & Restaurant Items	20,000,000
Equipments	25,000,000
Total	100,000,000

- i) Where the issuer is implementing the project in a phased manner, the cost of each phase, including the phases, if any, which have already been implemented:

The company has a planned to renovate its existing facilities and construction a hotel in Cox's Bazar by using IPO proceeds, which have been mentioned in Use of IPO proceeds and project implementation schedule.

- j) The details of all existing or anticipated material transactions in relation to utilization of the issue proceeds or project cost with sponsors, directors, key management personnel, associates and group companies:

There is no existing or anticipated material transaction in relation to utilization of the issue proceeds or project cost with sponsors, directors, key management personnel, associates and group companies.

- k) Summary of the project appraisal/ feasibility report by the relevant professional people with cost of the project and means of finance, weaknesses and threats, if any, as given in the appraisal/ feasibility report.

MARKET AND FEASIBILITY STUDY
OF PROPOSED EXTENDED PROJECT
OF
DHAKA REGENCY HOTEL AND RESORT LIMITED
COX REGENCY



The Managing Director
Dhaka Regency Hotel And Resort Limited
Airport Road, Nikunja-2, Dhaka-1229

Subject: Submission of Market and Feasibility Study Report on extended proposed hotel project at Cox's Bazar of Dhaka Regency Hotel And Resort Limited.

Dear Sir:

In accordance with your request we have completed our market and feasibility study associated with the proposed development of a Hotel to be located in Cox's Bazar by Dhaka Regency Hotel And Resort Limited.

The entire study and conclusions reached are based upon our present knowledge and information with respect to the status and demand characteristics of the subject project's competitive lodging and meetings markets.

As in all studies of this type, the estimated results are based upon competent and efficient management and presume no significant change in the competitive position of the hotel and tourism industries in the immediate area from that as set forth in this report. They are also based on our evaluation of the present economy of the country and do not take into account or make provision for the effect of any sharp rise or decline in economic conditions not presently foreseeable. To the extent that wages and other operating expenses may advance over the economic life of the subject project, we expect that prices of rooms and other services will be adjusted, at least to offset such advances. The terms of our engagement are such that we have no obligation to revise this report or the estimated annual operating results to reflect events or conditions which occur subsequent to the date of the completion of our fieldwork. However, we are available to discuss the necessity for the revision in view of changes in the economic or market factors affecting the proposed project.

Please do not hesitate to call should you have any comments or questions.

Sincerely,

Sd/-
For Hoque Bhattacharjee Das & Co.
Chartered Accountants

Section I: Introduction

INTRODUCTION

Hoque Bhattacharjee Das & Co., Chartered Accountants (Here-in after called “HBD”) was engaged by the Board of the Dhaka Regency Hotel And Resort Limited to conduct a feasibility study of market demand and operating performance associated with the proposed development of a Hotel to be located in Cox’s Bazar.

The project, a unit of Dhaka Regency Hotel And Resort Limited (here-in-after called “Cox Regency”) will be a luxury resort set on 26 decimal of land by building of 13 storied and branded as a full-service Hotel, located at sea beach of Cox’s bazaar adjacent to the Bay of Bangle. Only 10 minutes from Cox’s Bazar Airport and takes approximately 8 and half hour’s drive from Dhaka on national highway.

In order to cater to the growing demand of quality tourism in Bangladesh the promoter of the Cox Regency has planned to develop a sophisticated and economically viable resort at Cox’s Bazar with a project cost of BDT 550 million and then considering the future potentiality and factual economic implication of the expansion project of the existing business, HBD conducted a feasibility study on the proposed development of a Hotel to be located at Cox’s Bazar.

Cox Regency will have 150 guest rooms and consisting of the following facilities:

Sl. No.	Categories	Rooms
1	Standard Single	32
2	Standard Twin	21
3	Deluxe Single	32
4	Deluxe Twin	25
5	Premium Single	21
6	Premium Twin	14
7	Royal Suite	2
8	Honeymoon Suite	3
Total Rooms		150

All the rooms will be designed with modern quality touch and latest possible amenities targeted to business corporate and leisure market and the property also features a restaurant, cocktail lounge, swimming pools, fitness center with women's and men's saunas Jacuzzi & Steam, 24 hours business center, 24 hours room service, Laundry service, Hotel Limousine, Tours and Travel Desk, Outside catering and game room. Meeting facilities include flexible meeting space & Small private meeting room.

SCOPE OF THE STUDY

The scope of our study includes the following:

- Site analysis;
- Analysis of economic trends;
- Analysis of historical, current, and future supply and demand for hotel rooms and convention center facilities in the respective competitive markets;
- Development of estimates of utilization levels that might be obtained at the proposed Hotel;
- Development of statements of estimated annual operating results for the Hotel compounds of the proposed project, as well as for the combined operation.

Section 2: Executive Summary

BACKGROUND

Bangladesh has made notable progress in hotel and tourism industry with collective efforts by the government, NGOs, Private organizations and foreign investors and international originations to improve hotel and tourism sectors. The hotel and tourism service sector has 3 streams in Bangladesh – public, private (for profit) and non-profit NGOs. The public sector consists of facilities owned and run by the Ministry of Civil Aviation and Tourism.

The Dhaka Regency Hotel And Resort Limited (“the Company”) is one of the fastest growing businesses in hotel and Tourism service in Bangladesh under the dynamic leadership of Mr. Kabir Reza. The Company has realigned itself as an innovative service provider through a comprehensive strategy. The overall strategy is to achieve excellence in terms of total tourism services. The management team consists of highly experienced business and hotel and tourism professionals who are dedicated for quality services and exponential growth of the company.

The location of proposed project is considered as the ideal place at Cox’s Bazar city. The proposed project will set up a 150 guestrooms under the name of “Cox Regency” at Cox’s Bazar. This will be an international standard hotel and resort expansion project of the Company. The project has been designed for providing general as well as specialized hotel & resort services to local and international communities.

COMPANY OVERVIEW

The Company has been incorporated as a public Limited company on November 14, 2006 vide registration no. C-64465 (1956)/06 under the Companies Act 1994 with the Registrar of Joint Stock Companies and Firms, Bangladesh. The Dhaka Regency Hotel And Resort Limited started its commercial operation from April 14, 2007.

Dhaka Regency Hotel And Resort- the new-generation business class hotel offers 214 luxuriously furnished Guest Rooms and Suites, Thai Spa, Health Club, Bar, Lounge, Multi Cuisine Restaurants, countries most beautiful Roof Top Restaurant with Swimming Pool and World Class Venue facilities. It is most conveniently situated to target and attract the market segment that requires lodging services most frequently. The Company planned to expand business by set up a unit at Cox’s Bazar under the name of Cox’s Regency.

NATURE OF BUSINESS

Dhaka Regency Hotel And Resort Limited has been engaged in the hospitality business in order to provide lodging and hotel services. The Regency is a hotel based service oriented company to offer for room services, restaurant services, conferences, corporate events. The hotel is recognized as five stars, so that customers are treated with all five star quality services.

COST OF THE PROJECT

The total cost of the project is estimated at BDT 550 Million. The detailed break-up of the total cost of the project is provided as follows:

The Break-up of the Total Cost of the Project

Cost of the Project		
Item	(Figure in BDT ' 000')	
	Unit Cost	Total Cost
01. Land :		
Land 26 Decimals (Cox's Bazar)	91,000	
Other cost	9,000	100,000
Sub – Total		
02. Building & other civil works :		
Hotel Building	139,466	
Other Civil Works	9,000	

Sub – Total		239,166
03. Imported Machinery & Equipment :		
Cost of Machinery	92,700	
Duty, C&F Costs	9,734	
Sub – Total		102,434
04. Furniture :		
Furniture	108,500	
Sub – Total		108,500
Cost other than Land(2+3+4)		450,100
Total Project Cost		550,100

FINANCIAL PLAN

Financing pattern	Percentage (%)	Amount in (BDT)
IPO Fund	49.08%	270,000,000
Own source (existing investment)	18.18%	100,000,000
Bank loan	32.74%	180,100,000
Total	100.00%	550,100,000

FINANCIAL PERFORMANCE

The financial projections have been made; on the basis of the estimates of sales, gross profit and net profit are as follows:

(Figure in BDT “000”)

Items	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year
Sales Revenue	244,613	324,986	371,900	409,991	476,916	548,181
Operating profit	114,258	185,680	226,786	289,951	356,795	422,072
Net operating profit	94,935	169,465	214,050	250,683	319,197	384,574
Net profit after tax	61,708	110,152	139,133	162,944	207,478	249,973
Retained earnings transfer to DRHRL	61,708	110,152	139,133	162,944	207,478	249,973

PROFITABILITY RATIOS

Ratios		3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year
<i>Profitability Ratios</i>							
Gross Profit to Sales		56.44%	65.08%	68.51%	70.72%	74.81%	76.99%
Net Profit to Sales		25.23%	33.89%	37.41%	39.74%	43.50%	45.60%
Return on Asset		10.53%	16.58%	18.11%	18.27%	19.66%	19.15%
Return on Equity		14.29%	20.33%	20.43%	19.31%	19.73%	19.21%
PBIT to Total Asset		19.50%	27.95%	29.52%	29.11%	30.67%	29.58%
IRR	15.87%						
<i>Liquidity Ratios</i>							
Current Ratio		20.83	47.72	78.36	111.22	153.71	207.99
Cash Ratio		16.54	43.42	74.06	106.92	149.41	203.70
<i>Debt Management Ratios</i>							
Total Debt to Total Assets		0.26	0.18	0.11	0.05	-	-
Long Term Debt to Total Assets		0.26	0.18	0.11	0.05	-	-
Total Debt to Equity		0.36	0.23	0.13	0.06	-	-
Long Term Debt to Equity		0.35	0.22	0.12	0.05	-	-
Times Interest Earned Ratio (TIER)		4.19	7.79	11.93	19.98	46.49	150.30
<i>Asset/Liability Utilization Ratios</i>							
Asset Turnover	-	0.42	0.49	0.48	0.46	0.45	0.42
Inventory Turnover		-	-	-	-	-	-
Sales to Fixed Asset Ratio	-	0.47	0.66	0.79	0.91	1.10	1.32

BREAK EVEN POINT

Detailed analysis indicates that the project will reach the breakeven point at 42% of the rated capacity.

SUMMARY OF FINDINGS

This report finds the construction of the recommend hotel facility to be feasible. The following bullet points summarize feasibility aspects of the proposed project within the market.

Economic Feasibility – Economic feasibility is evidenced by information related to the project site location; availability of trained or trainable labor; utilities; air, and road service to the site; and the overall impact of the project. Overall, the subject project’s construction is deemed feasible due to the hotel’s planned location in the rapidly growing tourism sector in Cox’s Bazar. The area has an emerging source of demand and the proposed hotel is expected to capture a healthy share of this demand over the forecast period, noting occupancy levels near the market average.

Market Feasibility – Market feasibility is evidenced by information on the sales organization and management, nature and extent of market area, marketing plans for sale of project output, extent of competition, and commitments from customers or brokers. The proposed subject project’s ownership/management entity would be expected to be well rehearsed in hotel operations. The proposed subject project’s construction and favorable condition, as well as the anticipated popular brand affiliation, is expected to appeal to users of demand generators in this market.

Technical Feasibility – The technical feasibility of the proposed project addresses the suitability of the site for its intended use, as well as the feasibility of achieving the levels of income projected and the estimated operating costs.

Overall, given the availability of land in the market, the technical feasibility of the proposed project is reasonable. The general location of the subject site and the physical plant has been described in the Technical Aspect Section. The projected income and expense levels are illustrated in the Financial Aspect Section.

Financial Feasibility - Financial feasibility can be determined by an opinion on the reliability of the financial projections and ability of the business to achieve the projected income and cash flow. An assessment of the cost accounting system, the availability of short-term credit for seasonal business, and the adequacy of raw materials and supplies are also considered. The subject project's projection of income has been estimated in the Financial Aspect Section. Overall, the subject project's construction is deemed feasible as the estimated income and expense levels represent a profitable operation.

We note that our income and expense projections do not consider any possible incentives from the Government; if incentives were offered, this benefit would increase the net present value. The Financial Aspect Section of this report examines the derived net present value (NPV) against an estimated cost to build.

Section 3: Sector Overview

KEY FACTS OF BANGLADESH

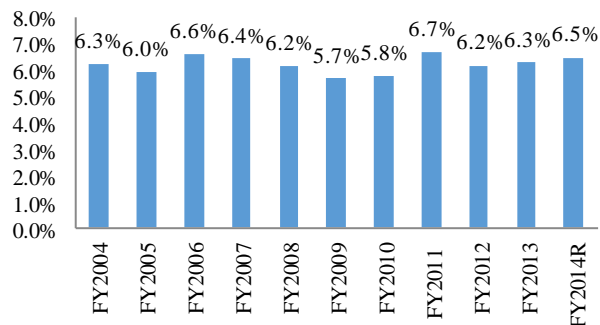
➤ Map & Key Factual Figure



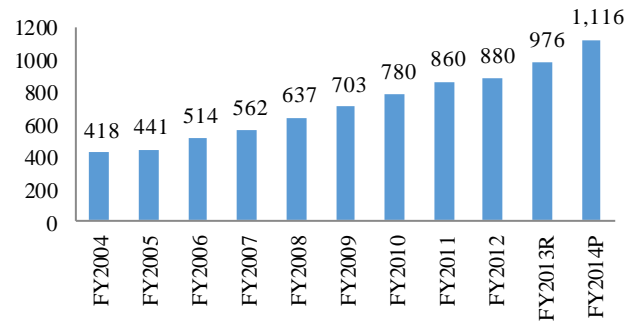
- **Population:** 160.0 million
- **Population Density:** 990.0 per sq km
- **Population Growth Rate:** 1.3% (2007-09)
- **Land Area:** 147,570 sq.km. (101st largest in the World)
- **Main Cities:** Capital: Dhaka (13 million), Port-city: Chittagong (5 million), Khulna (1.2 million) and Rajshahi (0.6 million)
- **Languages:** 95% Bangla and 5% other dialects. English widely spoken.
- **Labor Force:** 72.35 million (45% in Agriculture)
- **Currency:** Bangladesh Taka (BDT)
- **Exports:** RMG and Textiles, Jute, Frozen Fish and Leather
- **S&P Sovereign Rating:** BB-/Stable
- **Fx. Reserve:** \$29.1billion

➤ Investment Incentives: History of Robust Econom

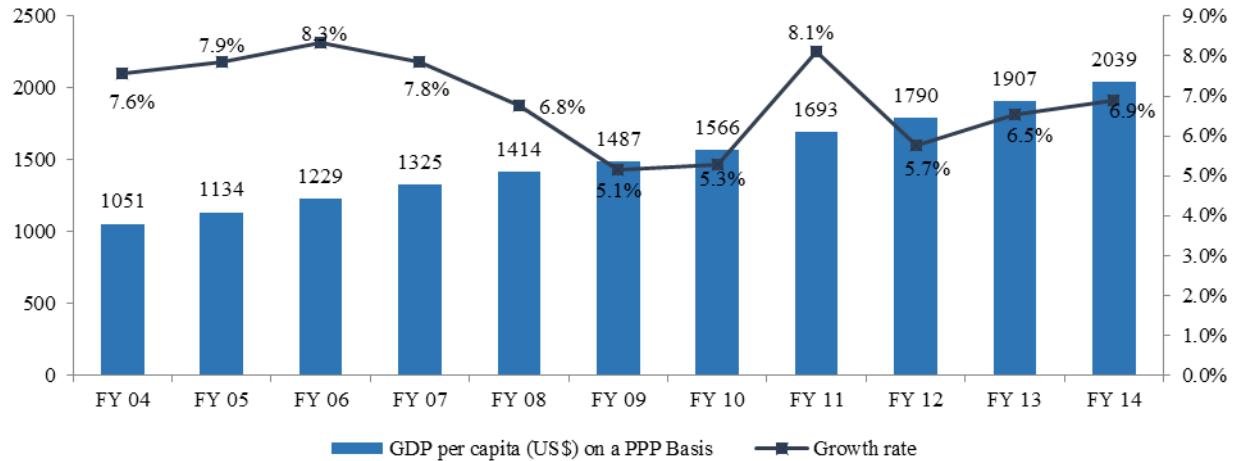
1. Real GDP growth



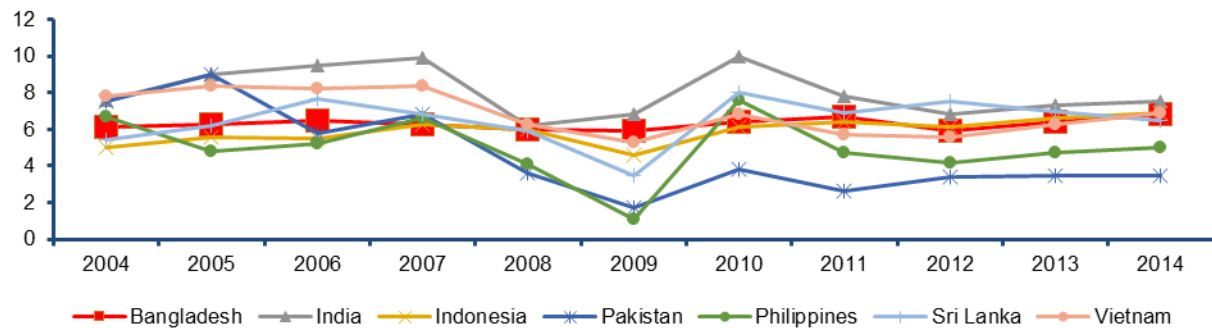
2. Per capita GDP in USD (at current market prices)



3. GDP per capita on a PPP Basis



4. Gross Domestic Product , constant prices (% change)

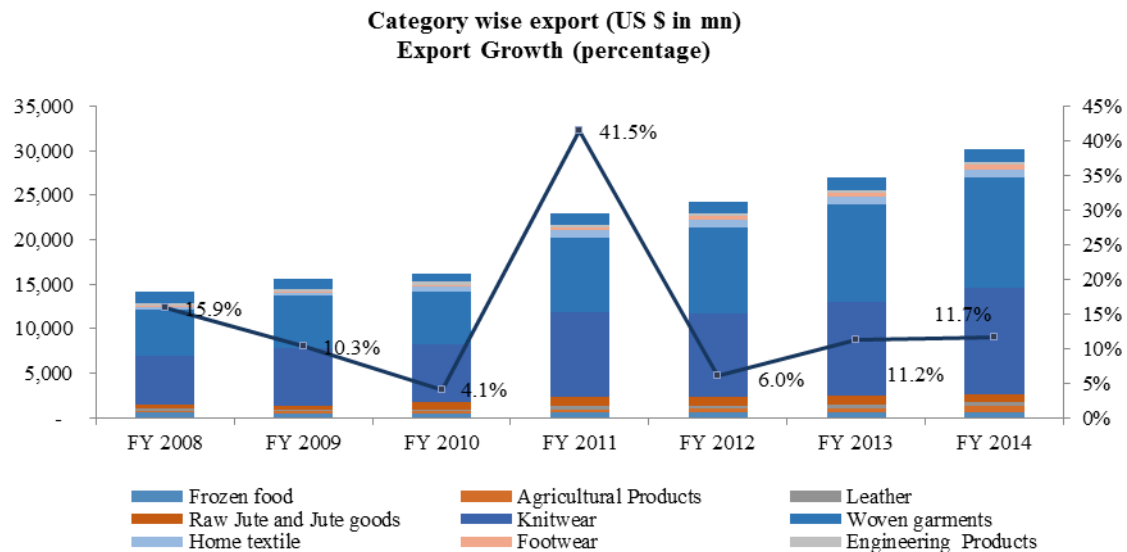


- With an average growth rate of 6.3% over the past 5 years Bangladesh outperforms most of its regional peers. Notably economic growth remained strong despite the global economic slowdown
- Increasing per capita income on a purchasing power parity (PPP) basis demonstrates steadily growth in middle class population and consumption
- The country has achieved high growth without the cyclicity or volatility like some of its peers. This provides greater macro-economic certainty, facilitates policy-making and reduces the scope of a disruption to Government finances

➤ Strategic Location:

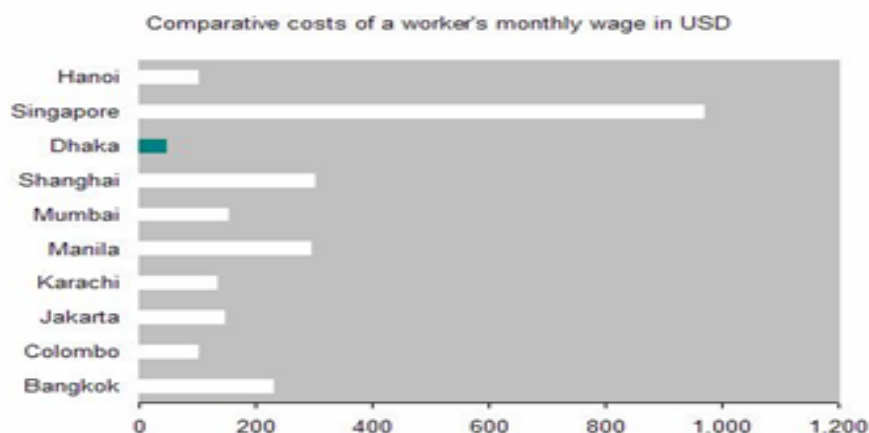
- Favorable location with advantageous trading agreements
- Location with attractive business and investment climate
- Bilateral agreements with 28 countries and 9 others under negotiation
- Regional population/market expected to grow to 3 Billion by 2050

➤ Export Competitiveness:



- In 2015-16, exports are projected at USD 37.6 billion. Exports are projected to cross USD 50 billion by 2021.
- Ready-made garments (RMG) contribute about 80% export earnings.
- Growth remains very positive, helped by Bangladesh's continuing wage-competitiveness. While RMG remains the major focus, other sectors like jute, leather, tourism, ICT, pharmaceuticals etc are getting momentum.
- Numerous initiatives to Promote Exports such as Incentives given to exporters who are increasing product and geographical diversification of exports, performance-based incentive package, hence promotes competitiveness of exports, Support is provided to new emerging sectors like Ship Building to further augment future growth prospects
- Top manufactured products exporter to least developed countries and Europe with more than 50% market share
- Enjoys tariff free access to EU, Canada, Australia and Japan

➤ Favorable Labor Demographics:



- 40% of population economically active and average age of 26 years only
- Human capital development a priority for the government hence education and skills improving rapidly
- Cost of labor cheapest in the world

➤ **Fiscal & Non-Fiscal Incentives:**

- Tax Holidays: 100% for 1st 2 years of operation, 50% up to 4 years, 25% in the 5th Year
- Depreciation Allowances
- Remittances of royalty, technical know-how and assistance

➤ **Most Favorable FDI Regime**

- Favorable Investment Climate – 100% Foreign Ownership, 100% repatriation of capital & profit, and no capital gains tax
- Top Ranked for Investor Protection Worldwide and Best Investor Incentives among Asian Countries

HOTEL AND TOURISM INDUSTRY

The tourism industry has emerged as a major income-driving industry in many developing/middle-income countries in the world. There is a plethora of literature and studies that show how a thriving tourism sector can have positive impact on economic growth and development of countries. Bangladesh is blessed with natural beauty, ranging from mountains to rivers to beaches to bio-diversity. It boasts the longest natural beach in the world in Cox's Bazaar as well as the largest mangrove forest in the world at the Sundarbans.

According to World Trade Organization (WTO), one incoming tourist in a particular country provides direct and indirect employment to nine persons. Travel and tourism is now one of the world's fastest growing business segments.

Tourism is one of top five export categories for as many as 83 per cent of countries and is a main source of foreign exchange earnings at least 38 per cent of countries.

According to a study of World Travel and Tourism Council (WTTC), direct employment support by travel and tourism is forecast to rise by 2.9 per cent per annum to 1,785,000 jobs or 1.9 per cent of total employment in 2023. This includes employment by hotels, travel agents, airlines and other passenger transportation services (excluding commuter services).

The world tourism market has grown at an average of 3.7 per cent over the past five years and is projected to grow by an average of 4.9 per cent over the next five years, with Asia and Pacific regions recording the fastest growth rate.

Like other countries, hospitality is now becoming Bangladesh's one of the largest industries, generating additional jobs across the country. Hotel industry can play a significant role in the growth of the tourism industry as Bangladesh is strategically located in an ideal place in Asia and a tourist destination on the map of the world.

It can be here mentioned that Bangladesh got independence through a nine-month long bloody war in 1971. The size of gross domestic product (GDP) of Bangladesh was 6.4 billion US dollars in the same year.

According to the International Monetary Fund (IMF), the size of the GDP of Bangladesh reached 153.5 billion US dollars in 2013. During 1970-2013 GDP of Bangladesh grew by 146.4 billion US dollars (in 21.6 times).

During 1970-2013 GDP per capita in Bangladesh rose by 873 US dollars (in 9.2 times) to 980 US dollars. The average annual growth of GDP per capita in Bangladesh was 20.3 US dollars or 19 percent. Now GDP per capita of Bangladesh is 1314 US dollars. The economy of the country has been maintaining 6 plus per cent growth since 2004.

The Bangladesh travel and tourism sector posted 25 per cent growth in 2014. Earnings from the travel and tourism sector reached some 150 million US dollars in 2014 compared to 121.45 million US dollars in the previous year 2013, according to statistics of Bangladesh Parjatan Corporation (BPC).

The earnings from the sector recorded at 100.75 million US dollars in 2012, 83.73 million US dollars in 2011, 79.83 million US dollars in 2010 and 83.9 million US dollars in 2009.

Bangladesh is endowed with so many natural beauties like sea beaches, parks, forests, eco tourism, wild life sanctuaries, hill tracts areas, tea estates, island, etc. Moreover, two international standard sea ports, hundreds of museums, can attract people from all over the world.

Bright historical background has blessed Bangladesh with so many historic places, heritages, monuments, historical buildings and archaeological sites. Furthermore, picnic spots, bridges, amusement parks, mosques, tombs, temples & monastery, and churches have made the country an ideal place for the tourists.

Glory historic background and the combination of huge cultural ingredients welcome the interest group of education tours. Cheap labor, huge potentiality and availability of raw materials attract people of business tourism. Bishwa Ijtema, tombs and other pilgrim spots have encouraged people of religious tourism. Moreover, good medical services have invited people of medical tourism.

Therefore Bangladesh has ample opportunity of become as a tourist nation. Tourism is opening a new horizon for Bangladesh as the country is becoming an emerging issue both for the public and private sectors to establish their eligibility for accomplishing a successful business as well as marketing activities development. In the backdrop of present situation, the total contribution of travel and tourism to GDP is forecast to rise by 6.8 percent per annum to Tk 819.4 billion in 2023.

At present there are 28 five-star, four-star and three-star hotels and resorts in the country. According to sources, the demand for 5-star accommodation in Country is at present increasing at the rate of 15 per cent a year. In coming years the demand will be increased further.

Of which, two state-owned five-star hotels including Intercontinental Hotel, Dhaka are located at the heart of the capital city of Dhaka, giving hospitality services to its valuable guests.

Besides, twenty-six hotels and resorts with five, four and three-star standards are in the private sector in the country and these hotels and resorts are located in Dhaka, Chittagong and Cox's Bazar.

The five-star standard hotels and resorts including Radisson Water Garden Hotel, Unique Hotel and Resort Limited, Hotel Sarina Limited, Dhaka Regency Hotel and Resort in Dhaka and Seagull Hotel and Ocean Paradise Limited are located in Cox's Bazar.

The private sector is also operating four-star standard hotels and resorts including Fars Hotel and Resort Limited in Dhaka, Agrabad Hotel Limited and Peninsula Chittagong and Rose View Hotel in Sylhet.

Westin Dhaka--country's first 5-star hotel in the private sector -- was launched in 2007 at Gulshan.

According to sources, ten more five-star hotels in Dhaka and Chittagong are going to be built in Bangladesh as demand for accommodation increasing in Bangladesh frequent visits by increased number of the foreign businessmen coupled with hosting of international sports events.

According to sources, six global hospitality chains are investing around US\$ 1.0 billion to construct 10 new five-star hotels in Dhaka, Chittagong and Cox's Bazar by 2016.

In a historic move, Unique Hotel and Resorts Ltd, the owning company of Westin Dhaka, are building second Westin (to be more appropriate, the extension of the existing one) at Gulshan, a Le Meridien hotel and another Westin in Chittagong. It signed a Memorandum of Understanding to build three hotels with cost of Taka 2,000 crore or 300 million US dollar. This is the largest ever development program in hospitality industry of Bangladesh.

Le Meridien with 250 rooms is now open at the capital's Nikunjo along the Airport Road.

Best Holdings Ltd, a local concern of Metro Group, is constructing a building with 304 rooms.

Besides, the local Jamuna Builders Ltd signed a deal with another US-based hotel chain Marriott International to set up a

700-room luxury hotel in Dhaka.

The Hilton Worldwide signed a management agreement with the Premier Hotels & Resorts to manage the Hilton Dhaka. Another five-star hotel - Sheraton -- will be built by a local business company in an area between the Basundhara and newly developed Purbachal areas of the capital.

Thailand-based the ONYX Hospitality Group has appointed a local agent to operate a 134-room property in Dhaka, Bangladesh.

The Amari Dhaka is owned by the Karishma Services and is managed by the ONYX under their upscale Amari brand. Located in the business district of Gulshan, the Amari Dhaka has already started journey.

Frequent visits by increased number of the foreign businessmen coupled with hosting of international sports events has helped boost the demand, industry insiders say.

The annual occupancy rate on an average is 55-60%, say industry insiders. According to Bangladesh Parjatan Corporation (BPC) officials, roughly 500,000 foreigners arrived in Bangladesh in 2012 with above 80% of them on business and official tours and the remaining as tourists.

According to statistics of Bangladesh Tourism Board (BTB), a total of 276,583 tourists visited Bangladesh in 2013.

India tops the list of inbound tourists in Bangladesh, followed by British-Bangladeshis, Chinese, Australians and Canadians. According to BTB, a total of 160,230 Indians visited Bangladesh followed by 83,100 British-Bangladeshis in 2012. Indians who left this part of the country before partition mainly come to Bangladesh to see their ancestral properties and houses.

Some 400 Indians from Agartala and Tripura visit Bangladesh every day. If more efforts are given to North Eastern states of India (seven sisters), we can attract more tourists from the North-east India to visit Cox's Bazaar, Saint Martin islands, experts say, since this is the closest sea beach for them.

Kelly Lewis, who has recently joined Amari Dhaka as its new General Manager, says corporate clients occupy most of his hotel rooms. "We have over 300 clients, ranging from Coca Cola, JC Penney, Emirates, Kuwait Airways, Ericsson, Marks & Spencer, Western Union, etc. The garment industry provides us with even more clients," he adds.

Experts opine that Bangladesh should attract tourists from neighbouring countries like India, Nepal, Bhutan, China and Malaysia. Even if we can attract few percentages of tourists from these countries, our economy will grow faster and contribution to GDP will be much higher, they say.

Hakim Ali, Chairman of Bangladesh Foundation for Tourism Development (BFTD) and Managing Director of Hotel Agrabad, opines that the government should cut the rate of VAT to give a boost to the tourism sector.

Drawing the attention of the government, Noor Ali, Managing Director of Unique Group of Companies Ltd, says, "During the construction and launching of the Westin hotel in Dhaka, we faced formidable obstacles from many quarters of the then government. In particular, we had to pay 100 per cent tariff on most of the imported materials".

"Even we pay 591 per cent duty on Alcohol and 438 per cent on Beer, 147.5 per cent duty on chocolates, 86.43 per cent duty on imported water and so on which are much higher duties than regional counties", he adds.

The tourism industry is considered as a major source of foreign currency earnings for countries like India, Malaysia, Thailand, the Maldives, Spain, Switzerland, Nepal, UAE, the Maldives, Indonesia, Singapore and many more.

Bangladesh can also easily earn 2.00-3.00 billion US dollars per year by targeting foreign tourists. But the different

adverse situations like the political unrest are posing a great threat to the prospective tourism sector. Tourism can add value in the Bangladeshi economy if proper marketing plan and strategy can be built and implemented, besides resolving the problems.

AREA REVIEW

Cox's Bazar, the world's longest natural sandy sea beach with its incredible 125 km length, and most visited tourist destinations in Bangladesh. It is also a modern town; well-known fishing port and a district headquarter in Bangladesh. It is a district in the Chittagong Division of Bangladesh near the border of Myanmar. The town is located 150 kilometer south of Chittagong. Due to lack of development, publicity and mismanagement; the spot has so far to become a most desirable international tourist destination in Asia. Cox's Bazar now is competing to get top for "New 7 Wonders of Nature".

Alternative Name: "Panowa" means "yellow flower".

Old Name: "Palongkee".

Modern Cox's Bazar: The modern Cox's Bazar gained its name from British-Indian Captain Hiram Cox in the 18th century. He was an officer of British East India Company. He did several social works here as the Superintendent of Palongkee outpost before he died in 1799. The works he had done made him a place in the hearts of the locals. As a result, to commemorate Cox's role in social work a market was established here and named after him as "Cox's Bazaar" ("Cox's Market") with time it turn as Cox's Bazar.

Cox's Bazar city is not so big. It has only 6.85 km² of area. But its weather condition is always good for healthy life. Bangladesh is situated in the monsoon area. So in the Cox's Bazar there is very seasonal change. In this region most of the time there stay high temperature, heavy rainfall excessive humidity because of the Bay of Bengal. The weather is controlled by the beautiful sea Bay of Bengal. The Bay of Bengal in Cox's Bazar is a wavy beach and very attractive place for surfers. It is the only surf town in Indian subcontinent. According to the website lonelyplanet.com, "there are enough waves here between April and November, as well as an utterly unique surf scene to make Bangladesh an intriguingly offbeat proposition for the truly adventurous surfers".

Near the Cox's Bazar city there are several places to visit which places are really attractive for the tourists. Himchari, Laboni Beach, Sonadia Island, Maheshkhali, Teknaf, ST Martin Island etc places are really exciting and enjoyable spot for the viewers.

The best remarkable scenery of Cox's Bazar is the sunrise and sunset scenery. You can enjoy there with water-related activities. A lot of small shopping mall are located here you can get very nice handmade clothes, Barmiz shoes, dress and various types of showpieces. You will also get various kinds of food. The traditional Achar (pickle) and Shutki (dry fish) of Cox's Bazar are really famous around the world.

Cox's Bazar is really a great place to visit for a tourist. Every year a huge number of tourists come here from across the world. Many high class hotels are driving their business in the Cox's Bazar. So, don't think for accommodation. It is a matter of sorrow for the country that a few number of foreign tourists come here for visiting. However, for the lack of publication the spot cannot attract more visitors which should be. But recently, the administrations take some step to increase its facilities and publicities.

Geography:

The town with an area of 6.85 km², and bounded by Bakkhali River on the north and East, Bay of Bengal in the West, and Jhilwanj Union in the south.

Climate:

The climate of Bangladesh has a tropical monsoon-type, with a hot and rainy summer whereas a dry winter. Often excessive humidity, heavy rainfall, high temperature, and distinct seasonal variations are common here. January is the coolest month with averaging around 26 deg C (78 d F) whereas April is the warmest one with temperatures averaging from 33 to 36 deg C (91 to 96 deg F). The climate is one of the wettest in the world. Most rains occur during the monsoon (June to September) and little in winter (November to February). The country is issue to devastating cyclones, storms originating over the Bay of Bengal, during the periods of April to May and September to November. Sometimes, accompanied by strong surging waves, those storms cause great damage and loss of life.

The climate of Cox's Bazar is typically similar to the rest of the country. However, it characterized by the location in the coastal region. The annual average temperature in here remains at approximately highest 34.8 °C and lowest 16.1 °C. The average amount rainfall is at 4,285 mm.

Required Dress:

- Lightweight cottons and linens throughout the year.
- Warmer outfits are needed in the evenings of the winter season.
- Waterproof dresses are necessary during the monsoon season.

Laboni Beach:

Laboni beach is considered as the main beach area of Cox's Bazar as is at the central location and close to town. The beach is always crowded by tourists. Visitors can sunbathe, surf, jog, cycle, and swim. It is best for swimming and relaxation. Numerous souvenir shops around the area can attract tourist to purchase the souvenirs, beach accessories and some other stuffs.

Kolatoli Beach:

Kolatoli beach is another attractive beach for the tourist. Every year different ages people come here to take the real taste of taking sea-bath. Visitors can enjoy taking sea bath, driving sea ski boat, eating fresh and appealing sea foods. Walking beside the sea shore on moonlit night is always pleasant for all aged tourists. A slow paced life in the beautiful surrounding of the beach.

Inani Beach:

Inani beach is famous for its golden sand. The beautiful beach attracts most of the tourist who appreciate warmly the wonders of nature. With flights frequently available at <http://www.fly.com/> to the nearby Cox's Bazar airport, it's no wonder that this has become a popular holiday destination. Tourists like to come here for relaxing as it is free from the crowd of visitors who are typically seen at the Laboni beach. The beach is generally considered to be the world's longest beach.

Location: Located about 32 km to the south of the famous tourist destination of Cox's Bazar

Attraction:

- Backdrop of lush green hills rising up on the east.
- The sea stretching out endlessly to the west.
- Unusual shaped rock and coral boulders scattered lavishly in the beach and trough the sea.
- Fringed with tall palm trees swaying gently in the breeze.
- Seashells of different colors, shapes, and sizes are found along here.

- Calm lagoon which is wonderful for the little ones to paddle in.
- Getting on the rock & coral boulders with the waves washing up on the shore around you, will be an extremely therapeutic experience.
- Beachcombing.
- Shark free water is suitable for sea bathing.

Note: Every year numerous foreign and local tourists come here to spend their leisure in Inani Beach. However, it lacks several amenities that visitors can expect. It is wise to take a packed lunch and water with you when you visit the beach. But those people who have taken the time to explore the beach can testify that its beauty and cool breeze far outweighs anything it might be lacking in amenities. When visiting Inani Beach, ensure you have camera along to capture the amazing sight of the sun setting over the sea.

Himchari

Himchari is one of the most attractive places for the visitors. Journey to Himchari is also exciting because the road to Himchari runs by the lovely green hills on one side and open blue sea on the other side. The scenery of the two side of the road pleased all.

Location: Located 12 km south of Cox's Bazar Town and 6 km from the Kalatali beach by the hill.

Area: 1,729 hectares

Getting there: From Kalatali stand, it is only 15-minute ride to entry; if you take a taxi or chander gari (local transport). You can also rent a car from Cox's Bazar.

Outstanding Features:

1. Beautiful Waterfall
2. Himchari National Park
3. Broken Hill
4. Christmas Tree

1. Beautiful Waterfall: The amazing waterfall of Himchari is a very rare scene to enjoy. The waterfall from the green hill is relatively extraordinary to look at. However, in the winter it dwindles whereas in the rainy season it is really wonderful and full waterfall could be enjoyed.

The spot is ideal for picnic, shooting, relaxing and sunbathing. But whenever you have sunbathing locals can rush around you as Bangladeshis' are not used to see women in swim costume. Here you get beautiful hilltop resort centre where you can stay for relaxing and can hear the shore of the Bay of Bengal.

2. Himchari National Park: The Park is a beautiful tropical rain forest (evergreen & semi-ever-green) around the South Asia. The park was established in 1980. This place is maintained, protected and secured by the government for the foreign tourists and the local visitors. The Park is not only attractive for the tourists it is also attractive for the biologist.

The park gets high forest, low forest & grasslands with a few trees. Around 58 species of trees, 4 species grasses, 15 species of shrubs, 19 climbers and 21 species of herbs altogether 117 plant species are available here. In the forest area there are at least twenty kinds of important herbs like *Curculigo recurvata*, *Swintonia floribunda* and *Alpinia nigra* are available which most valuable plant are for the biologist.

The park is also considered as a paradise of birdwatcher. A lot of bird watchers are gathered here for the seeing the different kinds of birds, as more than 286 species of birds found there. Additionally, 55 species of mammals, 56 species of reptiles and 13 species of amphibians are found in the evergreen forest. A small number of elephants and leopard also found here. The US administration already made an agreement with Bangladesh government to induct tigers in to the forest areas.

- Wild life: Elephant, Tigers, Capped Langur, Gibbon, Rhesus Macaque, Dhole, Sloth Bear, *Hirundo Rustica*, Indian Muntjac, Wild Boar, *Cypsiurus Parvus* Leopard Cat, Jungle Cat, Fishing Cat, and *Acridotheres*.

- Adventure: Picnic, Shooting and Bird safari
- Entry Fee: Tk. 5.00/ Person
- Present Visitors: 2,00,000 / Year

3. Broken Hills: It is also an attraction for most of the visitors. Come and see what wonder waiting for you.

4. Christmas Tree: The Christmas tree of here is another famous attraction for the tourist.

Best Time to Visit: September 01 to October 31

Accommodation: After visiting Himchari if you want to stay at night, should stay in Cox's Bazar. You will get a number of hotels and restaurants there with different budget.

CONCLUSION

Cox's Bazar, questionably the hot tourist spot in Bangladesh. The place visited by numerous tourist from all over the world every year including UK, Korea, Japan, USA, India, Australia, Nepal, Pakistan. There is no precise record in Bangladesh Parjatan Corporation (BPC) on usually how many tourist visit Cox's Bazar every year. However, an AFP report says during the winter more than 10,000 available rooms in Cox's Bazar beach area hotels typically remain occupied nearly seven days each week.

Economic indicators for the subject market area project a positive outlook for economic growth in the region and the historical tourism attractions, given proper packaging and marketing, could provide a sufficient attraction for higher level tour and travel groups and certain association meetings to be attracted to the property.

Data Sources:

<http://www.risingbd.com/english/hotel-industry-growing-in-country/25818>

<http://www.betelco.com.bd/bdsintro/bdsintro.html>

<http://www.MapsZones.Com>

<http://epb.portal.gov.bd/site/files/e587b5b2-2ec8-4810-9de0-e9eea1f0ee87/Statistic>

Section 4: Management Aspect

COMPANY OVERVIEW

Company background

The Company has been incorporated as a public Limited company on November 14, 2006 vide registration no. C-64465 (1956)/06 under the Companies Act 1994 with the Registrar of Joint Stock Companies and Firms, Bangladesh. The Dhaka Regency Hotel And Resort Limited started its commercial operation from April 14, 2007.

Dhaka Regency Hotel And Resort – The new-generation business class hotel offers 214 luxuriously furnished Guest Rooms and Suites, Thai Spa, Health Club, Bar, Lounge, Multi Cuisine Restaurants, countries most beautiful Roof Top Restaurant with Swimming Pool and World Class Venue facilities. It is most conveniently situated to target and attract the market segment that requires lodging services most frequently. The Company planned to expand business by set up a unit at Cox’s Bazar under the name of Cox’s Regency.

Nature of Business

Dhaka Regency Hotel And Resort Limited has been engaged in the hospitality business in order to provide lodging and hotel services. The Regency is a hotel based service oriented company to offer for room services, restaurant services, conferences, corporate events. The hotel is recognized as five stars, so that customers are treated with all five star quality services.

MANAGEMENT

Board of Directors

1	Mr. Musleh Uddin Ahmed	Chairman
2	Mr. Kabir Reza	Director & Managing Director
3	Ms. Dilkush Begum	Vice Chairman
4	Ms. Najma Arif	Director
5	Ms. Rukeya Khatun	Director
6	Ms. Zebun Nessa	Director
7	Prof. Dr. Mujib Uddin Ahmed, Ph.D	Independent Director
8	Mr. Ahmed Ali	Independent Director

Promoters’ Background and Management Profile

The promoters of the company are highly experienced and promising entrepreneurs who have diversified Business experience in industrial manufacturing, marketing and trading of various items in local and international markets. The details of the sponsors are given below:

Mr. Musleh Uddin Ahmed, Chairman

Born in January 1975, Musleh Uddin Ahmed worked as Business Advisor for over Five years at EMEP (Ethnic Minority Enterprise Project) and assisted in creation of many successful business ventures. He was also a successful Investment Banker working for Blue Chip organizations such as NatWest, Close Brothers Investment and Lloyds TSB. Having an honors degree in Marketing & Management from London Guildhall, he has successfully set up Aarong outlet in London, a franchise operation of BRAC from Bangladesh. Presently, Mr. Musleh Uddin Ahmed is the Chairman of Dhaka Regency Hotel And Resort Limited.

Mrs. Dilkush Begum, Vice-Chairman

Mrs. D. K. Begum has been a teacher for over thirty years in government schools. She is currently involved with various philanthropic work involving children and education. Presently, Mrs. D. K. Begum is Director of Dhaka Regency Hotel And Resort Limited. Mrs. D.K. Begum is currently holding the position of Director (Food & Beverage) of Dhaka Regency Hotel And Resort Limited.

Mr. Kabir Reza, Director & Managing Director

Born in January 1972, Mr. Kabir Reza was involved in the Catering Industry for over twenty one years. Keeping his signature as a successful entrepreneur, he is currently running Real Estate Business both in UK and Bangladesh. Besides, Dhaka Regency Hotel And Resort Limited is proudly having Mr. Reza as the Managing Director of the property.

Mrs. Najma Arif, Director

Born in 1965, Mrs. Najma Arif has a long career in the field of education. She completed her PGCE and Masters from the London University. She has been a teacher and psychological counselor in various institutes locally and abroad. Presently she is Director of Dhaka Regency Hotel And Resort Limited.

Mrs. Rukeya Khatun, Director

Born in February 1975, Rukeya Khatun has a long career in the field of education. She successfully established and run retail fashion outlets in the UK. Presently, Mrs. Rukeya Khatun is Director of Dhaka Regency Hotel And Resort Limited.

Mrs. Zebun Nessa, Director

Born in December 1976, Zebun Nessa worked with Royal London NHS Primary Care Trust. She also worked with the Local Government Housing Department of London Borough of Tower Hamlets. She completed an honors degree in Psychology & Sociology from London Guildhall University, presently; Mrs. Zebun Nessa is Director of Dhaka Regency Hotel And Resort Limited.

Prof. Dr. Mujib Uddin Ahmed, Ph.D, Independent Director

Prof. Dr. Mujib Uddin Ahmed is a well-known person in Bangladesh capital market for his diversified skill and knowledge. He is the Chairman of Investment Corporation of Bangladesh (ICB) since November, 2014. He was the former Chairman of the Department of Tourism and Hospitality Management, University of Dhaka. Prof. Dr. Mujib is also a Director, MBA Program, BRAC Business School, BRAC University, Mohakhali, Dhaka, Bangladesh.

Prof. Dr. Mujib received his graduate degree from the University of Glasgow, UK, Master of Accounting Science degree from the University of Illinois, USA and a doctorate degree from Old Dominion University. He has obtained Ph.D. in Finance from Department of Accounting and Finance, Old Dominion University, Norfolk, Virginia, USA in December 1998. Professor Mujib got Fellowships of Commonwealth Scholarship, Fulbright Scholarship, University Grants Commission Scholarship and Merit Scholarship. He also obtained the Dean's Research Award and Dr. Md. Habibullah Foundation Gold Medal.

Mr. Ahmed Ali, Independent Director

Mr. Ahmed Ali was born in well renowned Muslim family in Lawghai, Purbadhala, and Netrokona in the year of February 29, 1952. He obtained the degree of Masters of Arts (Economics) from University of Dhaka in the year 1974. He was the Member of Tax Administration & Monitoring, and Large Tax Payers' Unit, (LTU), National Board of Revenue (NBR), Dhaka. During his career he performed a vital role in formulating tax policies of the govt. in successful implementation of the step towards automation in Income Tax Department of Bangladesh, formulation of training policies & monitoring training activities of all the cadre members and staff of the Income Tax Department. Monitoring tax collection activities of all tax commissionerates of Bangladesh. Taking part in tax reform and modernization works at NBR & giving guidelines to tax collection authorities, exchanging information among the tax collecting departments including VAT, Customs, Income Tax, etc. to improve revenue collection. He also performed a vital role in monitoring the activities of both LTU (Income Tax) & LTU (VAT).

MANAGEMENT PERSONNEL STRENGTH

Name of Officers	Position	Date of Joining	Age	Educational Qualification	Experience in years	Previous employment
Mr. Musleh Uddin Ahmed	Director Finance	Since Inception	42	B.A (Hon.) Marketing & Magt, London Guildhall	17	Dhaka Regency Hotel And Resort Limited
Mr. Kabir Reza	Managing Director	Since Inception	44	B.A	21	Dhaka Regency Hotel And Resort Limited
Mrs. Dilkush Begum	Director Food & Beverage	03-09-15	75	B.A, B.ED	45	Dhaka Regency Hotel And Resort Limited
Mr. Shahid Hamid FIH	Executive Director	10-03-08	66	M.A	37	<p>Post graduate in Public Administration from Dhaka University Shahid join with Hotels International Ltd, owning company of Pan Pacific Sonargaon Hotel Dhaka as coordination officer responsible for building Sonargaon.</p> <p>Shahid did his diploma from Cornell University, New York in hospitality management. Currently he is a Fellow of Institute of Hospitality, UK. Beside many involvement Shahid is Secretary General of Pacific Asia Travel Association (PATA) and Bangladesh International Hotel Association.</p> <p>In Pan Pacific Sonargaon Hotel served As a pre-opening team; As Sales Manager; Sales & Marketing Manager; Director Sales & Marketing and finally, as the Assistant General Manager. Also served for the Pan Pacific Hotel & Resorts in Gold Coast- Australia, Vancouver- Canada, Jakarta- Indonesia, and Singapore.</p>
Md. Mizanur Rahman Siddiquee	Company Secretary	08-07-06	46	MBA	18	Served in BRAC Aarong in different managerial position since 1996. Joined in Dhaka Regency 2006 as Asst. Finance Manager, subsequently promoted to Finance Manager and Company Secretary

HUMAN RESOURCES

The Human Resources Department at the Company has been key to the success of the Company. The Senior Management boasts enviable credentials and has restructured the organization entirely with the adoption of more effective management techniques. A brand new Corporate Management team has been formed in 2015 with substantial power to the management given by the Board in terms of finance, administration and operations.

Mr. Kabir Reza, currently the CEO & Managing Director for the company. Mr. Reza is aided by Director Food & Beverage, Director of Finance and other heads of departments. In fact, a separate Management Committee has been formed by the Board of Directors to supervise overall operations such as sales target, headcount requirement, new service launch decision, etc. The committee is also responsible for reviewing the performance of the departments. The committee consists of the Chairman, Director, CEO and MD, Director Finance, Director Food & Beverage, Company Secretary and Departmental Heads of the company.

One of the core components of the new strategy of the Management team is the employment of knowledgeable qualified hotel management professionals who are improving the services and searching new avenue for the betterment of the industry. For new project, the Company has intended to employ over 200 staffs including high qualified professionals in hotel industry.

SHAREHOLDING STRUCTURE

Name of Sponsors & Directors	Position	Nature of Issue	No. of shares	% of share holding
Mr. Kabir Reza	Sponsor shareholder	Ordinary Shares	5,780,000	9.63%
Mr. Musleh Uddin Ahmed	Sponsor shareholder	Ordinary Shares	7,731,886	12.89%
Mrs. Dilkush Begum	Sponsor shareholder	Ordinary Shares	4,202,000	7.00%
Mrs. Najma Arif	Sponsor shareholder	Ordinary Shares	3,200,000	5.33%
Mrs. Rukeya Khatun	Sponsor shareholder	Ordinary Shares	3,200,000	5.33%
Mrs. Zebun Nessa	Sponsor shareholder	Ordinary Shares	3,200,000	5.33%
Mr. Arif Motahar	Sponsor shareholder	Ordinary Shares	2,970,000	4.95%
Others	General Shareholders	Ordinary Shares	29,716,114	49.53%
Total			60,000,000	100%

COMPANY'S FINANCIAL HIGHLIGHTS (Year 2011 to 2015)

<i>Figures in BDT Lac</i>					
Item/Year	2015	2014	2013	2012	2011
Sales	6,594	7,621	6,816	6,805	6,535
Net Profit after tax	1,452	1,866	1,988	1,999	2,074
Fixed Assets	24,876	23,440	20,545	20,206	19,107
Current Assets	3,411	4,118	3,856	3,103	2,633
Total Assets	28,287	27,558	24,401	23,309	21,739
Long Term Loan	2,367	3,557	3,940	5,984	5,854
Current liability	5,412	5,254	3,895	2,260	2,243
Total liability	28,287	27,558	24,401	23,309	21,739
Net Worth	18,813	17,361	15,496	13,813	13,643

Section 5: Technical Aspect

PROJECT SUMMARY

Name of the Project: “Cox Regency”, (a unit of Dhaka Regency Hotel And Resort Limited)

Description of the Project and objectives:

Cox’s Bazar, the world’s longest natural sandy sea beach with its incredible 125 km length, and most visited tourist destinations in Bangladesh. It is also a modern town; well-known fishing port and a district headquarter in Bangladesh. It is a district in the Chittagong Division of Bangladesh near the border of Myanmar. The town is located 150 kilometer south of Chittagong. Due to lack of development, publicity and mismanagement; the spot has so far to become a most desirable international tourist destination in Asia. Due to its natural beach and green hills beauty the hospitality establishment has changed with many new hotels. Today Cox’s Bazar is the most visited tourist destination in Bangladesh, although it has not become yet an international destination.

Cox Regency – a leisure 4-star hotel situated in front of the sea beach with a clear view of the sea. Having state of art guest rooms, restaurant and other facilities Cox- Regency aims at bringing a trendy change in the hospitality arena of the city. Be it a 5 minute drive from the Cox’s Bazar Airport, Cox Regency Hotel & Resort Ltd is conveniently situated to target and attract the market segment that requires lodging services most frequently. Encompassing the spectacular views of Cox’s Bazar, Cox Regency Hotel And Resort Limited stands very close to the hills and sea-beach, includes world class facilities and exhilarating experience to its guests.

The sweetest of honeymoons or a cozy business tour, would prefer the hotel for relaxing stay. Imagine that the 150 km astonishing longest beach in the world is just One-minute walk away from room, providing an exuberant sensation in one’s mind and filling heart with magnificent joy. Starting from Cox’s Bazar’s longest beach view to the comforts which would be looking for are all here, making Cox Regency the perfect choice for business, romance and holiday travel and will make your every move easy in Cox’s Bazar by staying with the hotel. The hotel located in Kalatoli Road and only two kilometers away from the Cox’s Bazar airport and 5-10 minutes drive by car.

The hotel provides the following services as well facilities.

Services & Facilities:

- Central Air-conditioning System
- 24 Hours Room Service
- Travel Desk
- Coffee Shop-serving Multi-cuisine Menu
- Swimming Pool
- Safe Deposit Locker
- Doctor on Call
- Left Luggage Room
- Running Hot and Cold water
- Elevator
- Money Exchange
- Power Generators
- Business Center
- Rent – A – Car Service
- Valet Service
- Laundry Service
- Airport Transfers
- Gym
- Sauna
- Steam Bath
- Hot Spa Therapy & Massage

Restaurant

Cox Regency will have the restaurant, which offers multi-cuisine delights of international origins. There will also be a quaint confectionary, deli and beverage outlet which caters to a wide selection of taste. Restaurant at Cox Regency provides delight to the guests through its captivating cuisine and unbeatable decoration. Back from an exhausting day out, guest will love to soothe himself here having food and drink in a cozy atmosphere. Along with traditional rice, fish guest has the choice of Italian, Chinese, Thai and Indian style food. Guest has the option of hearty buffet breakfast as well as casual and formal dining. It also keeps guest connected to the rest of the world through Wi-Fi internet that relieves your stress. The hotel provides 24 hours room service for guest.

MEETING & EVENTS

Banquet Hall

Forum Banquet Hall, with 6,566 square feet of space, can accommodate groups up to 1000 set theater-style and up to 450 for a formal banquet. This ballroom is located on the 1st floor. Sitting arrangement could be arranged as per guest's requirements. Hotel's Forum Banquet Hall touches the guests' heart with great wonder and charm. The Forum Banquet Hall is equipped with world class sound system and projector facilitates. The hotel has a pool of experienced event coordinators who could handle program most professionally.

Type	Capacity	Morning Shift	Evening Shift	Full Day
Theater Style	1000 pax	09:00am-04:00pm	05:00pm-12:00pm	09:00am-12:00pm
Banquet Style	450 pax	09:00am-04:00pm	05:00pm-12:00pm	09:00am-12:00pm
U Shape	250 pax	09:00am-04:00pm	05:00pm-12:00pm	09:00am-12:00pm
School Shape	400 pax	09:00am-04:00pm	05:00pm-12:00pm	09:00am-12:00pm

Conference Hall

The Chorus at Cox Regency provides excellent facilities for medium size programs and events. Accommodating 250 people in theatre style, the Chorus is the right choice for both business and social events. This option best suits moderate gatherings. Guest has the latest meeting-type sound system and elegant set up to make function a grand success. Projector and hi-fi sound system are available on request.

Type	Capacity	Morning Shift	Evening Shift	Full Day
Theater Style	250 pax	09:00am-04:00pm	05:00pm-11:00pm	09:00am-11:00pm
Banquet Style	120 pax	09:00am-04:00pm	05:00pm-11:00pm	09:00am-11:00pm
U Shape	100 pax	09:00am-04:00pm	05:00pm-11:00pm	09:00am-11:00pm

HEALTH CLUB:

Swimming Pool & Jacuzzi

You wouldn't want to miss our exquisite Swimming pool at Cox Regency. After a hard day sightseeing and roam about, the swimming pool can be best form of relaxation. Its superb surrounding grabs the sight of a visitor and attracts profoundly. There will be a spectacular fountain which increases the guests charm to a greater extent. One could refresh to the best possible state with our Jacuzzi adjacent to the pool. There will also available kid's pool nearby, which opens up a great opportunity to the children for outdoor enjoyment and relieves the family greatly.

GYM

Cox Regency will have the facilities of. Gymnasium consists of state-of-the-art exercise and cardiovascular equipment. Whether guest wants a good workout or relaxation, the gym is a great place where one could continue your fitness care at great ease. It is fully equipped with exercise machines such as stationary bikes, treadmills, universals and free weights.

Sauna & Steam Bath

Cox Regency will have the facilities of sauna and steam bath. Release and unwind with sauna and steam bath after guest workout. It is also a great opportunity to meet other travelers staying at Cox Regency Hotel & Resort Ltd opening cool ways to socialization. Using sauna and steam bath, one could call it a day of ultimate relief and refreshment

Administrative Authorities

The administrative authority of the project would be under the supervision of current management. However, specialized and experienced

Project Cost and Means of Financing:

The estimated cost of the project including international standards facilities is BDT 550 million. The project will be financed through both debt and equity at a ratio of 33:67. The Company is intending to raise this amount through both equity and debt. The company has been planning to raise BDT 180 million in debt both from local and international banks, financial and development organization. The company is targeting to raise and use IPO fund approximately BDT 880 million (out of the IPO fund 270 million for Cox Regency) in the form of public equity. Based on the projection, the company's Pay Back Period (PBP) is 5.3 (Five years and four months) years.

Key Investments Consideration:

- **Financial Security-** There is steadily increasing growth of tourism in Bangladesh related to major economic sectors like textiles & garments, banking, telecom, power & energy, FMCG etc. As a result, there is very high demand of world class resorts surrounded by natural resources, sea and hills;
- **Rapidly developing area-** The resort is ideally located being within 10 minutes drive from the Cox's Bazar city and 8.5 hours from Dhaka;
- **Superior Product-** Intelligent construction concept gives the customers high security, close to the nature. The design provides an integrated accommodation solution designed to serve the international and local community;
- **Reputation of Promoters-** The promoters are well reputed in their respective business field, which shows the continuous success of their ventures and highly experienced management team;
- One of the pioneers in Corporate Social Responsibility
- Attractive investment rate of return.

Location

The proposed project land area is 26 decimals *site situated at* Kolatoli Sea beach. Mouja –Zhilongjha, Cox Bazar City Corporation, Cox Bazar, JL No-17, which is consisting of natural hill, and sea beach. As a whole, the resort will be holding all the existing natural beauty of the site.

The Design Concept

The resort has been designed in a way that will maximize the optimum utilization of the available space from the view Points of functional, aesthetic and costing aspect. The design will flourish the existing beauty of the site.

Construction Plan of the Resort:

Piling, Basement, RCC Construction work and all rooms will be completed within 2nd year. The company will start its operation from the 3rd year.

Features of the Resort and Room Strength

The resort will have 150 rooms of different categories to meet the requirement of diversified range of visitors. Brief descriptions of rooms are given below:

Building detail:

- Basement – 01
- Ground Floor – Hotel lobby
- 1st Floor – Meeting rooms (High ceiling)
- 2nd Floor –Restaurant
- 3rd Floor to 13th Floor – 150 different types of rooms.

Room Type	Plinth Area (Sft)	Floor (3 rd to 13 th)											Total
		3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	13th	
Standard Single	375	5	5	5	4	4	4	3	2	-	-	-	32
Standard Twin	400	4	3	3	3	2	2	2	2	-	-	-	21
Deluxe Single	430	4	4	4	5	4	4	2	2	2	1		32
Deluxe Twin	450	2	2	2	2	2	2	2	3	4	2	2	25
Premium Single	470	-	1	1	1	1	1	4	1	3	4	4	21
Premium Twin	500	-	-	-	-	-	-	-	3	3	4	4	14
Royal Suite	600	-	-	-	-	-	-	-	-	-	1	1	2
Honeymoon Suite	550	-	-	-	-	-	-	-	-	1	1	1	3
Total		15	15	15	15	13	13	13	13	13	13	12	150

- **Roof Top** – Swimming Pool & Gym

All rooms have large attached bathrooms with hot & cold water facility, full air-conditioning, large Drawing & Dining room & Verandah and Rooms will be faced with a beautiful garden, and it commands a serene view of greenery on all sides.

Plant & machinery

The special equipments that are needed for the resort such as boilers, kitchen equipment electricity generator, etc, will be sourced by the promoter from reputed suppliers.

Utilities

The main source of energy used in the report will be electrical energy. The total electricity requirement will be self-generated by gas powered generators to be installed at the site with a view to ensure uninterrupted supply. Water for the resort would be supplied from the natural water falls which is inside the site and tube well in the premises and would be purified before use. Kitchen of the resort would use natural gas for cooking and would be supplied through an underground main connection by the utility provider.

A detailed description of utilities is given below:

Sl. No.	Description	Current Requirement (Approx.)
1	Electricity	1000 KWH
2	GAS	20000 CM/Month
3	Water	45 Lac Ltr/Month

Contingency plan in case of Disruption of utilities**Alternative Power Source: 02 (Two) diesel generator**

Brand	MITSUBISHI
Capacity in KVA	665X02 Nos.
Model	MGS0650C
Country of Origin	Japan
Fuel Consumption	107 Liter per hour at 75% load
Supplied By	Rahimafrooz Energy Services Ltd.

Alternative Water Source: Own Deep Tube Well

Brand	Grundfos
Capacity in liter	50,000 L/h
Model	SP60-10
Country of Origin	Singapore
Power Consumption	18.5 KW
Supplied By	The Megatech Engineers

Manpower Requirement

On completion of the project the resort will have staff strength of 257 and an expatriate staff of five for the posts of General Manager (GM), Room Division Manager, Food & Beverage Manager, Financial Controller and Executive Chef. The expatriate staff members will be collected from the different kind of resort from abroad.

3.3 Land and Location

The location is ideally suitable for developing hotel. The project land and land development cost is **BDT 100,000,000**.

Details of Land & Land Development	(Fig. in BDT ' 000')
01. Location of Land :	Cox's Bazar
Area of Land (Decimal)	26
Cost per decimal	3,500
Cost of Land	91,000
Land Development	9,000
Total Cost of Land & Land Development	100,000

Hotel Building and Civil Work

Civil works required for Hotel building, warehouse and others. The cost of building and other civil construction for the project consists of 125,798 sft @ BDT 1.90 is **BDT 239.16** million. Detailed information of the cost is given as the following:

Hotel Building & Other Civil Construction

	(Fig. in BDT ' 000')
Item of Construction	Total Cost
01. Civil Construction with super structure	139,466
02. Tiles work	8,600
03. Painting works	7,000
04. Electrification	12,500
05. Plumbing Works	10,100
06. Acoustic materials at floor and Roof	5,000
07. False Ceiling	14,500
08. Interior decoration works with consultancy	42,000
Sub - Total	239,166

Required Machinery & Equipment's and Cost

The cost of machinery is **BDT 102.43 million**. The detailed machineries are as follows:

List of the Machinery		(Fig. in USD '000')	(Fig. in BDT ' 000')
Sl. No.	Name of the Machinery & Equipment's		
1	Chiller, Pumps, FCU with ducting materials	719.62	56,850
2	Generator (3 sets)	265.82	21,000
	Total	985.44	77,850
		(Fig. in USD '000')	(Fig. in BDT ' 000')
Sl. No.	Name of the Machinery & Equipment's		
1	Bar Equipment's with Music Sound System	63.29	5,000
2	SPA Equipment's	56.96	4,500
3	Health Club Equipment's	59.45	5,351
	Total	180	14,850
Total Machinery & Equipment's cost			92,700
Duty, C&F and other Costs			
Particulars		Percentage	(Fig. in BDT ' 000')
Excise & Duty		4.0%	3,708
Clearing & forwarding charges		1.0%	927
Insurance & L.C. Commission		2.5%	2,318
Pre-shipment Inspection		1.0%	927
Transportation & Installation		2.0%	1,854
Total:			9,734
Total Cost of Machinery & Equipment's			102,434

Furniture and office equipment

The project would require furniture and fixtures such as Chair, Table, File cabinet, Sofa, Computer, Printer, Telephone, Fax, etc. for this purpose, The cost is total **BDT 108.5 million**. Details are shown in the following table:

List of Room Furniture & electrical equipment

(Fig. in BDT '000)		
SL. No.	Name of the items	Total Cost
1	Door, writing desk, mini bar cabinet, closet, chair, table	65,000
2	Carpets, underlay	16,500
3	Labour and other materials	15,000
4	Electrical items. LCD Box, Light, Light Shade	12,000
	Total	108,500

Staff cost

Total 257 manpower will be required for running the project out of 165 manpower is directly related to operations & sales and other 92 staff are required to run the general and administrative activities. The details of monthly and annual staff cost are given below:

Operation related Staffs:

(Figure in BDT '000')			
Employees related to COGS	No of Post	Salary Per Month	Annual Salary
1. Director Operation (partly)	1	100,000	1,200
2. General Manager (Partly)	1	50,000	600
3. Asst. General Manager	1	60,000	720
4. Room In Charge & Supervisor	6	30,000	2,160
5. Maintenance Team & Utility Operations	6	25,000	1,800
6. Room Service Staffs	20	15,000	3,600

7. Maintenance staff	20	8,000	1,920
8. Room Boy	90	6,000	6,480
9. Other support Staffs	10	6,000	720
10. Cleaner	10	5,000	600
Total	165		19,800

Administrative Staffs:

(Figure in BDT '000')

	No of Post	Salary Per Month	Annual Salary
Executive Director (partly)	1	50,000	600
Restaurant, Bar Manager	1	80,000	960
Manager Accounts & Finance	1	50,000	600
Admin Manager	1	50,000	600
Service Manager	6	50,000	3,600
Admin Officer	10	25,000	3,000
Accounts Officer	2	20,000	480
Security Officer	2	20,000	480
Store Officer	1	1,500	18
Store Keeper	4	10,000	480
Nurse /Aua/Brother	4	8,000	384
Security Guard	30	8,000	2,880
Driver	15	8,000	1,440
Peon	10	6,000	720
Sweeper/Mali	4	5,000	240
Total	92		16,482

Cost of goods sold/service

The detail of the cost of goods sold/service is as follow:

Particulars	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year
Room Services cost	9,198	10,693	11,383	11,727	12,072	12,417
Food & Beverage cost	31,886	37,068	39,459	40,655	41,851	43,047
Wages & Salaries	21,747	23,892	26,252	28,847	28,847	34,842
Utility Cost (Water, Electricity, etc.)	820	908	967	996	1,025	1,055
Gas for Generator	1,370	1,517	1,615	1,664	1,713	1,762
Fuel & Lubricants	1,094	1,211	1,289	1,328	1,367	1,406
Stores & Spares	4,106	4,312	4,312	4,722	4,722	4,722
Repair & Maintenance	2,040	2,490	2,940	3,390	3,720	3,720
Insurance on Fixed Cost	5,501	5,501	5,501	5,501	5,501	5,501
Insurance on Stocks RM & FG	216	251	267	275	283	291
Depreciation	28,572	25,659	23,132	20,935	19,019	17,346
Total Cost of goods sold	106,550	113,501	117,115	120,040	120,121	126,109

General and administrative cost

The detail of the cost of goods sold/service is as follows:

Figures in BDT '000'						
Particulars	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year
Directors' Remuneration	2,700	2,835	2,977	3,126	3,282	3,446
Administrative Staffs Salary	17,856	19,641	21,605	23,766	26,142	28,756
Post, Telephone	300	323	347	373	401	431
Stationary & Printing	300	315	331	347	365	383
Travelling & Conveyance	350	368	386	405	425	447

Sales promotion	1,500	1,425	1,354	1,286	1,222	1,161
Audit Fee	200	200	200	200	200	200
Miscellaneous Expenses	600	700	800	900	1,000	1,000
Total	23,806	25,806	27,999	30,402	33,037	35,823

Sales/Revenue forecast

Total revenue of the project will be earned from two product lines one from room services and other from food & beverage. During the forecast period project's revenue is estimated as follows:

Figures in BDT '000'						
Particulars	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year
Capacity utilization	56%	62%	66%	68%	70%	72%
Revenue from hotel room	199,290	264,771	302,992	334,026	388,550	446,611
Revenue from food & beverage	79,716	105,908	121,197	133,610	155,420	178,644
MOD	2,300	3,055	3,496	3,854	4,483	5,153
Total Sales Revenue	281,306	373,734	427,685	471,490	548,454	630,408

STRENGTH AND WEAKNESS:

Our research indicates the following competitive positioning for this project:

Strengths

- Positive, wholesome image of Cox's Bazar
- Extensive tourism base for exposure
- Strong hotel brand and management
- Historic attractions in Downtown and Hill tracks
- Large public sector incentive agreements limiting risk
- Tourist attractions in Cox's Bazar
- Central location within Cox's Bazar
- Demographics adequate for larger consumer
- Markets available are not price sensitive

Weaknesses

- Natural disaster like flood, cyclone etc.
- High price perceived as less desirable
- Supply of the property is high
- Water of the Cox's Bazar is salty.

Section 6: Marketing Aspect

SUPPLY AND DEMAND

COMPETITIVE MARKET

For the Hotel compound of the project, we are of the opinion that there are very highly competitive markets: the overall hotel market in Cox's Bazar and the group-oriented properties in the subject market. The properties in the latter group include the other Hotel market all over the country.

Hotel Competitive Market

This competitive set consists of 5 properties located at Cox's Bazar, many of which are clustered along Bangladesh Route. Historically, this set has consisted primarily of smaller properties catering to the budget and lower-tier limited service markets; while this is still the case, in recent years there have been an increasing number of traditionally strong limited/select service hotels that have opened. These include the following:

Market Segmentation

The following market segmentation for the properties in Hotel Competitive Market. We have presented demand in four segments that are traditionally tracked in the subject market area. Each segment may be broken down further into sub segments, but we believe that, presented as four segments, the following present an accurate representation of demand within the competitive set.

Example of few hotels in Cox's Bazar

Most of the Cox's Bazar Hotel's provide quality service with reasonable cost. Accommodation close to the beach differs from a costly range to an affordable price. It is always good to book a room before you come here as your budget. Here you get some hotel address to book your reservation to avoid any hassle.

Hotel Descriptions

Hotels in Cox's Bazar:

Seagull Hotel

Rank: 5 star

Rooms: 182 well-appointed guest rooms. (Regular Rooms – 120, Deluxe Rooms –41, unite Rooms – 20, Presidential Suite – 01)

Services & Facilities:

- Central Air-conditioning System
- 24 Hours Room Service
- Travel Desk
- Coffee Shop-serving Multi-cuisine Menu
- Five Specialty Restaurants
- Lawn Tennis
- Swimming Pool
- Safe Deposit Locker
- Beauty parlor

- Barbar Shop
- Bar-well Stocked Choice of Liquors Available
- Doctor on Call
- Left Luggage Room
- Running Hot and Cold water
- Elevator- 3 Units
- Money Exchange
- Power Generators
- Business Center
- Rent – A – Car Service
- Shopping Arcade
- Valet Service
- Laundry Service
- Airport Transfers
- Gym
- Sauna
- Steam Bath
- Hot Spa Therapy & Massage

Five Specialty Restaurants are:

Rangdhanu: Coffee-Shope serves multi-cuisine menu & excellent buffet breakfast specialized in Thai, Chinese & Continental Food.

Madhurima: Pool side restaurant & sunken bar provides you a variety of liquors, snacks, barbeque, cold drinks, and pizza.

Jharna: A fast food lounge serves burgers, snacks, and assorted pastries.

Parijat: Specialty restaurant serves authentic Bangladeshi Tandoori, Kebabs and Indian Cuisine.

Niharika: Roof top restaurant serves exotic Barbeque, Kebabs, and Italian dishes. Feel the ocean breeze and watch the panoramic view of Bay of Bengal while eating.

Accommodation Cost:

Regular – Sea View (Single Bed) BDT 3,590
 Regular – Sea View (Double Bed) BDT 4,190
 Regular – Hill View (Single Bed) BDT 4,420
 Regular – Hill View (Double Bed) BDT 5,970
 Deluxe – Sea View (Single Bed) BDT 4,300
 Deluxe – Sea View (Double Bed) BDT 6,850
 Deluxe – Hill View (Single Bed) BDT 6,080
 Deluxe – Hill View (Double Bed) BDT 3,630
 Suites BDT 9,700
 President Suite BDT 25,000

Above rates are subject to addition of 10% Service charge and 15% VAT.

HOTEL SEA PALACE LIMITED

Rank: 5 star

Services & Facilities:

- Gym
- Swimming Pool
- Water sports
- Billiard Room
- Burmese Shopping Arcade
- Business Center Facilities
- Ball Room
- Conference Room
- Board Room

Restaurant & Bar:

Crown Restaurant: Open round the clock. It serves genuine Bangladeshi, Thai, Chinese, Indian and Continental & Seafood. Offer poolside snacks & beverage. 180 people can sit here at a time.

Bar-B-Que: The restaurant set to serve delicious food.

Lobby coffee shop: Open day-night round the clock and glowing furnished decorative environment serving various fast food, beverage, drinks (hot & cold).

Sahara foods: Very well decorated restaurant serving traditional Bangladesh & Multi cuisine menu. 150 people can sit together here.

Bar: Well stocked choice of liquor.

Accommodation Cost:

Presidential Suite: BDT 60,000

Royal Suites: BDT 20,000

Honeymoon Suite: BDT 15,000

Crown Regular Suite (Twin bed): BDT 8,000

Crown Regular Suite (Couple bed): BDT 7,000

Super Deluxe Room (Twin bed): BDT 6,500

Deluxe Room (Couple bed): BDT 6,000

Regular Room (Couple bed): BDT 4,000

15% value added Tax and 10% service charges will be included with each of above.

HOTEL LONG BEACH

Encompassing the spectacular views of Cox's Bazar, Long Beach Hotel stands very close to the hills and sea-beach, offering world class facilities and exhilarating experience to its guests. Whether you are planning a great vacation, the sweetest of honeymoons or a cozy business tour, you would prefer the beach hotel for your relaxing sta. The 120 km astonishing longest beach in the world is just five-minute walk away from your room, providing an exuberant sensation in your mind and filling your heart with magnificent joy. Starting from Cox's Bazar longest beach view to the comforts which you would be looking for are all here, making Long Beach Hotel the perfect choice for business, romance and holiday travel.

ACCOMMODATIONS:

LONG BEACH HOTEL has six categories of rooms. The hotel has 180 guest rooms and the room categories are as follows.

- Premier Double/Twin
- Superior Deluxe Double/Twin

- Executive Floor Double/Twin
- Premier Suite Double/Twin
- Honeymoon Suite
- Presidential Suite

PREMIER DOUBLE/TWIN

Room Size: 350 sq. ft.

Hotel's Premier Double Rooms are great for couples, families, friends and executives. This is regular room, set up as an ideal room for all to provide an opportunity for an excellent stay at reasonable price. One gets easily captivated by the furniture, amenities and features of this room. Every room has a balcony to take an outside snapshot. Mini-bar (Non Alcoholic), dual telephone line and free internet cable makes life easy. Feel secure, private and excited with homelike features meeting great standards.

Room Features and Amenities: Elegantly appointed Deluxe Room incorporating a Bedroom contains a King size Bed or Twin Bed, LCD TV, IDD Telephone, Telephone in the Bath Room, free internet in the room, and also have a work desk, Imported Guest amenities, Hot & cold water, Mini Fridge, Remote controlled A/C. Connecting Rooms are available. The living area contains two chairs & a table. This room is Ideal for Family or Couple.

Complimentary:

- Welcome drink (on arrival)
- Breakfast for Two Pax
- Mineral Water 500ml 2 bottle
- Daily local News paper
- Airport pick-up (on demand)
- Internet in the room

Price: BDT 4000.00 ++

SUPERIOR DELUXE DOUBLE/TWIN

Room Size: 350 sq. ft.

The Superior Deluxe rooms have all the premier features. In addition, luxurious furniture & supplies and stylish residential furnishing open greater opportunity to make guest stay exciting and fascinating. Couples, families, friends and business tourists seeking gorgeous stay at Cox's Bazar seaside may stop their search and experience hotel's impeccable Superior Deluxe Room. It is ideal for families and honeymooners, who don't need suites, but would like to have comfort and elegance up to high-quality.

Room Features and Amenities: Elegantly appointed Super Deluxe Room incorporates King Bed/ Twin Beds. The room contains a LCD TV, IDD Telephone, and Telephone in the Bath room. Hot & Cold Water, Imported Guest Amenities, Slipper (2 pairs only), Mini Fridge, and Remote controlled A/C. Connecting Rooms are available. The living area contains two chairs and a table, this unit is ideal for Family or Couple.

Complimentary:

- Welcome drink (on arrival)
- Breakfast for Two Pax
- Mineral Water 500ml 2 bottle
- Daily local News paper
- Airport pick-up (on demand)
- Internet in the room

Price: BDT: 4500++

EXECUTIVE FLOOR DOUBLE/TWIN

Room Size: 350 sq. ft.

Long Beach Hotel offers you a spacious executive room on Executive Floor that makes guest feels like at home and assures comfort, pleasure and privacy. With twin bed, business work desk and electronic locker it is a perfect combination of work, safety and hospitable stay at Cox's Bazar Seaside. To make guest cozy, private and secured hotel's Executive Floor ensures the best amenities. Starting from free internet to extended IDD telephone to the bathroom, arduous work becomes stress-free.

Room Features and Amenities: Elegantly appointed Super Deluxe Room incorporates King Bed/ Twin Beds. The room contains a LCD TV, IDD Telephone, and Telephone in the Bath room. Hot & Cold Water, Imported Guest Amenities, Slipper (2 pairs only), El-safe, Hair dryer, Mini Fridge, and Remote controlled A/C. Connecting Rooms are available. The living area contains two chairs and a table, this unit is ideal for Family or Couple.

Complimentary:

- Welcome drink (on arrival)
- Breakfast for Two Pax
- Mineral Water 500ml 2 bottle
- Daily local News paper
- Airport pick-up (on demand)
- Internet in the room

Price: BDT: 5000++

PREMIER SUITE

Suite Size: 700 sq.ft.

The Premier Suite of Long Beach Hotel is an exquisite setting, ideal both for couple or families. Separated with a living room, it is furnished and decorated with the amenities which vacationers always long for. Stay at hotel's Premier Suite would not only broaden up guest living and dining, but also supply varieties of treat which a family finds the best option at Cox's Bazar.

Suite Features and Amenities: Elegantly appointed suite with Air condition bedroom and living room. The Bedroom area contains a king size bed or Twin bed, 32" LCD TV and IDD Telephone also extension to living room & Bath Room. Mini Fridge, Hair Dryer, El-Safe, Free Internet in Room, Imported Guest Amenities, Bathrobe & Slippers, Wight Scale. Living Room contains, 32" LCD TV, Telephone, Mini Fridge, Sofa set, Dining table, Service area, full equipped kitchenette.

Complimentary:

- Welcome drink (on arrival)
- Breakfast for Two Pax
- Mineral Water 500ml 2 bottle
- Coffeemaker with all ingredients
- Daily local News paper
- Airport pick-up (on demand)
- Internet in the room

Price: BDT 9000++

HONEYMOON SUITE

Suite Size: 700 sq.ft.

Need a spacious romantic-setting to pass a grand honeymoon? That is what the Honeymoon Suite offer. It is indeed, the centre-attraction here that combines romance and comfort. The Cox's Bazar beach surroundings add greater joy and thrill. With amenities such as, romantic Jacuzzi, bathrobe and luxurious bathroom fittings, your life would enjoy the most wonderful experience ever in our honeymoon suite. As you will be on the 7th floor, you could be much closer to the romantic natural views around. Privacy, care and intimacy offered at Long Beach Hotel's Honeymoon Suite increases fun and delight of the new couple.

Suite Features and Amenities: Elegantly appointed unit comprises one Bedroom with King size Bed and One Living Room. Jacuzzi with rain shower, 32" LCD TV, Mini Fridge, IDD Telephone also extension to Living and Bath Rooms, Hair Dryer, El-Safe, Free Internet in Room, Imported Guest Amenities, Bath Robe & Slippers, Wight Scale. Living Room contains a luxurious Sofa set & Dining table, 32" LCD TV, Telephone, Mini Fridge, fully granite service area, and well equipped kitchenette. This unit is ideal for newly married couple.

Complimentary:

- Welcome drink (on arrival)
- Breakfast for Two Pax
- Mineral Water 500ml 2 bottle
- Coffeemaker with all ingredients
- Daily local News paper
- Airport pick-up (on demand)
- Internet in the room

Price: BDT 11500++

PRESIDENTIAL SUITE

Suite size:1400 sq.ft.

To get the most from guest vacation and tour, hotel's 1400 sq. ft. President Suite is a one stop living solution. It is at the top floor and suitable for celebrities, diplomats and elites. Experience a breathtaking stay at Cox's Bazar with a blend of high sophistication, superb luxury and aristocratic surrounding. Exceeding all the amenities and luxuries, the President Suite at Long Beach Hotel offers the zenith of joy and comfort. As guest will be at the top, from the balcony of the room he/she will be able to see the most spectacular views around. Catch up the sea and hill views without obstacle. In addition, guest have living room and dining with service counter. Large bathroom with imported supplies reaches the suite to the pinnacle of coziness.

Suite Features and Amenities: Enjoy a panoramic Beach view of the Bay of Bangle at Cox's Bazar, Bangladesh. Elegantly appointed a Presidential Suite room is 700 sft, Luxurious King Size Bed with divan & Sofa. The most modern bathroom fittings with Golden & Silver effect, large romantic Jacuzzi with rain shower, LCD TV, DVD Player with "BOSE" home theater, IDD Telephone also extension to Living and Bath Rooms and work desk, mini bar, iron and ironing board, Hair Dryer, El-safe, Laptop, Wi-Fi internet in Room, Imported Guest Amenities, plush bathrobe & Slippers, Wight Scale, Fruit Basket, and most modern equipped kitchenette.

Complimentary:

- Welcome drink (on arrival)
- Breakfast for Two Pax
- Mineral Water 500ml 4 bottle
- Coffeemaker with all ingredients

- Daily local News paper
- Airport pick-up (on demand)
- Internet in the room
- Laptop in the room

Price: BDT 35500++

DINING & BAR

Cozy Restaurant

Cozy restaurant at Long Beach Hotel provides delight to the guests through its captivating cuisine and unbeatable decoration. Back from an exhausting day out, guest will love to soothe himself here having food and drink in a cozy atmosphere. Along with traditional rice, fish guest has the choice of Italian, Chinese, Thai and Indian style food. Guest has the option of hearty buffet breakfast as well as casual and formal dining. Restaurant has the choice of non-smoking area. It also keeps guest connected to the rest of the world through Wi-Fi internet that relieves your stress. The hotel provides 24 hours room service for guest.

Sunset Poolside Bar-B-Q

The evenings could be much exciting and exhilarating with intriguing barbeque spot at Long Beach Hotel. Right at the top of the swimming pool, one may use the spiral stairs to reach the barbeque spot. It surrounds the swimming pool at the top; one can have the spectacular view of the pool from the wide hollow in the middle. After a swim, one may rest on the comfy pool chairs, either beside the pool or at the barbeque spot and have a glass of juice to refresh.

Café 14

Café 14 at Long Beach Hotel is one favorite spot of all guests. Café 14 is adjoining the hotel, at the ground floor with glass, overlooking the entrance landscape that allows one to heartily enjoy the remarkable outdoor view from inside. Hotel's coffee shop offers a diverse menu that serves delight and caters to our customers. Besides, other fast food, one could have Italian Pizza & Pasta, Pastry and Switzerland's Movenpick Ice-cream.

Club 14 Bar

MEETING & EVENTS

The Forum Banquet Hall

Forum Banquet Hall, with 6,566 square feet of space, can accommodate groups up to 1000 set theater-style and up to 450 for a formal banquet. This ballroom is located on the 1st floor. Sitting arrangement could be arranged as per guest's requirements. Hotel's Forum Banquet Hall touches the guests' heart with great wonder and charm. The Forum Banquet Hall is equipped with world class sound system and projector facilitates. The hotel has a pool of experienced event coordinators who could handle program most professionally.

Type	Capacity	Morning Shift	Evening Shift	Full Day
Theater Style	1000 pax	09:00am-04:00pm	05:00pm-12:00pm	09:00am-12:00pm
Banquet Style	450 pax	09:00am-04:00pm	05:00pm-12:00pm	09:00am-12:00pm
U Shape	250 pax	09:00am-04:00pm	05:00pm-12:00pm	09:00am-12:00pm
School Shape	400 pax	09:00am-04:00pm	05:00pm-12:00pm	09:00am-12:00pm

Chorus Conference Hall

The Chorus at Long Beach Hotel provides excellent facilities for medium size programs and events. Accommodating 200 people in theatre style, the Chorus is the right choice for both business and social events. This option best suits moderate gatherings. Guest have the latest meeting-type sound system and elegant set up to make function a grand success. Projector and hi-fi sound system are available on request.

Hall Size - 53' X 30' (1590 square feet)

Type	Capacity	Morning Shift	Evening Shift	Full Day
Theater Style	250 pax	09:00am-04:00pm	05:00pm-11:00pm	09:00am-11:00pm
Banquet Style	120 pax	09:00am-04:00pm	05:00pm-11:00pm	09:00am-11:00pm
U Shape	100 pax	09:00am-04:00pm	05:00pm-11:00pm	09:00am-11:00pm

Conclave Conference Room

The longest sea beach of Cox's Bazar has today become a great place for business meetings and conventions. Long Beach Hotel has a world class setup for corporate meetings and incentive events. Plan easy, work easy and feel easy with our 24 people capacity conclave room that has the best quality Conference sound system, Projector and Wi-Fi internet facilities.

Hall Size - 34' X 22' (748 square feet)

Type	Capacity	Morning Shift	Evening Shift	Full Day
Executive Style	24 pax	09:00am-04:00pm	05:00pm-11:00pm	09:00am-11:00pm
With Extra Seating	50 pax	09:00am-04:00pm	05:00pm-11:00pm	09:00am-11:00pm

HEALTH CLUB:

Swimming Pool & Jacuzzi

You wouldn't want to miss our exquisite 1500 sq.ft. Swimming pool at Long Beach Hotel. After a hard day sightseeing and roam about, the swimming pool can be best form of relaxation. Its superb surrounding grabs the sight of a visitor and attracts profoundly. Hotel's pool has a spectacular fountain which increases the guests charm to a greater extent. One could refresh to the best possible state with our Jacuzzi adjacent to the pool, which accommodates 15 people together. It also has a kid's pool nearby, which opens up a great opportunity to the children for outdoor enjoyment and relieves the family greatly.

GYM

Long Beach Hotel's 550 sq. ft. gymnasium consists of state-of-the-art exercise and cardiovascular equipment. Whether guest wants a good workout or relaxation, the gym is a great place where one could continue your fitness care at great ease. It is fully equipped with exercise machines such as stationary bikes, treadmills, universals and free weights.

Sauna & Steam Bath

Welcome to hotel's 6 people capacity sauna and 8 people capacity steam bath. Release and unwind with sauna and steam bath after guest workout. It is also a great opportunity to meet other travelers staying at Long Beach Hotel opening cool ways to socialization. Using sauna and steam bath, one could call it a day of ultimate relief and refreshment.

Guest Services

The hotel has set out the guest services in such ways that make guest completely relieved in all aspects. Guest don't have to roam about and waste time here and there to look for what you need, but just enquire and the hotel well trained staff is ready to serve, bringing solutions at guest fingertips. The hotel has listed the most significant ones, otherwise, there are all facilities, which couples, family members, business personnel require.

- Business Centre
- Internet Access
- Additional Services
- Limousine Service
- Beauty Salon & Massage
- Hotel Shop Parking
- CCTV Secured
- ATM Booth
- Doctor On Call

Additional Services: Hotel provides services like Wheel chair, Fast Aid Box on demand as a Free of cost. And the other services like Baby Cot, Laptop, DVD Player, Different kinds of DVD Movies as a rental
Following are some observations regarding the hotel market in the subject market area.

- While the overall Country's hotel market is stable and viable, the market is highly seasonal, price sensitive, and tourist-oriented. Overall occupancies and rates do not indicate a market which, in general, allows for sufficient profitability for the on-going refurbishment of existing hotels. The newer hotels are performing above the market average, as would be expected in the foreseeable future.
- The growth of commercial demand is being absorbed by new hotel property additions. The new commercial hotel market has boosted considerably in recent years. Although the Marriott brand is extremely strong in this segment, the availability of products will not limit this advantage.

Section 7: Financial Aspect

7.1 COST OF THE PROJECT

Amount in Million

Sl. No.	Items	Unit	Qty.	Unit Price	Total Price
01	Land	-	26 dcl	1.00	100.00
02	Civil Construction with Super Structure				
	Various types Bricks	Lot	1	30.00	30.00
	Cements	Lot	1	24.00	24.00
	Local Sand	Lot	1	10.00	10.00
	MS Rod	Lot	1	10.00	10.00
	Stone Chips	Lot	1	21.00	21.00
	Labour and Other Materials	Lot	1	31.00	31.00
03	Air Conditioning System				
	Chiller, Pumps, FCU with related equipment's, control & fittings	Lot	1	45.00	45.00
	Local Materials and Labor Charge	Lot	1	22.00	22.00
04	Electrical Works				
	Bus duct & Electric Cable	Lot	1	5.00	5.00
	Switch, Sockets, CKT Breakers and other materials	Lot	1	2.00	2.00
	MDB & SDB Boards	Lot	1	1.50	1.50
	Labour and Other Materials	Lot	1	4.00	4.00
	Generator	Pcs	3	7.00	21.00
	Substation	Pcs	1	5.50	5.50
05	Sanitary Works				
	Pipes (GI, UPVC)	Lot	1	2.80	2.80
	Bath tube, Commode and Other related Materials	Lot	1	5.50	5.50
	Labour and Other Materials	Lot	1	1.80	1.80
06	Tiles Works				
	Tiles	Lot	1	5.20	5.20
	Cements	Lot	1	1.50	1.50
	Sand	Lot	1	1.00	1.00
	Labour and Other Materials	Lot	1	0.90	0.90
07	False Ceiling	Lot	1	14.50	14.50
08	Acoustic Materials at Floor and Roof	Lot	1	5.00	5.00
09	Bar Equipment's with Live Music sound system	Lot	1	5.00	5.00
10	SPA Equipment's	Lot	1	4.50	4.50
11	Health Club Equipment's	Lot	1	4.50	4.50
12	Kitchen Equipment's	Lot	1	8.00	8.00
13	Painting				
	Paints	Lot	1	4.50	4.50
	Labour and Other Materials	Lot	1	2.90	2.90
14	Furniture				
	Furniture such as door, writing desk, minibar cabinet, closet, chair, table etc.	Lot	1	65.00	65.00
	Carpets & Underlay with related materials	Lot	1	16.50	16.50
	Labour and Other Materials	Lot	1	15.00	15.00
	Electrical Items: LCD, Safe box, light, Light shade etc.	Lot	1	12.00	12.00
15	Overall interior works with consultancy	Lot	1	42.00	42.00
Total Amount					550.10

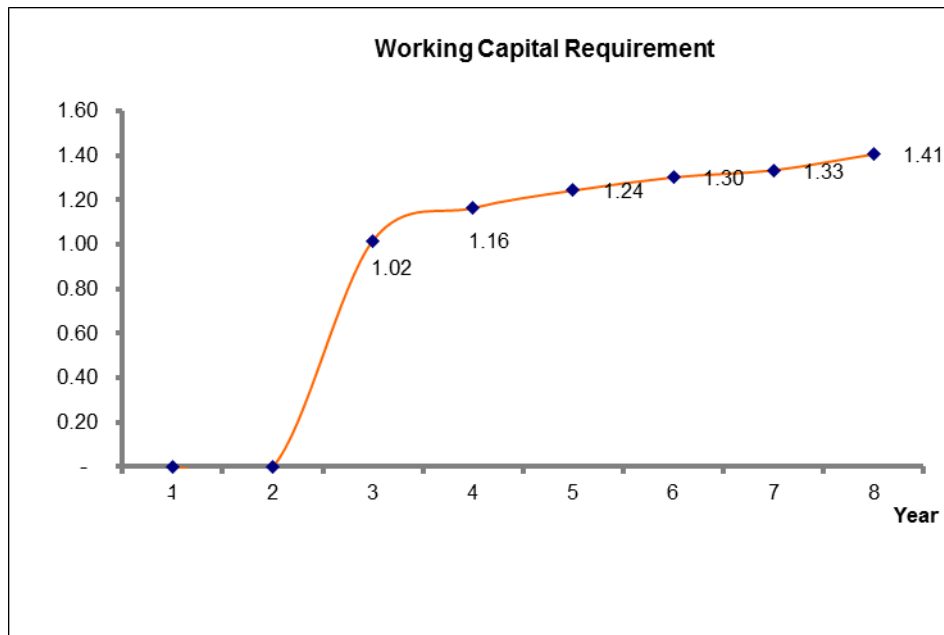
7.2 WORKING CAPITAL MANAGEMENT

Working capital requirement

The project would require working capital for food materials, stores and spares and others. The detailed working capital requirement for forecast period is as follows:

(Fig. in BDT ' 000')							
Current Assets :	Tied up Period (Days)	3rd year	4th year	5th year	6th year	7th year	8th year
Food materials	45	1,134	1,318	1,403	1,446	1,488	1,531
Other materials	60	5,242	6,093	6,486	6,683	6,880	7,076
Corporate Receivable	30	3,377	3,926	4,179	4,305	4,432	4,559
Stores & Spares	90	1,013	1,063	1,063	1,164	1,164	1,164
Other Expenses	35	2,508	2,780	3,071	3,381	3,431	4,016
Total Current Assets		13,273	15,180	16,203	16,979	17,395	18,346
Local food raw material		1,134	1,318	1,403	1,446	1,488	1,531
Credit supplies	5%	57	66	70	72	74	77
Cash credit for Local RM (25% of Req.)		1,310	1,523	1,622	1,671	1,720	1,769
Cash credit for other Exp. (25% of others)		1,724	1,942	2,078	2,213	2,257	2,435
Total		3,092	3,531	3,770	3,956	4,051	4,280
Net Working Capital		10,182	11,649	12,433	13,024	13,344	14,065

Projected Working Capital required for the project is shown in the chart Presented below:



7.3 MEANS OF FINANCE

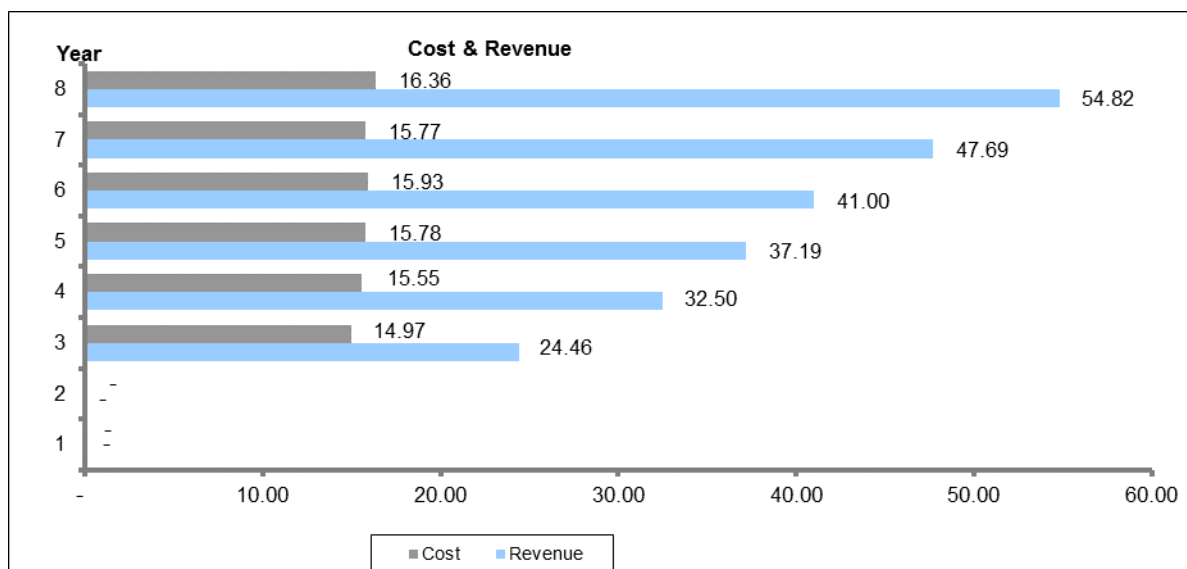
Financing pattern	Percentage	Amount in BDT
IPO proceeds	49.08%	270,000,000
Equity	18.18%	100,000,000
Bank loan	32.74%	180,100,000
Total	100.00%	550,100,000

7.4 PROJECTED INCOME STATEMENT OF THE PROJECT

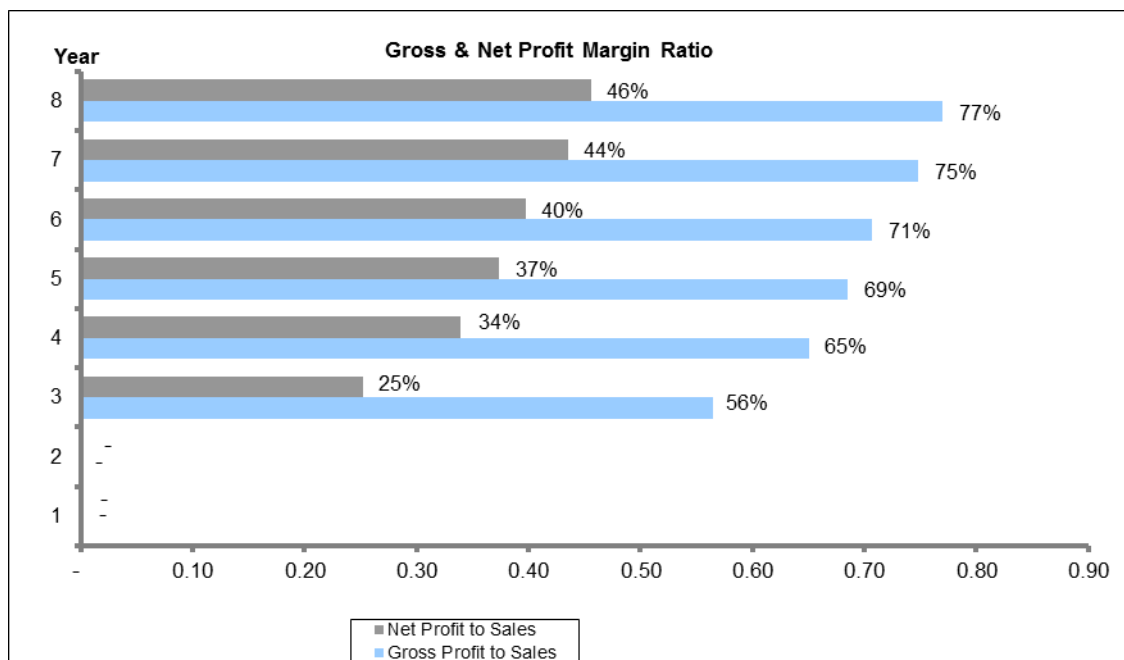
Figure in BDT 000' Million

Items	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year
Sales Revenue	281,306	373,734	427,685	471,490	548,454	630,409
VAT @ 15%	36,692	48,748	55,785	61,499	71,537	82,227
Net Sales	244,613	324,986	371,900	409,991	476,916	548,181
Cost of goods sold	106,550	113,501	117,115	120,040	120,121	126,109
Gross profit	138,064	211,486	254,785	289,951	356,795	422,072
Administrative & Marketing exp.	23,806	25,806	27,999	30,402	33,037	35,823
Operating profit	114,258	185,680	226,786	259,549	323,759	386,249
Financial Expenses	19,324	16,215	12,735	8,866	4,561	1,674
Net operating profit	94,935	169,465	214,050	250,683	319,197	384,574
Income Tax (35%)	33,227	59,313	74,918	87,739	111,719	134,601
Net profit transfer to DRHRL	61,708	110,152	139,133	162,944	207,478	249,973

Total Hotel Revenue and Costs are shown in the chart presented below:



Gross Profit and Net operating Profit are shown in the chart presented below:

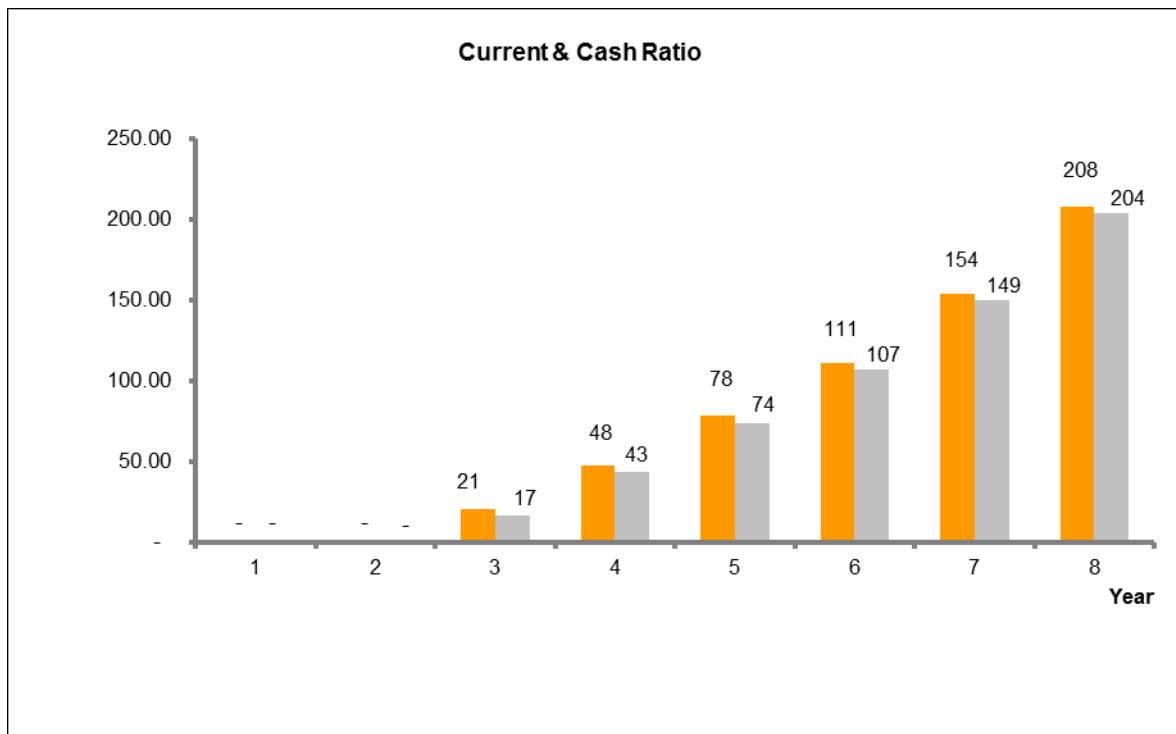


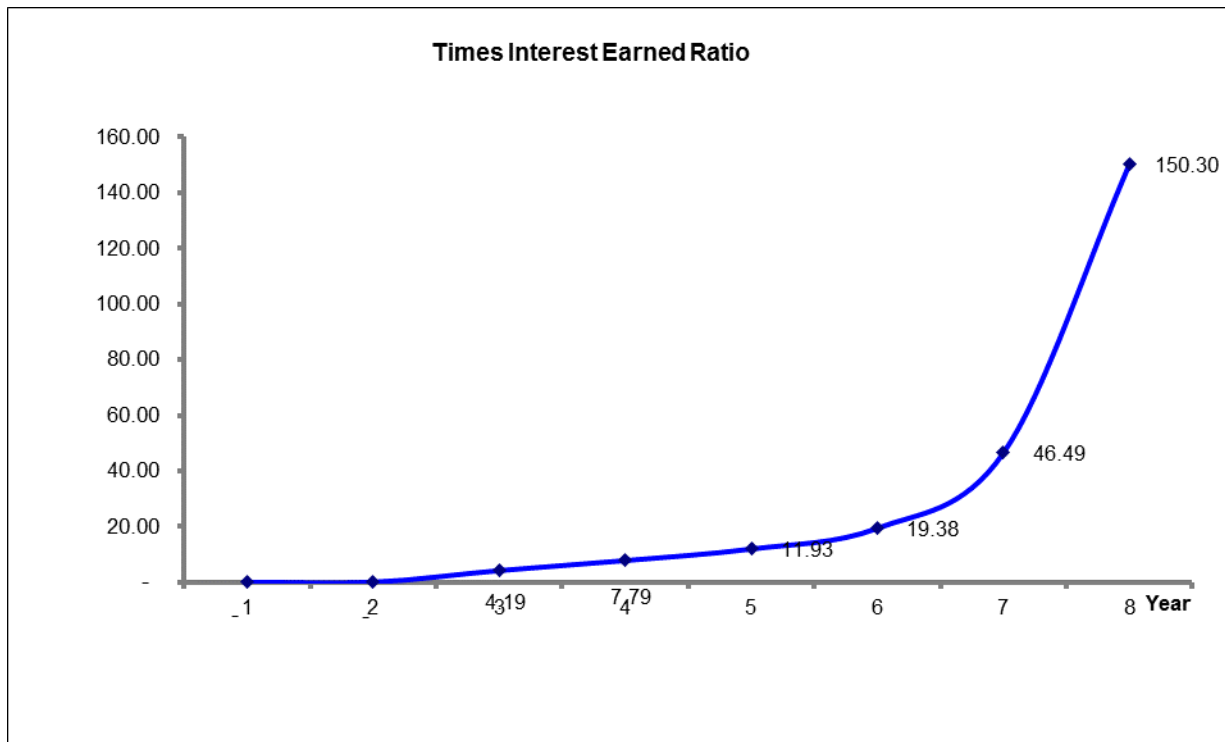
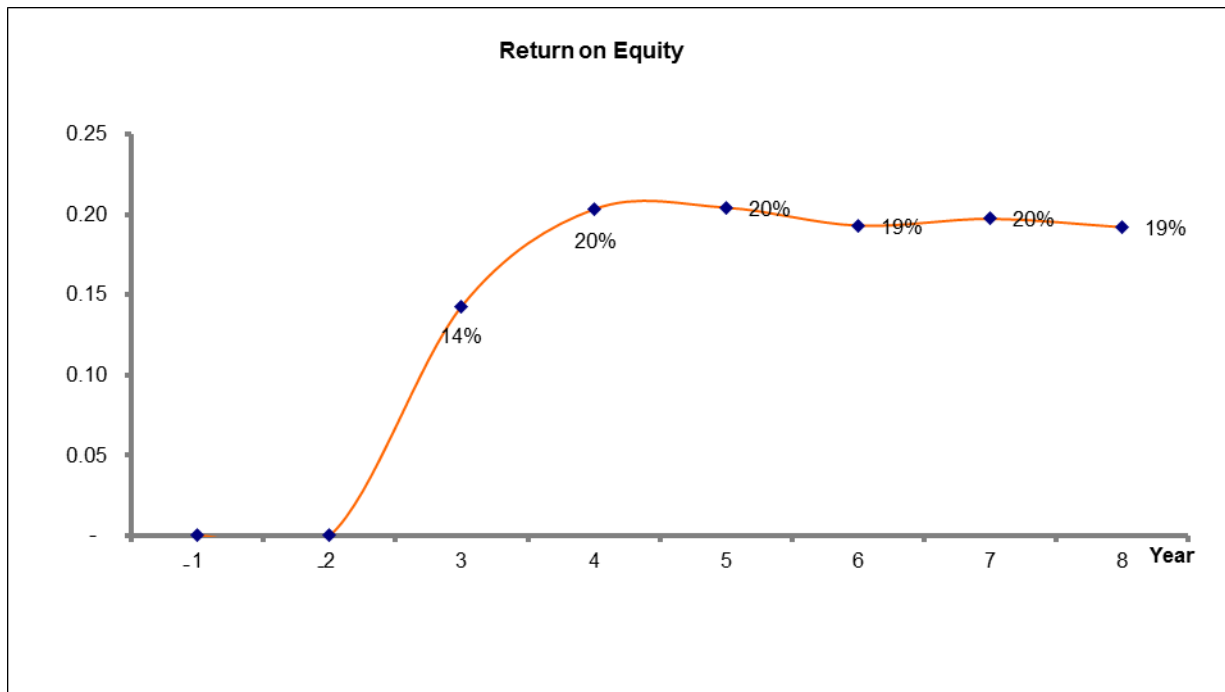
KEY RATIOS:

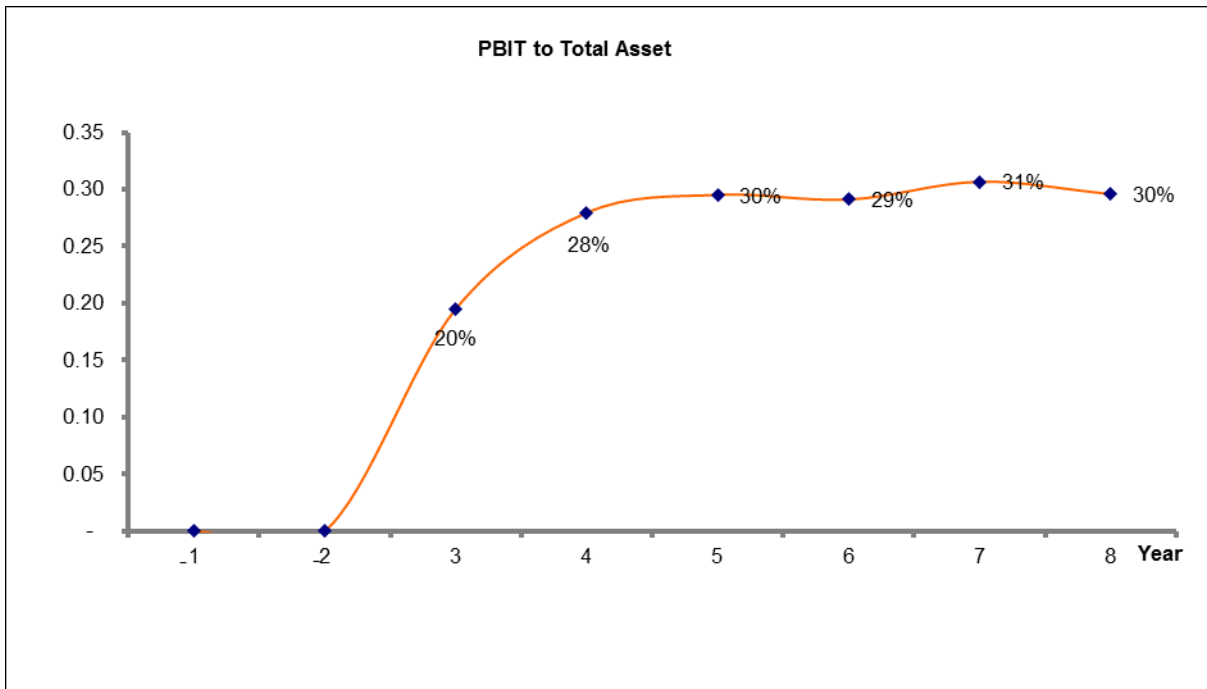
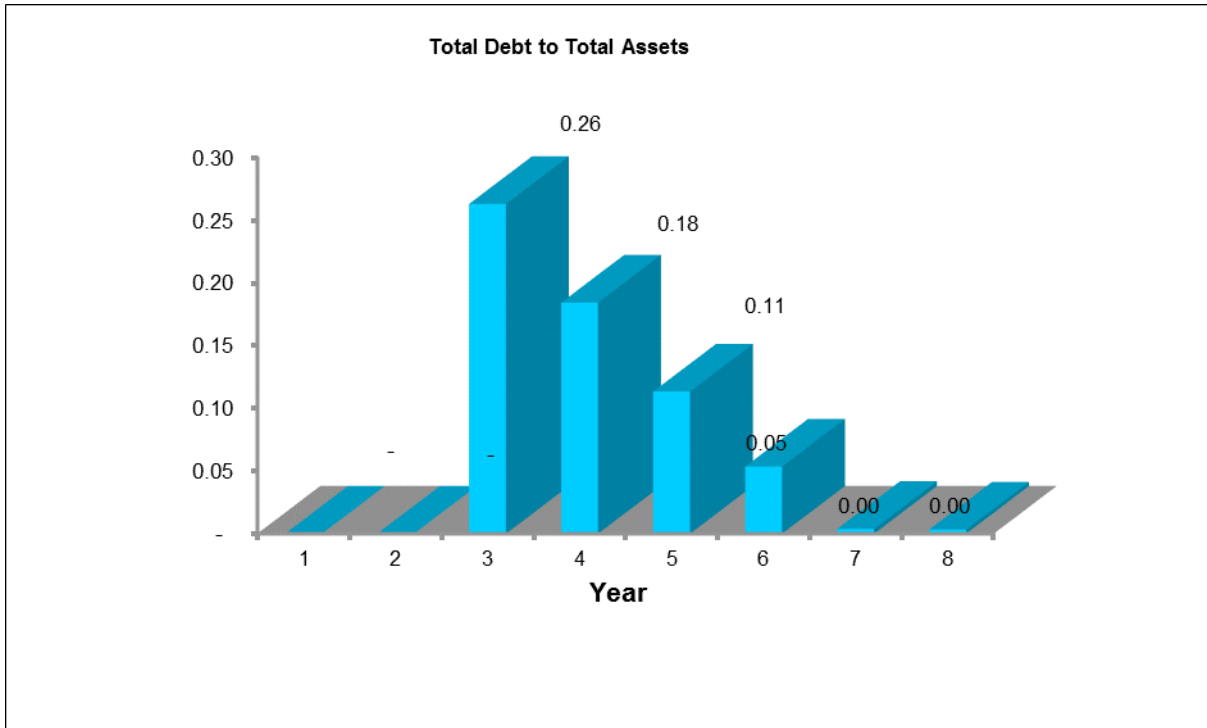
Ratios		3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year
Profitability Ratios							
Gross Profit to Sales		56.44%	65.08%	68.51%	70.72%	74.81%	76.99%
Net Profit to Sales		25.23%	33.89%	37.41%	39.74%	43.50%	45.60%
Return on Asset		10.53%	16.58%	18.11%	18.27%	19.66%	19.15%
Return on Equity		14.29%	20.33%	20.43%	19.31%	19.73%	19.21%
PBIT to Total Asset		19.50%	27.95%	29.52%	29.11%	30.67%	29.58%
IRR	15.87%						
Liquidity Ratios							
Current Ratio		20.83	47.72	78.36	111.22	153.71	207.99
Cash Ratio		16.54	43.42	74.06	106.92	149.41	203.70
Debt Management Ratios							
Total Debt to Total Assets		0.26	0.18	0.11	0.05	-	-
Long Term Debt to Total Assets		0.26	0.18	0.11	0.05	-	-
Total Debt to Equity		0.36	0.23	0.13	0.06	-	-
Long Term Debt to Equity		0.35	0.22	0.12	0.05	-	-
Times Interest Earned Ratio (TIER)		4.19	7.79	11.93	19.98	46.49	150.30
Asset/Liability Utilization Ratios							
Asset Turnover	-	0.42	0.49	0.48	0.46	0.45	0.42
Inventory Turnover		-	-	-	-	-	-
Sales to Fixed Asset Ratio	-	0.47	0.66	0.79	0.91	1.10	1.32

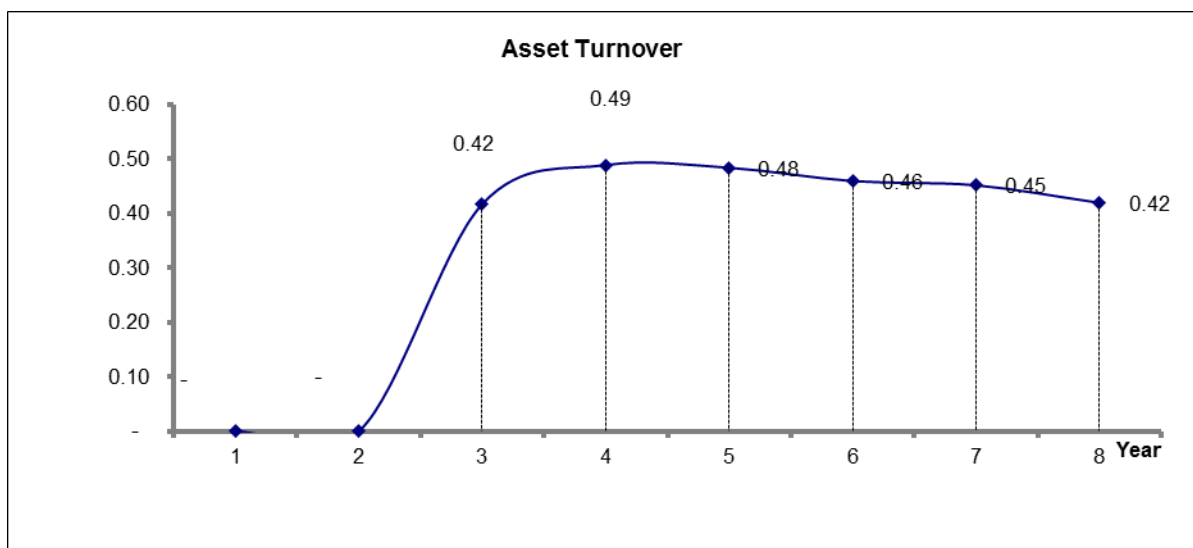
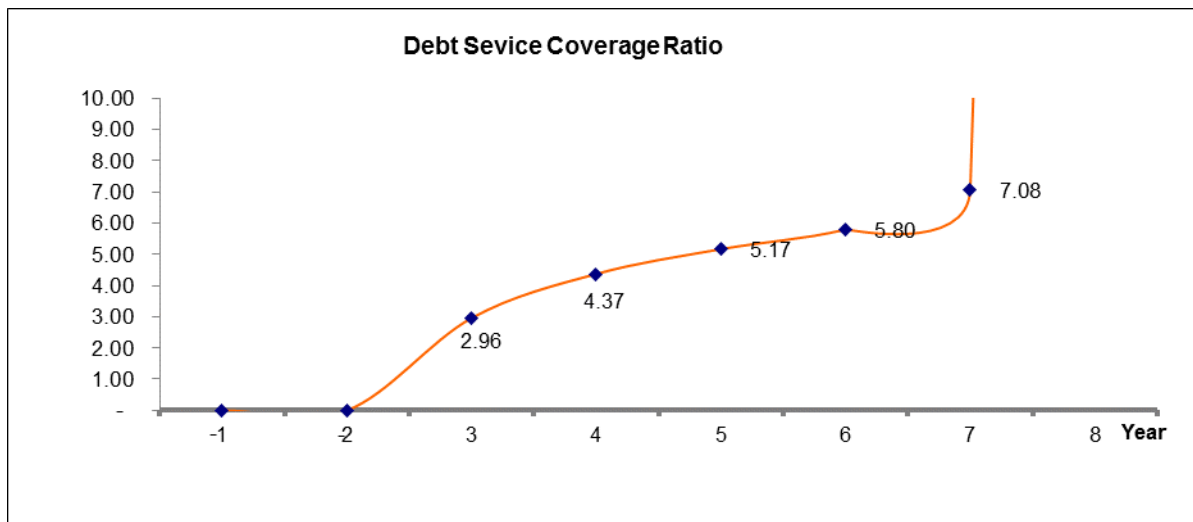
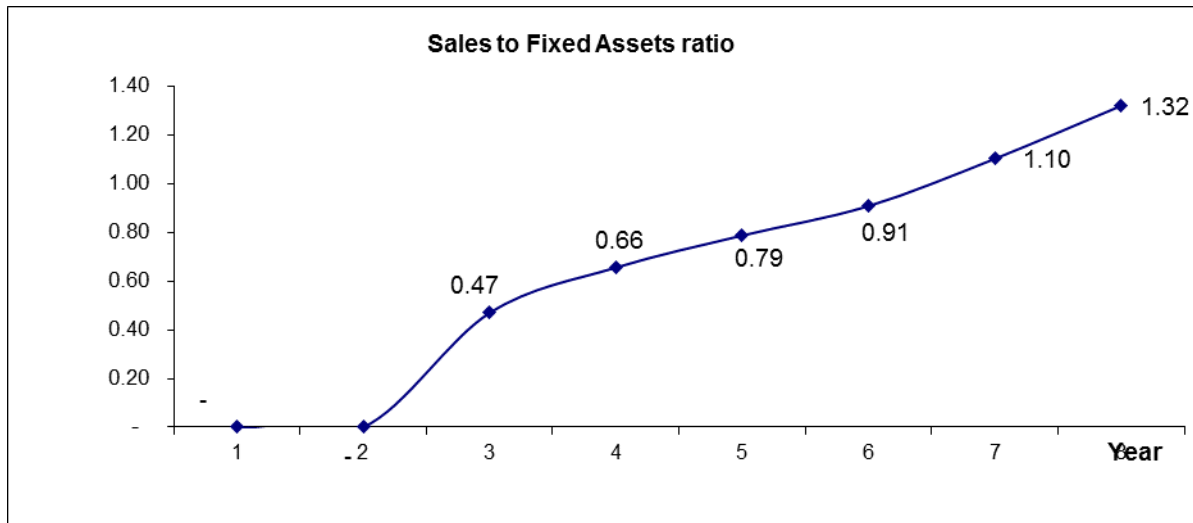
*Return on Equity Calculated using the Equity Capital to be involved in the extended project at Cox's Bazar which comes to Tk 370.00 Million.

Projected Performance analysis is shown in the chart presented below:

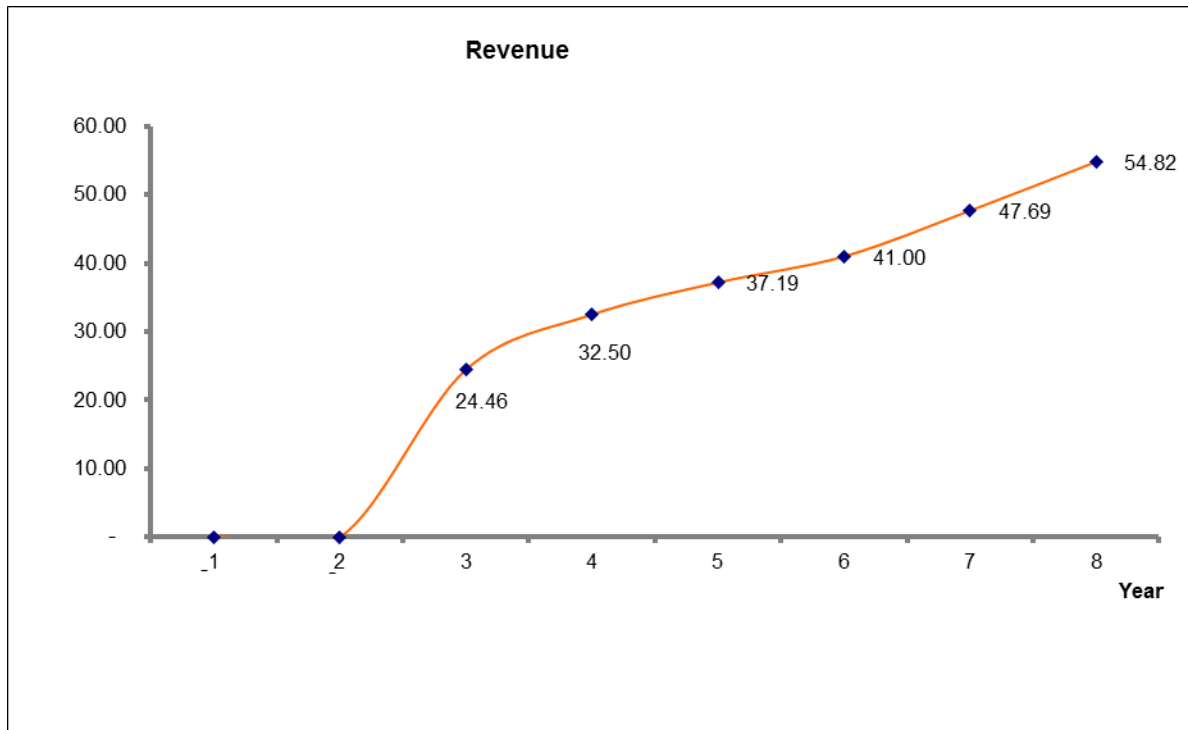




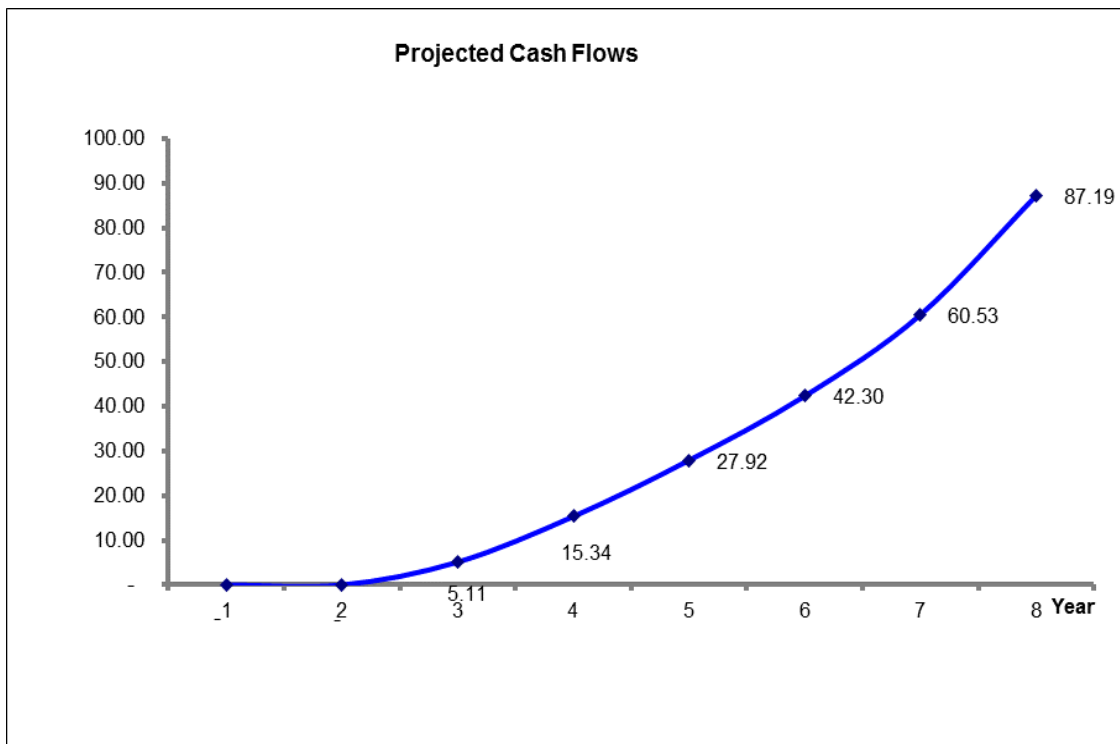




Business Revenue Trends are shown in the charts given below:



Cumulative Projected Cash Flows are shown in the chart presented below:



7.5 PROJECTED STATEMENT OF FINANCIAL POSITION

Figure in BDT '000'

Properties & Assets	Const. Year	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year
Current Assets :							
Cash & Bank Balance	-	51,133	153,350	279,195	422,955	605,287	871,885
Other current assets	-	13,273	15,180	16,203	16,979	17,395	18,346
Total Current Assets	-	54,406	168,530	295,398	439,934	622,682	890,231
Fixed Assets:							
Fixed Assets (net)	550,100	521,528	495,869	472,737	451,803	432,783	415,438
Total Fixed Assets	550,100	521,528	495,869	472,737	451,803	432,783	415,438
Total Assets	550,100	585,935	664,399	768,135	891,737	1,055,466	1,305,668
Short Term Liabilities:							
Credit supplies	-	57	66	70	72	74	77
Cash credit for Local RM	-	1,310	1,523	1,622	1,671	1,720	1,769
Cash credit for other Exp.	-	1,724	1,942	2,078	2,213	2,257	2,435
Total Short Term Liabilities	-	3,092	3,531	3,770	3,956	4,051	4,280
Term Loan:							
Bank's term loan	180,100	151,136	119,008	83,372	43,844	-	-
Owner's Equity:							
Equity	370,000	370,000	370,000	370,000	370,000	370,000	370,000
Retained earnings	-	61,708	171,860	310,993	473,937	681,415	931,388
Total	370,000	431,707	541,860	680,993	843,936	1,051,415	1,301,388
Total Liabilities & Equity	550,100	585,935	664,399	768,135	891,737	1,055,466	1,305,668

N B: This projected Statement of Financial Position is presented of the project for the next eight years including construction period.

7.6 PROJECTED STATEMENT OF CASH FLOWS

Figure in BDT '000'

Sources of Fund	Const. Year	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year
Equity	370,000	-	-	-	-	-	-
Operating Profit	-	114,258	185,680	226,786	259,549	323,759	386,249
Credit supplies	-	57	9	4	2	2	2
Cash credit for Local RM(25% of Reqt.)	-	1,310	213	98	49	49	49
Cash credit for other Exp. (25% of others)	-	1,724	218	136	134	44	178
Depreciation & Write off	-	28,572	25,659	23,132	20,935	19,019	17,346
Bank's Term Loan	180,100	-	-	-	-	-	-
Total	550,100	145,921	211,779	250,156	280,669	342,873	403,824
Utilization of Fund							
Capital Expenditure	550,100	-	-	-	-	-	-
Increase in current assets	-	13,273	1,907	1,022	777	416	951
Principal repayment of term loan	-	28,964	32,127	35,636	39,528	43,844	-
Payment of Interest & Commission	-	19,324	16,215	12,735	8,866	4,561	1,674
Payment of Income Tax	-	33,227	59,313	74,928	87,739	111,719	134,601
Total	550,100	94,788	109,562	124,311	136,910	160,540	137,226
Cash Surplus / Deficit	-	51,133	102,217	125,845	143,760	182,333	266,598
Opening Balance of Cash	-	-	51,133	153,350	279,195	422,955	605,287
Closing Balance of Cash	-	51,133	153,350	279,195	422,955	605,287	871,885

7.7 FINANCIAL ANALYSIS

A. BREAK-EVEN POINT

1. Total sales revenue at 56% capacity utilization: **Tk 244.61** Million
2. Total Cost (Operational. Administrative & Financial): **Tk 149.68** million
3. Break up cost is as follows:

Figure in BDT '000'

Item	Total Cost	Fixed Cost	Variable Cost
Service cost including food & beverage	41,084	-	41,084
Wages & Salaries	21,747	17,398	4,349
Stores & Spares	4,106	2,874	1,232
Repairs & Maintenance	2,040	1,428	612
Depreciation & Write Off	28,572	28,572	-
Water, Power & Fuel	3,284	657	2,627
Rent, Tax & Insurance	5,717	5,717	-
Directors Remuneration	2,700	2,700	-
Salary (Administration)	17,856	17,856	-
Postage, telephone & telegraph	300	240	60
Stationary & Printing	300	240	60
Travelling & Conveyance	350	280	70
Sales promotion	1,500	1,200	300
Audit Fee	200	200	-
Miscellaneous Expenses	600	300	300
Financial Expenses	19,324	17,391	1,932
Total	149,680	97,053	52,627

$$\text{P/V Ratio} = \frac{\text{Sales Rev} - \text{Variable Cost}}{\text{Sales Rev}} = \frac{244,613 - 52,627}{244,613} \times 100 = 78\%$$

$$\text{BEP Sales} = \frac{\text{Fixed Cost}}{\text{P/V ratio}} = \frac{97,053}{78\%} = \text{Tk. 124,427 thousand}$$

$$\text{BEP Capacity} = 51\% \text{ of utilized capacity}$$

$$\text{Margin of Safety} = \frac{\text{Current Sales} - \text{Sales at BEP}}{\text{Sales}} = 49\%$$

B. INTERNAL RATE OF RETURN

Cash flows are estimated using the average growth rate of 15.90%

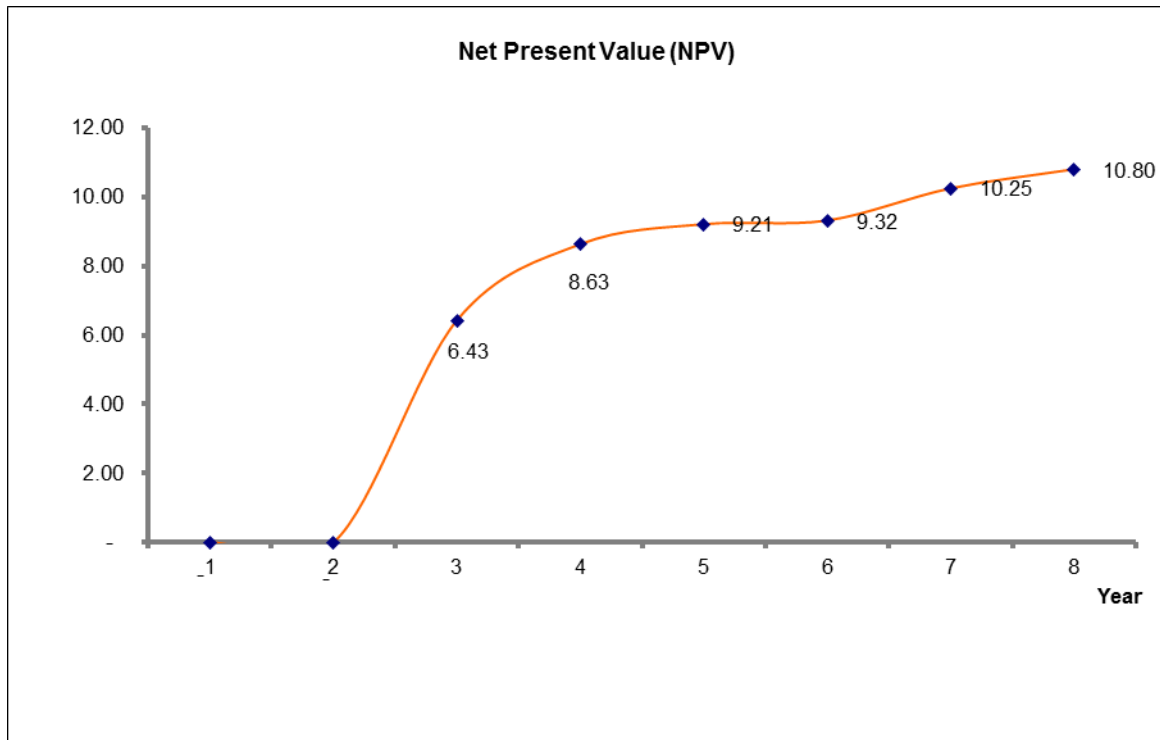
IRR						Figure in BDT'000'	
	Year - 0	Year - 3	Year - 4	Year - 5	Year - 6	Year - 7	Year - 8
Project Cost	(450,100)						
PAT		61,708	110,152	139,133	162,944	207,478	249,973
Depreciation		28,572	25,659	23,132	20,935	19,019	17,346
Operating Cash flow	(450,100)	90,279	135,811	162,265	183,878	226,498	267,319
IRR	15.87%						

NET PRESENT VALUE OF THE PROJECT

As the company's Internal Rate of Return is 15.87% and the Company expected a return on investment is about to 12%. So NPV of the Project is **Tk.96.12** million after completion of the project.

NPV Profile is shown in the chart presented below:

NPV Calculation							
	Year - 0	Year - 3	Year - 4	Year - 5	Year - 6	Year - 7	Year - 8
Project Cost	(450,100)						
PAT		61,708	110,152	139,133	162,944	207,478	249,973
Depreciation		28,572	25,659	23,132	20,935	19,019	17,346
	(450,100)	90,279	135,811	162,265	183,878	226,498	267,319
PVF @ 12%	1.00	0.7118	0.6355	0.5674	0.5066	0.4523	0.4039
Discounted Cash flows	(450,100)	64,259	86,311	92,073	93,158	102,456	107,966
NPV of all Cash flows	96,123						



C. PAYBACK PERIOD OF THE PROJECT

Cash flows are estimated using the average growth rate

$$\text{Payback Period} = 5 + \frac{61,745}{183,878} = 5.34 \text{ years}$$

Section 8:
Socio Economic Aspect

01. Employment Generator:

If the project to be started its operation, it will create an employment opportunity for 257 Person.

02. Contribution to GDP at 8th year

i) Room Sales at 8th year of operation : Tk.630,409 Thousand

ii) Inter firm transaction:

		Amount in Thousand
a)	Hotel Materials & service Cost	55,464
b)	Utilities	4,223
c)	Room Maintenance cost	3,148
d)	Repairs & Maintenance	3,720
e)	Salary and Allowance	34,842
f)	Administrative Expenses	23,246
g)	Marketing Expenses	7,749
h)	Other Expenses	2,926
i)	Property Maintenance & Depreciation & insurance	23,138
	TOTAL	158,456

Contribution to GDP (i - ii)

= Tk. 471,953 thousand

Environmental Stewardship

Climate change is one of the most important and complex issues facing the world today. Cox Regency makes a solid commitment to seek and maintain the best balance between the environment and our operation technology. In pursuit of our goal, Cox – regency will lay great stress on the following:

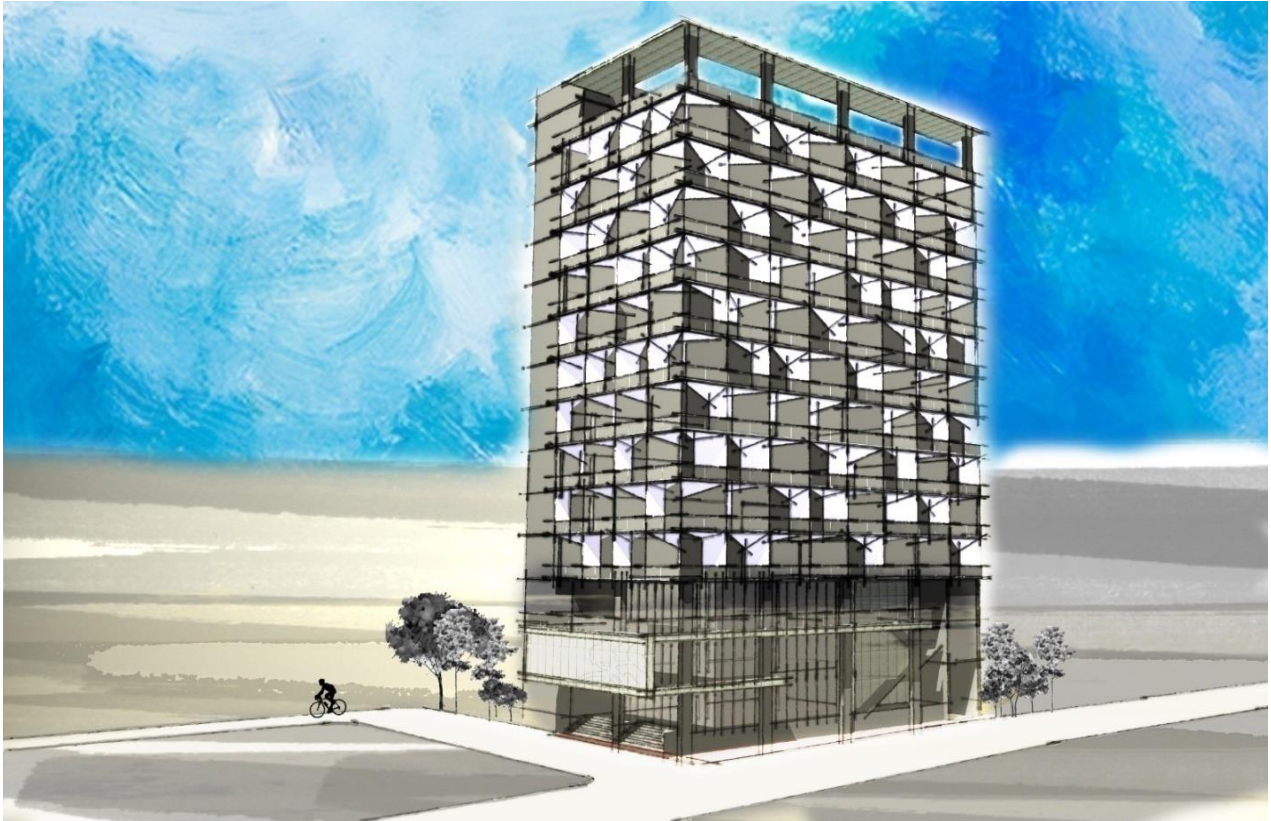
- ★ Provide the awareness training programs on environmental issues for our employees.
- ★ Reduce wastes.
- ★ Reduce the energy consumption.
- ★ Reduce the water usage.
- ★ Reduce the greenhouse gas emissions.
- ★ Reduce hazardous air emissions.
- ★ Implement and encourage internal recycling programs.
- ★ Comply completely with all local and national environmental regulations.

Section 9:

Conclusion and Recommendation

- The feasibility of the project has been conducted and analyzed from the viewpoint of marketing, financial, management & economic aspects and found to be worthwhile and desirable for investment. The projected financial results and the profitability estimated based on assumptions explained in this report, shows that the project is viable and lucrative.
- The country's economy is growing, diversified and should continue on this path for the foreseeable future. The vast majority of this growth is outside the downtown area.
- Our surveys indicate that a relatively huge amount of demand will be readily attracted to this facility without extensive marketing efforts and concessions on price. To the extent this is not successful and depending on how these marketing efforts are funded, the downside economic risk is substantial.
- The hotel compound of this project will face two basic challenges in filling the "dark" days of offseason when no foreign and local tourist are being held at the Hotel (1) the lack of a strong downtown commercial demand base; and (2) its lack of appeal to the area's dominant leisure market due to its downtown location and comparatively high room rate structure.
- The lack of parking, even with the proposed garage, and traffic-flow logistics, appear to be significant and should be expected to affect overall marketability for larger customer base.
- Analysis has been done on available primary and secondary data on current hospitality market situation in Bangladesh, as well as other attributing factors which strongly support our assumption about the economic viability of this project. After evaluating all the available economic indicators, economic outlook prepared by the multilateral donor agencies on the growth factor and its positive impact in the hospitality industry in the context of current competition; the additional capital outlay required to set up the 4 star hotel is viable in economic sense. The projected 8 year income and expenditure statement and Gross operating profit are very much in favor of this project. We also anticipate that there would be an accelerated rate of return on the investment made with the development of the project.
- The financial analysis shows that the project will generate pre-tax profit of Tk. 94.94 million, Tk. 169.46 million, Tk. 214.05 million, Tk. 250.68 million, 319.20 million and Tk. 384.58 million during the 3rd, 4th, 5th, 6th, 7th and 8th year of operations respectively. The project will yield internal financial rate of return (IRR) of 15.87%, which is reasonably higher than the acceptable rate and Net present Value (NPV) off the Project is Tk 96.12 Million. The cash flow analysis indicates that the project will be able to generate sufficient revenue from its operation to pay back debt obligations and annual operational expenses. Thus the project appears to be technically feasible, commercially viable and financially desirable.

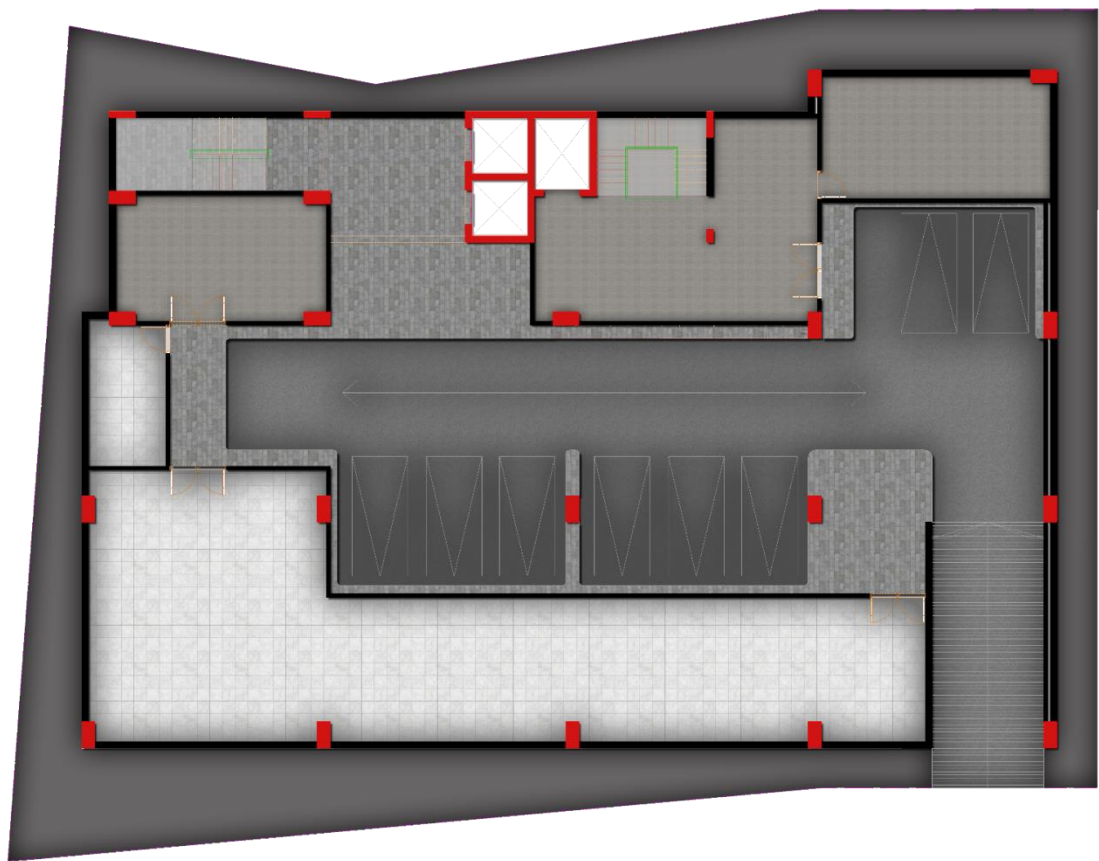
Section: 10
RESORT CONSTRUCTION PLAN AND LICENSES



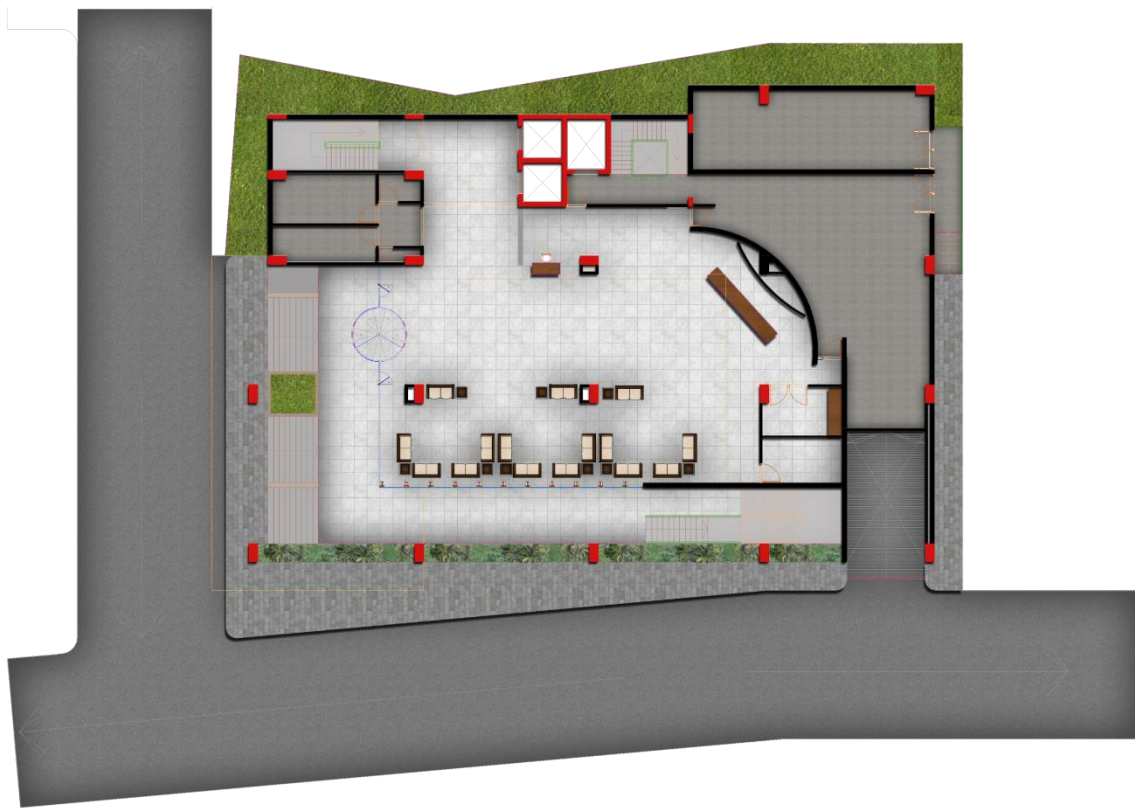
PERSPECTIVE VIEW



PERSPECTIVE VIEW



BASEMENT PLAN



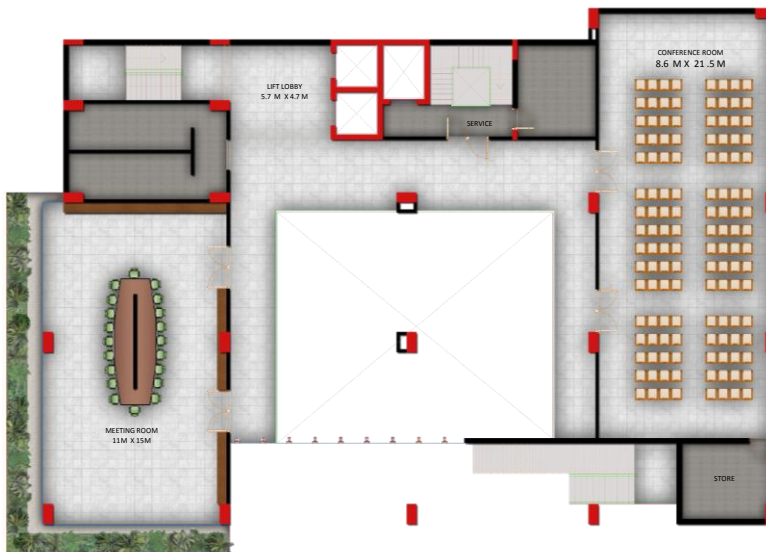
GROUND FLOOR PLAN



LOBBY & LOUNGE



RECEPTION



1ST FLOOR PLAN





2ND FLOOR PLAN



3RD-13TH FLOOR PLAN





ROOF FLOOR PLAN



Section: 11 ***DISCLAIMER***

The information contained in this Feasibility Report has been supplied by or on behalf of the proposed project “**Cox Regency**” a unit of Dhaka Regency Hotel and Resort Limited.

The information contained herein has been prepared to assist interested parties in making their own evaluation of the proposed financing for the Company and for no other purpose.

It is understood that each recipient of this Feasibility Report will perform its own independent investigation and analysis of the proposed financing and the creditworthiness of the Company, based on such information as it deems relevant. The information contained herein is not a substitute for the recipient’s independent investigation and analysis. Recipients of this Report must check and observe all applicable legal requirements and, for the avoidance of doubt, receipt of this Report and the information contained herein may not be taken as discharging the regulatory or statutory responsibilities under applicable legislation of any such recipient. The Company expressly disclaim any and all liability which is based on the information and statements or any part thereof contained in (or omitted from) the Information Memorandum.

The information contained herein includes certain statements, estimates and projections provided by the Company with respect to its anticipated future performance. Such statements, estimates and projections reflect various assumptions by the Company concerning anticipated results, which assumptions may or may not prove to be correct. Actual results may vary materially and adversely from the projected results contained herein.

Statements contained herein describing documents and agreements are provided in summary form only, and such summaries are qualified in their entirety by reference to such documents and agreements.

For Hoque Bhattacharejee Das & Co.

Section: 12
ANNEXURES OF FINANCIAL PROJECTIONS

Assumptions

01. Name of the Project : **Cox Regency**

02. Revenue days per annum : 365 Days

03. Boarding per day (Average) : 150 persons

04. Capacity Utilization Rate :	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year
	0%	0%	56%	62%	66%	68%	70%	72%

05. Foreign Currency Rate :

Euro 90.00

USD 79.00

06. Annual increase of salary will be : 10%

07. Bonus will be : 2 months basic/1mths gross(basic = 50% of monthly gross salary)

08. Depreciation Rate

Building	:	3%
Machinery & other Equipment's	:	5%
Furniture	:	10%
Vehicle	:	5%

9. Income tax 35%

10. VAT 15%

11. Rated capacity:	Service Capability
Revenue from hotel room	54,750 person
Revenue from food & beverage	54,750 person
MOD	54,750 person
Total Rated Capacity	: 164,250 person

12. Interest rate of the following items:-

Items	Rate
Loan Amount	10.50%
WC	9%

13. Rate of Fixed Cost in Break Even Analysis		
Raw Materials	:	0%
Wages & Salaries	:	80%
Stores & Spares	:	70%
Repairs & Maintenance	:	70%
Depreciation & Write Off	:	100%
Water, Power & Fuel	:	20%
Rent, Tax & Insurance	:	100%
Other Expenses	:	70%
Directors Remuneration	:	100%
Salary (Administration)	:	100%
Postage, telephone & telegraph	:	80%
Stationary & Printing	:	80%
Travelling & Conveyance	:	80%
Sales promotion	:	80%
Audit Fee	:	100%
Miscellaneous Expenses	:	50%
Financial Expenses	:	90%

14. Selling Price will increase : 20.0% 0.0% 20.0% 7.5% 7.0% 13.0% 11.8%

15. Arrangement & Agency Fee								(Fig. in BDT ' 000')
Year	1	2	3	4	5	6	7	8
Arrangement Fee incl. VAT	-	-	-	-	-	-	-	-
Agency Fee	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150
Total fees and charges	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150

Cost of the Project		
	(Fig. in BDT ' 000')	
Item	Unit Cost	Total Cost
01. Land :		
Land 26 Decimals (Cox's Bazar)	91,000	
Land Development	9,000	
Sub - Total		100,000
02. Building & other civil works :		
Hotel Building	139,466	
Other Civil Works	99,700	
Sub - Total		239,166
03. Imported Machinery & Equipment :		
Cost of Machinery	92,700	
Duty, C&F Costs	9,734	
Sub - Total		102,434
04. Furniture's :		
Furniture's	108,500	
Sub - Total		108,500
Fixed Cost		550,100

	(Fig. in BDT ' 000')
Total Project Cost	550,100
Debt - 33%	180,100
Equity - 67%	370,000

Facility to be raised:	
Existing Equity	100,000
Use of IPO fund	270,000
Term loan	180,100
Working Capital	-
Total	550,100

Details of Land & Land Development

		(Fig. in BDT ' 000')
01. Location of Land :	Cox's Bazar	
Area of Land (Decimal)		26
Cost per decimal		3,500
Cost of Land		91,000
Land Development		9,000
Total Cost of Land & Land Development		100,000

Hotel Building & Other Civil Construction

				(Fig. in BDT ' 000')
Item of Construction	Area (sqft)	Rate per sqft	Total Cost	
01. Civil Construction with super structure			139,466	
02. Tiles work			8,600	
03. Painting works	-		7,000	
04. Electrification			12,500	
05. Plumbing Works			10,100	
06. Acoustic materials at floor and Roof			5,000	
07. False Ceiling			14,500	
08. Interior decoration works with consultancy			42,000	
Sub - Total	125,798	1.90	239,166	

List of the Imported Machinery

		(Fig. in USD '000')	(Fig. in BDT ' 000')
Sl. No.	Name of the Machinery		
1	Chiller, Pumps, FCU with ducting materials	719.62	56,850
2	Generator (3 sets)	265.82	21,000
Total		985.44	77,850

Sl. No.	Name of the Machinery	Qty.	Unit Price	(Fig. in USD '000')	(Fig. in BDT ' 000')
1	Bar Equipment's with Music Sound System		-	63.29	5,000
2	SPA Equipment's			56.96	4,500
3	Health Club Equipment's			59.45	5,351
	Total			180	14,850

Importable Machinery C&F cost	92,700
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Duty, C&F Costs

Particulars	Percentage	(Fig. in BDT ' 000')
Excise & Duty	4.0%	3,708
Clearing & forwarding charges	1.0%	927
Insurance & L.C. Commission	2.5%	2,318
Pre-shipment Inspection	1.0%	927
Transportation & Installation	2.0%	1,854
Total:		9,734

TOTAL Imported Machinery cost	102,434
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List of Room Furniture's & electrical

				Unit Price in BDT	(Fig. in BDT '000)
SL.	Name of the Machinery	Unit	Quantity		Total Cost
1	Door, writing desk, minibar cabinet, closet, chair, table				65,000
2	Carpets, underlay				16,500
3	Labour and other materials				15,000
4	Electrical items. LCD Box, Light, Light Shade				12,000
	Total				108,500

Working Capital Requirement

Tied up			(Fig. in BDT ' 000')					
Current Assets :	Period (Days)	Const. year	3rd year	4th year	5th year	6th year	7th year	8th year
Food materials	45	-	1,134	1,318	1,403	1,446	1,488	1,531
Other materials	60	-	5,242	6,093	6,486	6,683	6,880	7,076
Corporate Receivables	30	-	3,377	3,926	4,179	4,305	4,432	4,559
Stores & Spares	90	-	1,013	1,063	1,063	1,164	1,164	1,164
Other Expenses	35	-	2,508	2,780	3,071	3,381	3,431	4,016
Total Current Assets		-	13,273	15,180	16,203	16,979	17,395	18,346
Local food raw material		-	1,134	1,318	1,403	1,446	1,488	1,531
Current Liabilities :								
Credit supplies	5%	-	57	66	70	72	74	77
Cash credit for Local RM(25% of Requirement)		-	1,310	1,523	1,622	1,671	1,720	1,769
Cash credit for other Exp. (25% of others)		-	1,724	1,942	2,078	2,213	2,257	2,435
Total		-	3,092	3,531	3,770	3,956	4,051	4,280
Net Working Capital		-	10,182	11,649	12,433	13,024	13,344	14,065

Projected Income Statement
Figures in BDT '000'

Items	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year
Sales Revenue	281,306	373,734	427,685	471,490	548,454	630,409
VAT @ 15%	36,692	48,748	55,785	61,499	71,537	82,227
Net Sales	244,613	324,986	371,900	409,991	476,916	548,181
Cost of goods sold	106,550	113,501	117,115	120,040	120,121	126,109
Gross profit	138,064	211,486	254,785	289,951	356,795	422,072
Administrative & Marketing exp.	23,806	25,806	27,999	30,402	33,037	35,823
Operating profit	114,258	185,680	226,786	259,549	323,759	386,249
Financial Expenses	19,324	16,215	12,735	8,866	4,561	1,674
Net operating profit	94,935	169,465	214,050	250,683	319,197	384,574
Income Tax (35%)	33,227	59,313	74,918	87,739	111,719	134,601
Net profit transfer to DRHRL	61,708	110,152	139,133	162,944	207,478	249,973
Cumulative retained earnings	61,708	171,860	310,993	473,937	681,415	931,388

Projected Statement of Financial Position							Figure in BDT '000'
Properties & Assets	Const. year	3rd year	4th year	5th year	6th year	7th year	8th year
Current Assets :							
Cash & Bank Balance	-	51,133	153,350	279,195	422,955	605,287	871,885
Other current assets	-	13,273	15,180	16,203	16,979	17,395	18,346
Total CA	-	64,406	168,530	295,398	439,934	622,682	890,231
Fixed Assets:							
Fixed Assets (net)	550,100	521,528	495,869	472,737	451,803	432,783	415,438
Total FA	550,100	521,528	495,869	472,737	451,803	432,783	415,438
Total Assets	550,100	585,935	664,399	768,135	891,737	1,055,466	1,305,668
Short Term Liabilities:							
Credit supplies	-	57	66	70	72	74	77
Cash credit for Local RM(25% of Requirement)	-	1,310	1,523	1,622	1,671	1,720	1,769
Cash credit for other Exp. (25% of others)	-	1,724	1,942	2,078	2,213	2,257	2,435
Total Short Term Liabilities	-	3,092	3,531	3,770	3,956	4,051	4,280
Term Loan:							
Bank's term loan	180,100	151,136	119,008	83,372	43,844	0	0
Owner's Equity:							
Equity	370,000	370,000	370,000	370,000	370,000	370,000	370,000
Retained earnings	-	61,708	171,860	310,993	473,937	681,415	931,388
Total	370,000	431,707	541,860	680,993	843,936	1,051,415	1,301,388
Total Liabilities & Equity	550,100	585,935	664,399	768,135	891,737	1,055,466	1,305,668
Calculation of fixed assets(net):-							
	Const. year	3rd year	4th year	5th year	6th year	7th year	8th year
Total depreciation	-	28,572	25,659	23,132	20,935	19,019	17,346
Fixed assets (net)	550,100	521,528	495,869	472,737	451,803	432,783	415,438

COST OF SERVICE SOLD						
Particulars	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year
Capacity Utilization	56%	62%	66%	68%	70%	72%
Room Services	9198	10693	11383	11727	12072	12417
Food & Beverage	31886	37068	39459	40655	41851	43047
Cost of Services	41084	47761	50842	52383	53923	55464
Total Cost of Services	41084	47761	50842	52383	53923	55464
Wages & Salaries	21747	23892	26252	28847	28847	34842
Utility Cost (Water, Electricity etc.)	820	908	967	996	1025	1055
Gas for Generator	1370	1517	1615	1664	1713	1762
Fuel & Lubricants	1094	1211	1289	1328	1367	1406
Stores & Spares	4106	4312	4312	4722	4722	4722
Repair & Maintenance	2040	2490	2940	3390	3720	3720
Insurance on Fixed Cost	5501	5501	5501	5501	5501	5501
Insurance on Stocks RM & FG	216	251	267	275	283	291
Depreciation	28572	25659	23132	20935	19019	17346
Total Cost of Service	106550	113501	117115	120040	120121	126109
Direct cost						
BDT '000'						
Item	Unit	Total	Total			
Room maintenance other cost	Prs	300	16425			
Food & Beverage cost	Prs	1,040	56940			
Total			73365			

Wages & Salaries

BDT '000'		
Post	Month	Year
1. Director Operation (partly)	100000	1200
2. General Manager (Partly)	50000	600
3. Asst. General Manager	60000	720
4. Room In Charge & Supervisor	30000	2160
5. Maintenance Team & Utility Operations	25000	1800
6. Room Service Staffs	15000	3600
7. Maintenance staff	8000	1920
8. Room Boy	6000	6480
9. Other support Staffs	6000	720
10. Cleaner	5000	600
Total		19800

Operating Year	2nd Year	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year
Wages & Salaries	0	19800	19800	19800	19800	19800	19800
Increment in Gross Salary @10%	0	0	1980	4158	6554	9189	12088
New Gross Salary	0	19800	21780	23958	26354	28989	31888
Bonus (1 Month's Gross Salary)	0	1650	1815	1997	2196	2416	2657
Medical Allowance @Tk. 1800 per Months	0	297	297	297	297	297	297
Total Salary & Wages	0	21747	23892	26252	28847	31702	34842

Water

Daily Water Requirements : 1222800 Liter, Will be meet by own deep tube well

Power

Connect Load: KW	KW	1850
Average Demand KW	KW	1637.5
Share of CESA/REB:	%	10%
Share of Generator Power	%	90%
Yearly Consumption of Power from PBS	KWR	382500
Yearly Consumption of Power from Generator	KWR	3442500
REB/PBS Power Rate during peak hour	BDT/KWR	4.22
REB/PBS Power Rate during Off peak hour	BDT/KWR	3.70
Share of REB/PBS Power Consumed during Off Peak Hour	%	75%
Share of REB/PBS Power Consumed during Peak Hour	%	25%
Cost of Power from REB/PBS in off peak hour	BDT	1061437.5
Cost of Power from REB/PBS in peak hour	BDT	403537.5
Demand Charge in BDT @	BDT	40800
Service Charge in BDT	BDT	4200
Govt. Duty (VAT @ 7.5% on Consumption of Electricity)	BDT	109873.1
Total		1619.85

Fuel , Lubricants and Other Consumables

Item	Unit	Quantity	Rate in BDT	Total BDT'000'
Grease	Kg	1800	210	378
Lubricant	Litre	2200	180	396
Fuel for Vehicles(Avg. Rate)	Litre	13100	90	1179
Gas for Generator	CUM	407,763	6.00	2447
				4400

BDT'000'

Operating Year	2nd Year	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year
Capacity Utilization	0%	56%	62%	66%	68%	70%	72%
1. Gas for Generator	0	1370	1517	1615	1664	1713	1762
2. Power from PBS	0	820	908	967	996	1025	1055
3. Demand & service Charge	0	25	28	30	31	32	32
4. Fuels: For Car/Microbus	0	660	731	778	802	825	849
5. Other Fuel & Lubricants	0	433	480	511	526	542	557
Total	0	3309	3664	3900	4018	4137	4255

Store & Spare**BDT'000'**

Store & Spares and Consumables	0	4106	4312	4312	4722	4722	4722
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Repair & Maintenance**BDT'000'**

Cost of repair & maintenance @ 0.5%, 0.75%,1.0%,1.25%, for 1st, 2nd, 3rd, 4th & sub sequent years respectively on machinery cost	0	844	1055	1266	1477	1687	1687
Building: 0.5%, 1.0%, 1.5% on the Building cost	0	1196	1435	1674	1913	2033	2033
Total	0	2040	2490	2940	3390	3720	3720

Insurance, Tax, Rent

Factory Building, Equipment, etc. @ 1.0% of Fixed Cost)	5501	5501	5501	5501	5501	5501	5501
Total							

Sales Estimate [Room Services]						
Item	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year
Revenue at rated capacity	54,750	54,750	54,750	54,750	54,750	54,750
Capacity utilization	56%	62%	66%	68%	70%	72%
Revenue at capacity utilization	30,660	33,945	36,135	37,230	38,325	39,420
Estimated Sales (BDT)	199,290,000	264,771,000	302,991,975	334,025,699	388,550,482	446,611,025
Sales Estimate [Food & Beverage]						
Item	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year
Revenue at rated capacity	54,750	54,750	54,750	54,750	54,750	54,750
Capacity utilization	56%	62%	66%	68%	70%	72%
Revenue at capacity utilization	30,660	33,945	36,135	37,230	38,325	39,420
Estimated Sales (BDT)	79,716,000	105,908,400	121,196,790	133,610,279	155,420,193	178,644,410
Sales Estimate [MOD]						
Item	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year
Revenue at rated capacity	54,750	54,750	54,750	54,750	54,750	54,750
Capacity utilization	56%	62%	66%	68%	70%	72%
Revenue at capacity utilization	30,660	33,945	36,135	37,230	38,325	39,420
Estimated Sales (BDT)	2,299,500	3,055,050	3,496,061	3,854,143	4,483,275	5,153,204
Sales Revenue				Figures in BDT '000'		
Item	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year
Revenue from hotel room	199,290	264,771	302,992	334,026	388,550	446,611
Revenue from food & beverage	79,716	105,908	121,197	133,610	155,420	178,644
MOD	2,300	3,055	3,496	3,854	4,483	5,153
Total Sales Revenue	281,306	373,734	427,685	471,490	548,454	630,409
Assumptions:						
01. Operation time	3 shifts of 8 hrs, per day					
02. Production period	365 days in year					
03. Total Rated capacity	164,250 Person per year					
04. Assumed capacity utilization	56%	62%	66%	68%	70%	72%
05. Selling Price:						
Room	6,500	7,800	8,385	8,972	10,138	11,330
Food & Beverage	2,600	3,120	3,354	3,589	4,055	4,532
MOD	75	90	97	104	117	131
Total per person	9,175	11,010	11,836	12,664	14,311	15,992

General, Administrative & Selling Expenses				Figures in BDT '000'				
Item			3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year
Directors' Remuneration	-	-	2,700	2,835	2,977	3,126	3,282	3,446
Administrative Staffs Salary including marketing	-	-	17,856	19,641	21,605	23,766	26,142	28,756
Post, Telephone	-	-	300	323	347	373	401	431
Stationary & Printing	-	-	300	315	331	347	365	383
Travelling & Conveyance	-	-	350	368	386	405	425	447
Sales promotion	-	-	1,500	1,425	1,354	1,286	1,222	1,161
Audit Fee	-	-	200	200	200	200	200	200
Miscellaneous Expenses	-	-	600	700	800	900	1,000	1,000
Total	-	-	23,806	25,806	27,999	30,402	33,037	35,823

	Administrative Staffs:	No of Post	Salary Per Month	Annual Salary
1	Executive Director (partly)	1	50,000	600
2	Restaurant, Bar Manager	1	80,000	960
3	Manager Accounts & Finance	1	50,000	600
4	Admin Manager	1	50,000	600
5	Service Manager	6	50,000	3,600
6	Admin Officer	10	25,000	3,000
7	Accounts Officer	2	20,000	480
9	Security Officer	2	20,000	480
10	Store Officer	1	1,500	18
11	Store Keeper	4	10,000	480
12	Nurse /Aua/Brother	4	8,000	384
13	Security Guard	30	8,000	2,880
14	Driver	15	8,000	1,440
15	Peon	10	6,000	720
16	Sweeper/Mali	4	5,000	240
	Total	92		16,482

Operating Year				Figures in BDT '000'				
			3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year
Salary	-	-	16,482	16,482	16,482	16,482	16,482	16,482
Increment in Gross Salary @5%	110%	-	-	1,648	3,461	5,456	7,649	10,062
New Gross Salary	-	-	16,482	18,130	19,943	21,938	24,131	26,544
Bonus (1 Month's Gross Salary)	-	-	1,374	1,511	1,662	1,828	2,011	2,212
Total Salary	-	-	17856	19641	21605	23766	26142	28756

Depreciation: Considering, Ecominic Life of Plant

Calculation of Depreciation

Sl. No.	Particulars	Depreciation		Life of Assets (Yr.)	Salvage Value		Fig. in BDT '000'							
		Rate	Value		Value	Rate	Value	3rd year	4th year	5th year	6th year	7th year	8th year	
1	Building	3%	239,166	33	3%	7,175	7,175	6,960	6,751	6,548	6,352	6,161		
2	Machinery & other Equipment's	5%	102,434	20	5%	5,122	5,122	4,866	4,622	4,391	4,172	3,963		
3	Furniture & Fixture	15%	108,500	6.5	10%	-	16,275	13,834	11,759	9,995	8,496	7,221		
	Total Depreciation		450,100				12,297	28,572	25,659	23,132	20,935	19,019	17,346	

Estimates of Financial Expenses						
(Fig. in BDT '000')						
Particulars	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year
Interest on Term Loan	17,795	14,632	11,123	7,231	2,915	0
Commission on Credit Purchase	8	9	10	10	10	11
Syndication fees & charges	1,150	1,150	1,150	1,150	1,150	1,150
Interest on Cash Credit	7	8	8	9	9	9
Interest on Cash Credit for food	157	183	195	200	206	212
Interest on Cash Credit for other Cost:	207	233	249	266	271	292
Total	19,324	16,215	12,735	8,866	4,561	1,674
Commission on Credit Purchase						
Credit purchases	1,134	1,318	1,403	1,446	1,488	1,531
Commission @ 0.70% per annum	8	9	10	10	10	11
Interest on Cash Credit						
Amount of Cash Credit	57	66	70	72	74	77
Interest @ 12% per annum	7	8	8	9	9	9
Interest on Cash Credit for food						
Cash credit for food	1,310	1,523	1,622	1,671	1,720	1,769
Interest @ 12% per annum	157	183	195	200	206	212
Interest on Cash Credit for other Cost:						
Cash credit for other Exp.	1,724	1,942	2,078	2,213	2,257	2,435
Interest @ 12% p.a.	207	233	249	266	271	292

Fig in BDT '000'

Term Loan							
Total Loan Amount	180,100						
Project Loan	180,100						
Total loan amount	180,100						
Interest Rate	10.50%	0.02625	quarterly charged				
Tenure	5						
No. of installment	20						
PMT	11,690						

Installment No	Beg. Bal	Installment	Interest	Principal	End Bal	Yearly int.	Yearly principl
1	180,100	11,690	4,728	6,962	173,138		
2	173,138	11,690	4,545	7,145	165,993		
3	165,993	11,690	4,357	7,332	158,661		
4	158,661	11,690	4,165	7,525	151,136	17,795	28,964
5	151,136	11,690	3,967	7,722	143,413		
6	143,413	11,690	3,765	7,925	135,488		
7	135,488	11,690	3,557	8,133	127,355		
8	127,355	11,690	3,343	8,347	119,008	14,632	32,127
9	119,008	11,690	3,124	8,566	110,442		
10	110,442	11,690	2,899	8,791	101,652		
11	101,652	11,690	2,668	9,021	92,630		
12	92,630	11,690	2,432	9,258	83,372	11,123	35,636
13	83,372	11,690	2,189	9,501	73,871		
14	73,871	11,690	1,939	9,751	64,120		
15	64,120	11,690	1,683	10,007	54,114		
16	54,114	11,690	1,420	10,269	43,844	7,231	39,528
17	43,844	11,690	1,151	10,539	33,306		
18	33,306	11,690	874	10,815	22,490		
19	22,490	11,690	590	11,099	11,391		
20	11,391	11,690	299	11,391	0	2,915	43,844

Annual interest and principal repayment				End Balance
Year	Interest	Principal	Installment	
1	17,795	28,964	46,759	151,136
2	14,632	32,127	46,759	119,008
3	11,123	35,636	46,759	83,372
4	7,231	39,528	46,759	43,844
5	2,915	43,844	46,759	-
Total	53,695	180,100	233,795	

Projected Statement of Fund Flows							Figure in BDT '000'
Sources of Fund	Const. yr.	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year
Paid-up Capital	370,000	-	-	-	-	-	-
Operating Profit	-	114,258	185,680	226,786	259,549	323,759	386,249
Credit supplies	-	57	9	4	2	2	2
Cash credit for Local RM(25% of Requirement)	-	1,310	213	98	49	49	49
Cash credit for other Exp. (25% of others)	-	1,724	218	136	134	44	178
Depreciation & Write off	-	28,572	25,659	23,132	20,935	19,019	17,346
Bank's Term Loan	180,100	-	-	-	-	-	-
Total	550,100	145,921	211,779	250,156	280,669	342,873	403,824
Utilization of Fund							
Capital Expenditure	550,100	-	-	-	-	-	-
Increase in current assets	-	13,273	1,907	1,022	777	416	951
Principal repayment of term loan	-	28,964	32,127	35,636	39,528	43,844	-
Payment of Interest & Commission	-	19,324	16,215	12,735	8,866	4,561	1,674
Payment of Income Tax	-	33,227	59,313	74,918	87,739	111,719	134,601
Total	550,100	94,788	109,562	124,311	136,910	160,540	137,226
Cash Surplus / Deficit	-	51,133	102,217	125,845	143,760	182,333	266,598
Opening Balance of Cash	-	-	51,133	153,350	279,195	422,955	605,287
Closing Balance of Cash	-	51,133	153,350	279,195	422,955	605,287	871,885
Calculation of principal repayment of term loan:							
	Const. yr.	3rd yr.	4th yr.	5th yr.	6th yr.	7th yr.	8th yr.
Interest on term loan	-	17,795	14,632	11,123	7,231	2,915	-
Yearly Installment payment	-	46,759	46,759	46,759	46,759	46,759	-
Principal repayment of term loan	-	28,964	32,127	35,636	39,528	43,844	-

Sensitivity Analysis								
Based on 10% increase in service cost			(Fig. in BDT ' 000')					
Item	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year
Sales revenue	-	-	281,306	373,734	427,685	471,490	548,454	630,409
Cost of goods sold	-	-	117,205	124,851	128,827	132,044	132,133	138,720
Gross profit	-	-	164,101	248,884	298,858	339,446	416,320	491,688
Administrative & Marketing Exp.			23,806	25,806	27,999	30,402	33,037	35,823
Operating profit	-	-	140,295	223,078	270,859	309,044	383,284	455,865
Financial Expenses	-	-	19,324	16,215	12,735	8,866	4,561	1,674
Net operating profit	-	-	120,972	206,863	258,124	300,178	378,723	454,191
Income Tax (35%)	-	-	42,340	72,402	90,343	105,062	132,553	158,967
Net profit	-	-	78,632	134,461	167,781	195,115	246,170	295,224
Debt Service coverage ratio			3.50	5.15	6.08	6.82	8.31	282.62

Sensitivity Analysis								
Based on 10% decrease in Sales			(Fig. in BDT ' 000')					
Item	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year
Sales revenue	-	-	253,175	336,361	384,916	424,341	493,609	567,368
Cost of goods sold	-	-	106,550	113,501	117,115	120,040	120,121	126,109
Gross profit	-	-	146,625	222,860	267,801	304,301	373,487	441,258
Administrative & Marketing Exp.			23,806	25,806	27,999	30,402	33,037	35,823
Operating profit	-	-	122,820	197,054	239,802	273,899	340,451	405,435
Financial Expenses	-	-	19,324	16,215	12,735	8,866	4,561	1,674
Net operating profit	-	-	103,496	180,840	227,067	265,033	335,890	403,761
Income Tax (35%)	-	-	36,224	63,294	79,473	92,761	117,561	141,316
Net profit	-	-	67,272	117,546	147,593	172,271	218,328	262,444
Debt Service coverage ratio			3.14	4.61	5.44	6.09	7.43	252.50

References								
Depreciation & write Off	-	-	28,572	25,659	23,132	20,935	19,019	17,346
Principal repayment of term loan	-	-	28,964	32,127	35,636	39,528	43,844	-
Payment of Interest	-	-	19,324	16,215	12,735	8,866	4,561	1,674

Calculation of Payback Period								
01. Amount to be backed/recovered								
		450,100						
02. Amount to be available for recovery of Fixed Investment								
Figure in BDT '000'								
Income			3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year
Net Profit	-	-	61,708	110,152	139,133	162,944	207,478	249,973
Depreciation & Write-Off	-	-	28,572	25,659	23,132	20,935	19,019	17,346
Total	-	-	90,279	135,811	162,265	183,878	226,498	267,319
03. Payback Period:								
Year	Amount to be Backed		Amount Available for recovery of fixed Inv.		Balance Amount to be recovered			
0	450,100		0		450,100			
1	450,100		0		450,100			
2	450,100		0		450,100			
3	450,100		90,279		359,821			
4	359,821		135,811		224,009			
5	224,009		162,265		61,745			
6	61,745		183,878		-			
7			226,498		-			
8			267,319		-			
The Payback period will be 5 years 4 months								

Debt-Service Coverage Ratio								
								<i>BDT In '000'</i>
Income	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year
Net Profit	-	-	61,708	110,152	139,133	162,944	207,478	249,973
Depreciation & write Off	-	-	28,572	25,659	23,132	20,935	19,019	17,346
Financial Expenses	-	-	19,324	16,215	12,735	8,866	4,561	1,674
Income Tax (35%)	-	-	33,227	59,313	74,918	87,739	111,719	134,601
Total	-	-	142,830	211,339	249,918	280,483	342,778	403,594
Obligation								
Principal repayment of term loan	-	-	28,964	32,127	35,636	39,528	43,844	-
Payment of Interest & Commission	-	-	19,324	16,215	12,735	8,866	4,561	1,674
Total	-	-	48,288	48,342	48,371	48,394	48,406	1,674
Debt-Service Coverage Ratio (Time)			2.96	4.37	5.17	5.80	7.08	241.05

Break Even Analysis**(At the 3rd year)****Fig. in BDT '000'**

01. Sales and Service revenue at 56% capacity

244,613

02. Total Cost : Operational, Administrative and Financial

149,679

Item	Total Cost	Fixed Cost	Variable Cost
Service cost	41,084	-	41,084
Wages & Salaries	21,747	17,398	4,349
Stores & Spares	4,106	2,874	1,232
Repairs & Maintenance	2,040	1,428	612
Depreciation & Write Off	28,572	28,572	-
Water, Power & Fuel	3,284	657	2,627
Rent, Tax & Insurance	5,717	5,717	-
Directors Remuneration	2,700	2,700	-
Salary (Administration)	17,856	17,856	-
Postage, telephone & telegraph	300	240	60
Stationary & Printing	300	240	60
Travelling & Conveyance	350	280	70
Sales promotion	1,500	1,200	300
Audit Fee	200	200	-
Miscellaneous Expenses	600	300	300
Financial Expenses	19,324	17,391	1,932
	149,679	97,052	52,627

P/V Ratio : Sales - Variable Cost / Sales**0.78****Break Even Point (Sales)=Fixed Cost /P/V Ratio****123,655****51%of utilized capacity****Break Even Point (Cash)= (Fixed Cost - Depreciation) / Contribution margin per unit****0.51**

IRR		Figure in BDT'000'					
	Year - 0	Year - 3	Year - 4	Year - 5	Year - 6	Year - 7	Year - 8
Project Cost	(450,100)						
PAT		61,708	110,152	139,133	162,944	207,478	249,973
Depreciation		28,572	25,659	23,132	20,935	19,019	17,346
Operating Cash flow	(450,100)	90,279	135,811	162,265	183,878	226,498	267,319
IRR	15.87%						

NPV Calculation							
	Year - 0	Year - 3	Year - 4	Year - 5	Year - 6	Year - 7	Year - 8
Project Cost	(450,100)						
PAT		61,708	110,152	139,133	162,944	207,478	249,973
Depreciation		28,572	25,659	23,132	20,935	19,019	17,346
	(450,100)	90,279	135,811	162,265	183,878	226,498	267,319
PVF @ 12%	1.00	0.7118	0.6355	0.5674	0.5066	0.4523	0.4039
Discounted Cash flows	(450,100)	64,259	86,311	92,073	93,158	102,456	107,966
NPV of all Cash flows	96,123						

Discounted Cost Values							
	Year - 0	Year - 3	Year - 4	Year - 5	Year - 6	Year - 7	Year - 8
Project Cost	(450,100)						
Operating Cost		43,129	42,021	40,734	39,269	37,598	37,498
Less: Depreciation		28,572	25,659	23,132	20,935	19,019	17,346
	(450,100)	14,557	16,361	17,602	18,334	18,578	20,152
PVF @ 12%	1.00	0.7118	0.6355	0.5674	0.5066	0.4523	0.4039
Discounted Cash Cost	(450,100)	10,362	10,398	9,988	9,289	8,404	8,139
	Year - 0	Year - 3	Year - 4	Year - 5	Year - 6	Year - 7	Year - 8
Sales		244,613	324,986	371,900	409,991	476,916	548,181
PVF @ 12%	1.00	0.7118	0.6355	0.5674	0.5066	0.4523	0.4039
Discounted Sales Value		174,111	206,535	211,026	207,714	215,733	221,401
Net Benefit	(450,100)	163,749	196,137	201,038	198,426	207,329	213,262
NPV of all cash flows	729,841						
Profitability Index	1.21						

RATIO ANALYSIS							
		Year-3	Year-4	Year-5	Year-6	Year-7	Year-8
Profitability Ratios							
Gross Profit to Sales		56.44%	65.08%	68.51%	70.72%	74.81%	76.99%
Net Profit to Sales		25.23%	33.89%	37.41%	39.74%	43.50%	45.60%
Return on Asset		10.53%	16.58%	18.11%	18.27%	19.66%	19.15%
Return on Equity		14.29%	20.33%	20.43%	19.31%	19.73%	19.21%
PBIT to Total Asset		19.50%	27.95%	29.52%	29.11%	30.67%	29.58%
IRR	15.87%						
Liquidity Ratios							
Current Ratio		20.83	47.72	78.36	111.22	153.71	207.99
Cash Ratio		16.54	43.42	74.06	106.92	149.41	203.70
Debt Management Ratios							
Total Debt to Total Assets		0.26	0.18	0.11	0.05	0.00	0.00
Long Term Debt to Total Assets		0.26	0.18	0.11	0.05	0.00	0.00
Total Debt to Equity		0.36	0.23	0.13	0.06	0.00	0.00
Long Term Debt to Equity		0.35	0.22	0.12	0.05	0.00	0.00
Times Interest Earned Ratio (TIER)		4.19	7.79	11.93	19.38	46.49	150.30
Asset/Liability Utilization Ratios							
Asset Turnover	-	0.42	0.49	0.48	0.46	0.45	0.42
Inventory Turnover		-	-	-	-	-	-
Sales to Fixed Asset Ratio	-	0.47	0.66	0.79	0.91	1.10	1.32

Provisions for lock-in:

As per rule-10 of Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015:

Ordinary shares of the issuer shall be subject to lock-in, from the date of issuance of prospectus or commercial operation, whichever comes later, in the following manner:

- 1) All shares held, at the time of according consent to the public offer, by sponsors, directors and shareholders holding 5% or more shares, other than alternative investment funds, for 03(three) years;
- 2) All shares allotted, before 02(two) years of according consent to the public offer, to any person, other than alternative investment funds, for 03(three) years;
- 3) In case any existing sponsor or director of the issuer transfers any share to any person, other than existing shareholders, within preceding 12 (twelve) months of submitting an application for raising of capital or initial public offer (IPO), all shares held by those transferee shareholders, for 03(three) years;
- 4) 25% of the shares allotted to eligible investors, for 03 (three) months and other 25% of the shares allotted to them, for 06 (six) months;
- 5) All shares held by alternative investment funds, for 01(one) year; and
- 6) Shares allotted, within two years of according consent to the public offer, to any person other than the shares mentioned in sub-rules (1), (2), (3), (4), and (5) above, for 01(one) year.

Provided that ordinary shares converted from any other type of securities shall also be subject to lock-in as mentioned above.

Sl. No.	Name of the Shareholders	BO ID	Position	No of Securities	%	Lock-in period from the date of issuance of prospectus
Directors and Sponsors:						
1	Musleh Uddin Ahmed	1204030043672812	Chairman	7,731,886	12.89	3 years
2	Dilkush Begum		Vice Chairman	4,202,000	7.00	3 years
3	Kabir Reza	1204500041542920	Director & MD	5,780,000	9.63	3 years
4	Najma Arif		Director	3,200,000	5.33	3 years
5	Rukeya Khatun		Director	3,200,000	5.33	3 years
6	Zebun Nessa	1204030061786349	Director	3,200,000	5.33	3 years
7	Arif Motahar		Sponsor	2,970,000	4.95	3 years
Sub Total (A)				30,283,886	50.47	
General Shareholders:						
8	Mohsin Ahmed		Shareholder	174,000	0.29	3 years
9	Minaz Ahmed		Shareholder	174,000	0.29	3 years
10	Anhar Miah		Shareholder	174,000	0.29	3 years
11	Mohammed Kamal Uddin		Shareholder	174,000	0.29	3 years
12	Karim Uddin		Shareholder	174,000	0.29	3 years
13	Shah Jahan		Shareholder	174,000	0.29	3 years
14	Md. Kamrul Islam		Shareholder	174,000	0.29	3 years
15	Yabor Ali		Shareholder	174,000	0.29	3 years
16	Hefzur Rahman		Shareholder	348,000	0.58	3 years
17	Tamjida Khatun		Shareholder	174,000	0.29	3 years
18	Shafique Uddin		Shareholder	174,000	0.29	3 years
19	Mumin Ali		Shareholder	174,000	0.29	3 years
20	Goffar Miah		Shareholder	696,000	1.16	3 years
21	Badar Uddin Ahmed		Shareholder	174,000	0.29	3 years
22	Aminur Rashid		Shareholder	174,000	0.29	3 years
23	Mohammed Salim Uddin		Shareholder	174,000	0.29	3 years
24	Monzur Hussain		Shareholder	174,000	0.29	3 years
25	Abdul Shahid Mannan		Shareholder	174,000	0.29	3 years
26	Mustakim Ali		Shareholder	174,000	0.29	3 years

27	Moinul Islam		Shareholder	174,000	0.29	3 years
28	Mustafizur Rahman		Shareholder	174,000	0.29	3 years
29	Muhammad Iman Ali		Shareholder	120,000	0.20	3 years
30	Juber Ahmed		Shareholder	174,000	0.29	3 years
31	Iman Uddin		Shareholder	174,000	0.29	3 years
32	MD. Kashedul Haque Misson		Shareholder	174,000	0.29	3 years
33	Qazi Kaisar Ahmed		Shareholder	870,000	1.45	3 years
34	Sadaqur Rahman Chowdhury		Shareholder	174,000	0.29	3 years
35	Ashraf Khan		Shareholder	174,000	0.29	3 years
36	Afzal Khan		Shareholder	174,000	0.29	3 years
37	Mohammed Jamal Uddin		Shareholder	174,000	0.29	3 years
38	Dr. Abdur Rahim Khan		Shareholder	174,000	0.29	3 years
39	Sanu Miah		Shareholder	174,000	0.29	3 years
40	Momota Begum		Shareholder	174,000	0.29	3 years
41	Matin Rashed Khan		Shareholder	203,000	0.34	3 years
42	Kabir Ahmed		Shareholder	174,000	0.29	3 years
43	Fakhrul Islam Chowdhury		Shareholder	174,000	0.29	3 years
44	Nasima Akhtar		Shareholder	60,000	0.10	3 years
45	Sheikh Halima Akhtar		Shareholder	60,000	0.10	3 years
46	Mashud Uddin		Shareholder	174,000	0.29	3 years
47	Md. Musa Al kajem		Shareholder	174,000	0.29	3 years
48	Abdul Bari		Shareholder	174,000	0.29	3 years
49	Mojibul Hoque		Shareholder	348,000	0.58	3 years
50	Luckey Chowdhury		Shareholder	174,000	0.29	3 years
51	Muhammad Muzammil Ali		Shareholder	174,000	0.29	3 years
52	Hasina Momtaz		Shareholder	174,000	0.29	3 years
53	Babul Akhtar		Shareholder	696,000	1.16	3 years
54	Najrul Khasru		Shareholder	199,000	0.33	3 years
55	Mohammed Mohed Ali Mitu		Shareholder	174,000	0.29	3 years
56	Nozrul Islam		Shareholder	174,000	0.29	3 years
57	Motiur Rahman		Shareholder	174,000	0.29	3 years
58	Abdul Khalik		Shareholder	174,000	0.29	3 years
59	Md Sadrul Islam		Shareholder	174,000	0.29	3 years
60	Akik Uddin		Shareholder	174,000	0.29	3 years
61	Mohammed Qumruzzaman		Shareholder	174,000	0.29	3 years
62	Haji Mohammed Mamun Choudury		Shareholder	174,000	0.29	3 years
63	Md Taj Ullah		Shareholder	174,000	0.29	3 years
64	Rezaul Islam Choudhury		Shareholder	174,000	0.29	3 years
65	Saydikur Rahman		Shareholder	696,000	1.16	3 years
66	Dr Quazi Mohafuzal Haque		Shareholder	174,000	0.29	3 years
67	Dr Uddin Ahmed Afsaer		Shareholder	174,000	0.29	3 years
68	Mokbul Ali		Shareholder	174,000	0.29	3 years
69	Abdus Salam		Shareholder	174,000	0.29	3 years
70	Abdul Asad Choudhury		Shareholder	174,000	0.29	3 years
71	Mustafa Kamal		Shareholder	174,000	0.29	3 years
72	Mansur Ali		Shareholder	174,000	0.29	3 years
73	Shabbir Ahmed		Shareholder	174,000	0.29	3 years
74	Layekul Islam		Shareholder	174,000	0.29	3 years
75	Faruk Miah Talukder		Shareholder	174,000	0.29	3 years
76	Shahidul Islam		Shareholder	174,000	0.29	3 years
77	Imranul Islam		Shareholder	174,000	0.29	3 years
78	Md Faysol Hussain		Shareholder	174,000	0.29	3 years
79	Md. Goyas Miah		Shareholder	696,000	1.16	3 years
80	Shamsul Haque		Shareholder	174,000	0.29	3 years
81	Mohammed Ashik Miah		Shareholder	174,000	0.29	3 years
82	Nuraz Zaman		Shareholder	174,000	0.29	3 years
83	Zuber Ahmed Laskar		Shareholder	174,000	0.29	3 years
84	Enam-ul Haque Chowdhury		Shareholder	174,000	0.29	3 years
85	Luthfur Rahman		Shareholder	174,000	0.29	3 years

86	Yahya Chowdhury		Shareholder	174,000	0.29	3 years
87	Ali Mohammed Zakaria		Shareholder	696,000	1.16	3 years
88	Badrul Haque		Shareholder	174,000	0.29	3 years
89	Suraiya Khatun		Shareholder	348,000	0.58	3 years
90	Qazi Faisal Ahmed		Shareholder	696,000	1.16	3 years
91	Sahadat Hossain Monir		Shareholder	174,000	0.29	3 years
92	Mohammed Sayed Reza	1204030061786357	Shareholder	1,044,000	1.74	3 years
93	Md. Alim Uddin		Shareholder	174,000	0.29	3 years
94	Israk Ali		Shareholder	1,044,000	1.74	3 years
95	Abdul Basith Khan		Shareholder	696,000	1.16	3 years
96	Jubel Ahmed		Shareholder	174,000	0.29	3 years
97	Rajia Tahmina Khanam		Shareholder	174,000	0.29	3 years
98	Abdul Gani		Shareholder	348,000	0.58	3 years
99	Labibun B Nessa		Shareholder	174,000	0.29	3 years
100	Abdul Quaim		Shareholder	174,000	0.29	3 years
101	Mohammed Helal Uddin		Shareholder	174,000	0.29	3 years
102	Rahnaz Khasru		Shareholder	174,000	0.29	3 years
103	Nazmul Haque Siddique	1204240017029505	Shareholder	174,000	0.29	3 years
104	Razina Begum		Shareholder	174,000	0.29	3 years
105	Abdul Hamid		Shareholder	174,000	0.29	3 years
106	Shofi Mustafa		Shareholder	174,000	0.29	3 years
107	Jadab Debnath		Shareholder	174,000	0.29	3 years
108	Sahidur Rahman		Shareholder	696,000	1.16	3 years
109	Faruk Uddin		Shareholder	522,000	0.87	3 years
110	Shamsu Miah		Shareholder	174,000	0.29	3 years
111	Naharun Nessa Begum		Shareholder	174,000	0.29	3 years
112	Md. Kawsar Jahan		Shareholder	696,000	1.16	3 years
113	Mohib Uddin Al Chowdhury		Shareholder	174,000	0.29	3 years
114	Mujibul Hussain		Shareholder	174,000	0.29	3 years
115	Dr. Badrul Amin Siddique		Shareholder	174,000	0.29	3 years
116	Anfor Farooque		Shareholder	174,000	0.29	3 years
117	Mohi Ahmed		Shareholder	136,114	0.23	3 years
118	Fahim Arif Motahar		Shareholder	696,000	1.16	3 years
119	Luthfur Rahman		Shareholder	174,000	0.29	3 years
120	Shanaz Perveen		Shareholder	174,000	0.29	3 years
121	Farhana Yasmin		Shareholder	87,000	0.15	3 years
122	Nazmun Nahar		Shareholder	87,000	0.15	3 years
123	Rajea Mahmuda Khwnam		Shareholder	54,000	0.09	3 years
124	Mohammed Sajid Reza	1204500041542920	Shareholder	696,000	1.16	3 years
125	Sameeha Reza	1204500041542920	Shareholder	696,000	1.16	3 years
Sub Total (B)				29,716,114	49.53	
Total (A+B)				60,000,000	100%	

The issuer shall apply to all the relevant exchanges in Bangladesh within **7 (seven)** working days from the date of consent for public offer accorded by the Commission.

The Exchange shall complete the listing procedures within a maximum period of **30 (thirty)** working days from the date of closure of subscription list.

DECLARATION ABOUT LISTING OF SHARES WITH THE STOCK EXCHANGE (S):

The issuer will apply at:



Dhaka Stock Exchange Limited (DSE)
9/F, Motijheel C/A, Dhaka-1000

And



Chittagong Stock Exchange Limited (CSE)
CSE Building, 1080 Sk. Mojib Road, Agrabad,
Chittagong

None of the stock exchange(s), if for any reason, grants listing within **75 days** from the closure of subscription, any allotment in terms of this prospectus shall be void and the company shall refund the subscription money within fifteen days from the date of refusal for listing by the stock exchanges, or from the date of expiry of the said **75 (seventy five)** days, as the case may be.

In case of non-refund of the subscription money within the aforesaid fifteen days, the company directors, in addition to the issuer company, shall be collectively and severally liable for refund of the subscription money, with interest at the rate of 2% (two percent) per month above the bank rate, to the subscribers concerned.

The issue manager, in addition to the issuer company, shall ensure due compliance of the above mentioned conditions and shall submit compliance report thereon to the Commission within seven days of expiry of the aforesaid fifteen days' time period allowed for refund of the subscription money."

Trading and settlement regulation of the stock exchanges shall apply in respect of trading and settlement of the share of the company.

"The issue shall be placed in "N" Category with DSE & CSE"

(Description by giving all types of securities outstanding or being offered with date/ proposed date of such issue and to whom those are offered, number of securities and issue/offer price)

Dividend, Voting, Preemption Right:

The share capital of the Company is divided into ordinary shares carrying equal rights to vote and receive dividend in terms of the relevant provisions of the Companies Act, 1994 and the Articles of Association of the Company. Shareholders shall have the usual voting right in person or by proxy in connection with, among others, selection of directors & auditors and other usual agenda of General Meeting—Ordinary or Extra Ordinary. On a show of hand every shareholder present and every duly authorized representative of a shareholder present at a General Meeting shall have one vote and on a poll every shareholder present in person or by proxy shall have one vote for every share held by him/her.

In case of any additional issue of rights shares for raising further capital the existing shareholders shall be entitled in terms of the guidelines issued by the BSEC from time to time.

Conversion & Liquidation Right

If the Company at any time issues convertible preference shares or debenture with the consent of BSEC, such holders of Securities shall be entitled to convert such securities into ordinary shares if it is so determined by the Company.

Subject to the provisions of the Companies Act, 1994, Articles of Association of the Company and other relevant rules in force, the shares, if any, of the Company are freely transferable, the Company shall not change any fee for registering transfer of shares. No transfer shall be made to firms, minors or persons of unsound mental health.

Dividend Policy

The profit of the company, subject to any special right relating thereto created or authorized to be created by the Memorandum of Association subject to the provision of the Articles of Association, shall be divisible among the members in proportion to the capital paid up on the Shares held by them respectively.

No larger dividend shall be declared than is recommended by the Directors, but the Company in its General Meeting may declare a smaller dividend. The declaration of Directors as to the amount of net Profit of the Company shall be conclusive.

No dividend shall be payable except out of profits of the Company or any other undistributed profits. Dividend shall not carry interest as against the Company.

The Directors may, from time to time, pay the members such interim dividend as in their judgment the financial position of the Company may justify.

A transfer of Shares shall not pass the right to any dividend declared thereon before the registration of transfer.

There is no limitation on the payment of dividend.

Other Rights of Stock Holders

The shareholders shall have the right to receive all periodical reports and statements, audited as well as un-audited, published by the Company from time to time. The directors shall present the financial statements as required under the law and International Accounting Standards. Financial Statements will be prepared in accordance with International Accounting Standards, consistently applied throughout the subsequent periods and present with the objective of providing maximum disclosure as per law and International Accounting Standard to the shareholders regarding the financial and operational position of the Company.

In case of any declaration of stock dividend by issue of bonus shares, all shareholders shall be entitled to it in proportion to their shareholdings on the date of book closure for the purpose.

The shareholders holding not less than 10% of the issued/fully paid up capital of the Company shall have the right to requisition Extra-Ordinary General Meeting of the Company as provided under Section 84 of the Companies Act, 1994.

Auditors' Report

To the Shareholders of Dhaka Regency Hotel & Resort Limited

We have audited the accompanying Amended Financial statements of **Dhaka Regency Hotel & Resort Limited** which comprises the Statement of Financial Position (Amended) as at December 31, 2015 along with Statement of Profit or Loss and other Comprehensive Income (Amended), Statement of Changes in Equity (Amended) and Statement of Cash Flows for the Year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), Companies Act 1994, Bangladesh Securities and Exchange Rules 1987 and other applicable rules and regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

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

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

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

Opinion

In our opinion with an Emphasis of Matter, the Amended Financial Statements, give a true and fair view of the financial position of **Dhaka Regency Hotel & Resort Limited** as of December 31, 2015 and of its financial performance for the year then ended in accordance with Bangladesh Financial Reporting Standards and comply with the Companies Act 1994, The Securities and Exchange Rules 1987 and other applicable laws and regulations.

Emphasis of Matter

Our report issued on March 22, 2016 based on the Financial Statements authorized by the Board of Directors on the same date. Subsequently the Financial Statements has been cancelled by the Board of Directors meeting dated July 12, 2016 and issued this amended report as referred in BSA 560 para 10-12 based on the amended Financial Statements authorized by the Board of Directors on July 31, 2016 as explained in the note no. 1 (B) – (vi), (xxiv) and (xxvi) of the Amended Financial Statements. The Company has charged depreciation on the total value of Land and RCC construction together without considering non-depreciable land value separately. This is not a qualified opinion but a matter of emphasis only.

We also report on other legal and regulatory requirements

We also report that;

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books;
- c) the company's Statement of Financial Position (Amended), Statement of Profit or Loss and other Comprehensive Income (Amended) and Statement of Cash Flows dealt with by the report are in agreement with the books of accounts;
- d) The expenditures incurred were for the purpose of the Company's business.

Place: Dhaka;
Dated: July 31, 2016

Sd/-
Ahmed Zaker & Co.
Chartered Accountants

Dhaka Regency Hotel & Resort Limited
Statement of Financial Position

As at December 31, 2015

Particulars	Notes	Amount in Taka		
		31.12.2015	31.12.2014	01.01.2014
			Re-Styled	Re-Styled
Assets:				
Non-Current Assets		2,415,486,165	2,281,728,648	2,002,090,800
Property, Plant and Equipment	2.00	2,322,763,126	2,190,164,632	1,999,481,912
Other Non Current Assets	3.00	88,955,128	88,955,128	-
Security Deposits	4.00	3,767,911	2,608,888	2,608,888
Current Assets		341,123,882	411,771,310	385,553,268
Advances, deposits and prepayments	5.00	193,687,374	201,491,451	201,388,918
Accounts receivable	6.00	79,726,002	99,064,662	96,887,437
Inventories	7.00	45,832,316	42,679,276	51,638,906
Investments	8.00	253,930	698,839	533,451
Cash and Cash Equivalents	9.00	21,624,260	67,837,082	35,104,555
Total Assets:		2,756,610,047	2,693,499,959	2,387,644,068
Equity and Liabilities:				
Equity		1,835,008,442	1,695,942,370	1,515,508,940
Share capital	10.00	600,000,000	600,000,000	600,000,000
Revaluation Reserve	11.00	-	-	-
Share Premium	12.00	388,000,000	388,000,000	388,000,000
Un-Realize Gain/(Loss) on Investment		(251,088)	(185,532)	(177,376)
Retained Earnings	13.00	847,259,530	708,127,901	527,686,316
Non Current liabilities		381,022,933	472,465,825	482,682,426
Director's Loan	14.00	2,230,331	2,956,176	2,956,176
Deferred Tax	15.00	142,082,581	113,827,039	85,730,815
Term loan	16.00	236,710,021	355,682,610	393,995,434
Current liabilities		540,578,672	525,091,764	389,452,702
Current portion of Term Loan	17.00	194,274,911	235,319,637	173,610,792
Accrued Expenses	18.00	75,394,896	56,047,438	54,458,115
Short term loan	19.00	80,000,000	80,000,000	80,000,000
Provision for Tax	20.00	137,299,449	121,729,393	52,664,763
Un-claimed Dividend	21.00	6,644,807	7,167,637	9,078,157
Accounts Payable	22.00	46,964,609	24,827,659	19,640,874
Total Share Holders Equity & Liabilities:		2,756,610,047	2,693,499,959	2,387,644,068
Net Assets Value Per Share (NAVPS)		30.58	28.27	25.26

The annexed notes (1-33) form an integral part of these financial statements.

Sd/-
Managing Director

Place: Dhaka;
Dated: July 31, 2016

Sd/-
Vice Chairman

Sd/-
Company Secretary
Signed as per our separate report on same date

Sd/-
Ahmed Zaker & Co.
Chartered Accountants

Dhaka Regency Hotel & Resort Limited
Statement of Profit or Loss and other Comprehensive Income

For the year ended December 31, 2015

Particulars	Notes	Amount in Taka	
		01.01.2015 to 31.12.2015	01.01.2014 to 31.12.2014
			Re-Styled
Revenue	23.00	659,350,739	762,064,419
Cost of Service	24.00	(270,168,909)	(271,982,629)
Gross Profit		389,181,830	490,081,790
General and administrative expenses	25.00	(100,157,948)	(88,279,688)
Selling expenses	26.00	(19,456,358)	(19,537,495)
Profit from Operation		269,567,524	382,264,607
Non-Operating Income/ (Expense)	27.00	7,716,049	8,261,730
Profit before Interest and Tax		277,283,573	390,526,337
Financial expenses	28.00	(85,178,485)	(99,043,776)
Profit before Tax and Reserve		192,105,089	291,482,561
Workers Profit Participation and Welfare Fund	29.00	(9,147,861)	(13,880,122)
Net Profit before tax		182,957,227	277,602,439
Current Tax Expenses	30.00	(15,570,057)	(69,064,630)
Deferred Tax		(28,255,542)	(28,096,224)
Net profit after tax		139,131,629	180,441,585
Other Comprehensive Income:			
Un-Realize Gain/(Loss) on Investment	31.00	(65,556)	(8,156)
Total Comprehensive Income		139,066,073	180,433,430
Earnings Per Share	32.00	2.32	3.01

Sd/-
Managing Director

Sd/-
Vice Chairman

Sd/-
Company Secretary

Signed as per our separate report on same date

Place: Dhaka;
Dated: July 31, 2016

Sd/-
Ahmed Zaker & Co.
Chartered Accountants

Dhaka Regency Hotel & Resort Limited
Statement of Changes in Equity (Amended)
For the year ended December 31, 2015

Particulars	Share Capital	Revaluation Reserve	Share Premium	Other Comprehensive Income	Amount in Taka	
					Retained Earnings	Total
Balance as on 01.01.2015	600,000,000	-	388,000,000	(185,532)	708,127,901	1,695,942,370
Net profit after tax	-	-	-	-	139,131,629	139,131,629
Un-Realize Gain/(Loss) on Investment during the year	-	-	-	(65,556)	-	(65,556)
Balance as on 31.12.2015	600,000,000	-	388,000,000	(251,088)	847,259,530	1,835,008,442

Statement of Changes in Equity (Re-Stated)
For the year ended December 31, 2014

Particulars	Share Capital	Revaluation Reserve	Share Premium	Other Comprehensive Income	Amount in Taka	
					Retained Earnings	Total
Balance as on 01.01.2014	600,000,000	2,795,579,801	388,000,000	(177,376)	527,686,316	4,311,088,741
Adjustment on Revaluation Surplus (De-recognize)	-	(2,795,579,801)	-	-	-	(2,795,579,801)
Net profit after tax	-	-	-	-	180,441,585	180,441,585
Un-Realize Gain/(Loss) on Investment during the year	-	-	-	(8,156)	-	(8,156)
Balance as on 31.12.2014	600,000,000	-	388,000,000	(185,532)	708,127,901	1,695,942,370

Sd/-
Managing Director

Sd/-
Vice Chairman

Sd/-
Company Secretary

Signed as per our separate report on same date

Place: Dhaka;
Dated: July 31, 2016

Sd/-
Ahmed Zaker & Co.
Chartered Accountants

Dhaka Regency Hotel & Resort Limited
Statement of Cash Flows

For the year ended December 31, 2015

Particulars	Amount in Taka	
	01.01.2015 to 31.12.2015	01.01.2014 to 31.12.2014
Cash Flow from Operating Activities:		
Cash Received from Turnover and others	689,302,715	768,245,765
Cash Payment for Cost and Expenses	(257,447,745)	(285,762,809)
Income Tax Paid	(12,441,025)	(25,300,363)
Interest Expenses	(80,264,703)	(106,793,937)
Net Cash Provided by Operating Activities: (A)	339,149,242	350,388,656
Cash Flow from Investing Activities:		
Acquisition of Property, Plant & Equipment	(87,710,806)	(203,031,004)
Advance for capital expenses	(141,352,161)	(137,290,433)
Disposal of Property Plant & Equipment	3,960,000	1,170,000
Dividend Income	9,049	9,809
Proceed from Investment in Shares	272,000	-
Net Cash Used by Investing Activities: (B)	(224,821,918)	(339,141,628)
Cash Flow from Financing Activities:		
Dividend Paid	(522,830)	(1,910,520)
Long Term Loan	(160,017,315)	23,396,020
Short term Loan	-	-
Net Cash Used by Financing Activities: (C)	(160,540,146)	21,485,500
Net Cash inflow/ outflow(A+B+C)	(46,212,822)	32,732,528
Cash & Cash equivalents at the beginning of the year	67,837,082	35,104,555
Closing Cash & Cash equivalents at the end of the year	21,624,260	67,837,082
Operating Cash Flow Per Share Note: 33.00	5.65	5.84

Sd/-
Managing Director

Sd/-
Vice Chairman

Sd/-
Company Secretary
 Signed as per our separate report on same date

Place: Dhaka;
 Dated: July 31, 2016

Sd/-
Ahmed Zaker & Co.
 Chartered Accountants

Dhaka Regency Hotel & Resort Limited

Notes to the Financial Statements

For the year ended December 31, 2015

1. Status and Nature Of The Company and Significant Accounting Policies:

A. Legal form and status of the company:

Dhaka Regency Hotel & Resort Limited is a Public Limited Company, incorporated vide registration no. C-64465 (1956)/06 dated 14th November 2006 under the Companies Act 1994 with the Registrar of Joint Stock Companies and Firms, Bangladesh. The Ministry of Civil Aviation and tourism, Govt. of Bangladesh has recognized Dhaka Regency Hotel & Resort Ltd. through its Registration No. Dhaka-27/2007 dated September 03, 2007 as a Five Star Hotel.

Address of registered office and place of business of the company:

Registered office of the company is situated at Airport Road, Nikunja-2, Dhaka-1229.

Principal activities of the company:

The main object of the company is to carry on the business of Hotels Restaurants, Motels Holiday resorts with the prior permission from the concerned Governments Authorities.

B. Significant Accounting policies applied and explanatory notes:

i) Basis of Accounting:

The Financial Statements of the Company are prepared on a going concern basis under historical cost convention and in accordance with the Bangladesh Accounting Standards (**BAS**) and Bangladesh Financial Reporting Standards (**BFRS**), the Companies Act 1994, Bangladesh Securities and Exchange Rules 1987 and other laws and rules applicable in Bangladesh.

ii. Accounting records:

The entity has been maintaining all the required books of accounts as are necessary for the Financial Statements.

iii. Compliance with International Accounting Standards:

The financial statements have been prepared in compliance with requirements of the International Accounting Standards (**IAS**) approved by the International Accounting Standard Committee (**IASC**) and as adopted by the Institute of Chartered Accountants of Bangladesh (**ICAB**).

iv. Compliance with Local Laws:

The financial Statements have been prepared in compliance with requirements of the Companies Act, 1994, Bangladesh Securities and Exchange Rules 1987 and other applicable rules and laws as are applicable.

v) Cash and Cash Equivalents:

In accordance to **BAS-7: "Statement of Cash Flows"** cash comprises cash in hand and bank deposit and cash equivalent are the short term highly liquid investments that are readily convertible to know amounts of cash and which are subject to a insignificant risk of changes in value **BAS-1: "Presentation of financial statements"** provides that cash and cash equivalent are not restricted in use. Considering the provision of **BAS-7** and **BAS-1**, cash in hand and cash at bank balances have been considered as cash and cash equivalents.

vi) Property, Plant and Equipment and Depreciation:

All Property, Plant and Equipment are stated at cost less accumulated depreciation as per **BAS-16: "Property, Plant and Equipment"**. The cost of acquisition of an asset comprises of its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

The Company recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefit embodied with the item will flow to and the cost of the item can be measured reliably. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred.

Depreciation has been charged on Property, Plant and Equipment under reducing balance method and Depreciation of an asset begins when it is available for use.

The annual rates of depreciation applicable to the principal categories of fixed assets are:-

Category of Property, Plant & Equipment	Revised Rate of Depreciation	Previous Rate of Depreciation
Land & RCC Construction	1.25%	0%
Hotel Building	3%	3%
Sanitary	5%	5%
Equipment & Machinery	5%	5%
Furniture and Fixture	10%	10%
Interior Decoration	5%	5%
Car & Vehicle	5%	5%
Electric Installation & Equipment	5%	5%
Gas Installation	5%	5%
Telephone & PABX	5%	5%
Handicraft, show piece & Renovation	5%	5%
Graphics & Sound	5%	5%
Kitchen Equipment & Utensils	5%	5%

Depreciation effective on Land & RCC Construction as per revised policy

Depreciation has been charged at the rate of 1.25% on the value of Land & RCC Construction since the Board of directors has decided to charge Depreciation on carrying amount of Land & RCC Construction. This was approved in a Board Meeting held on July 27, 2016 and the Board instructed to the management to consider the proper accounting policies for taking effective action into accounts. As per deed of Land & RCC Construction, the individual value could not be ascertained separately by the management as result has charged depreciation on total value considering value of land and RCC construction as one non-current asset.

Re-Valuation of Property, Plant & Equipment

The company revalued its fixed assets like property, plant and equipments of the Company were revalued and certified by the valuer M/S. Saha Majumder & Co.; Chartered Accountants in their valuation report dated December 28, 2011 and reserve was created by the sum of revaluation surplus as per the provision of BAS- 16. Previously the Fixed Assets of the company were revalued and certified by the licensed valuer M/S. GK Adjuster Ltd. dated December 03, 2009.

The Board of directors has decided to discard the revaluation surplus of all assets in a board meeting held on October 04, 2015 and instructed the management to consider the proper Accounting Policies for effective into accounts. Details are shown in note: 02.

vii) Financial Instruments:

Derivative:

According to **BFRS-7: "Financial Instruments: Disclosures"**, the company was not a party to any derivative contract (financial instruments) at the Financial Statements date, such as forward exchange contracts, currency swap agreement or contract to hedge currency exposure related to import of capital machinery to be leased to lessees in future.

Non-Derivative:

Non-derivative financial instruments comprise of accounts and other receivable, borrowings and other payables and are shown at transaction

Cost as per **BAS 39- "Financial Instruments: Recognition and Measurement"**.

viii) Provision for taxation

A. Current taxation:

Provision for current income tax has been made @ 35.00% as prescribed in the Income tax ordinance 1984.

B. Deferred taxation:

The company has recognized deferred tax assets and liabilities as per **BAS-12: "Income Taxes"**.

x) Revenue Recognition

Revenue is recognized only when it is probable that the economic benefit of such transition has been derived as per "BAS - 18".

The revenue is recognized at the time of invoice raised to the Border, and guests including restaurant bills from the counters.

Rate of Occupancy**In the Room Revenue**

During the year the rate of occupancy is 66.96% as following table

Period	Service Description	No. of Days (A)	No. of Rooms (B)	Total Room Capacity (C=A X B)	Occupied Room	Occupancy
January-15	Room	31	214	6,634	3,951	59.56%
February-15	Room	28	214	5,992	4,002	66.79%
March-15	Room	31	214	6,634	4,269	64.35%
April-15	Room	30	214	6,420	4,184	65.17%
May-15	Room	31	214	6,634	4,387	66.13%
June-15	Room	30	214	6,420	4,026	62.71%
July-15	Room	31	214	6,634	4,050	61.05%
August-15	Room	31	214	6,634	4,850	73.11%
September-15	Room	30	214	6,420	4,875	75.93%
October-15	Room	31	214	6,634	5,129	77.31%
November-15	Room	30	214	6,420	4,485	69.86%
December-15	Room	31	214	6,634	4,095	61.73%
Total:				78,110	52,303	66.96%

x) Employees Benefit Plan

As per **BAS-19: "employee's benefit"**, Workers Profit Participation Fund has been introduced by the company effective from January 01, 2012. The recognition of WPPF is under process.

Number of Employees

During the year under review, the company's number of employees stands at 384 and every employee has been receiving total remuneration Tk. 36,000 and above per annum. There was no part-time employee in the company during the year.

xi) Borrowing Cost

The borrowing cost relating to the entities loan sanctioned against term loan are charged as expenses under **BAS-23** during the year under audit.

xii) Related party Disclosure

Related party is considered if the party is related to the company and exerts significant influence over the day to day transactions of the subject gain as per **BAS-24**.

The company carried out transaction in the ordinary course of business on an arm's length basis at commercial rates with related parties. Related party transactions are stated below:

Particulars	Type of Transaction	Amount
Advance and Deposit	Advance for Purchase of land.	88,955,128
Directors Remunerations	Remuneration paid to Chairman & Vice-Chairman for their Services in the company.	1,44,00,000
Managing Director Remuneration	Remuneration paid to Managing Director for his Services in the company.	72,00,000
Director's Loan	Loan from Director's	22,30,331

xiii) Earnings per share:

The calculated Earnings per Share (EPS) in accordance with **BAS-33: "Earnings per Share"** which has been shown on the face of the Statement of Profit or Loss and other Comprehensive Income and the computation of EPS is elaborated in Note-32.

xiv) Accounts Receivable

These are considered good and fully realizable. No amount was written off as bad debts and no debt was considered doubtful of recovery.

xv) Inventories

Inventory represents as per **BAS-2**. Inventory comprises of Restaurant Materials, Service materials, Spare parts, Gift shop item and others. Cost of inventory held is generally calculated and stated on the weighted average method on a consistent basis. Inventories are carried at the lower of cost and net realizable value. The Hotel management has carried out the inventory of the Stock and Stores as on 31.12.2015 whereas valued and certified by the management with the statement of inventories.

xvi) Creditors and accrued expenses

Liabilities are recognized for amounts to be paid in the future for goods and services received whether or not billed by the supplier.

xvii) Term Loan

Loans were obtained from different financial institutions against mortgage of floor and building space of the company. The Installment on the principal and interest amount is being paid regularly as per terms and condition lay down in the sanctioned letter issued by the respective financial institution.

xviii) Impairment

In accordance with the provision of **BAS-36: "Impairment of assets"**, the carrying amount of non financial assets other than Inventories is reviewed to determine whether there is any indication of impairment. No such indication of impairment has been raised till the date of our audit.

xix) Going Concern:

During the year the entity had achieved a good margin of profit to the tune of Tk.139,131,629 from the aforesaid earnings of profit the company can run as a going concern in the foreseeable future.

xx) Reporting currencies

Transactions in foreign currencies are converted into Bangladesh taka at the exchange rate ruling on the date of transaction and rounded off to nearest Taka.

xxi) Information about business segments

Business segment is a distinguishable component of a company that is engaged in providing an individual product or service or a group of related product or service and that is subject to risk and return that are different from those of other business segment. During the year under review the company had no operational segment either business or geographical segments.

xxii) Share premium

The share premium shall be utilized in accordance with provisions of the company's act 1994 and as directed by the Bangladesh Securities and Exchange Commission in this respect.

Additional information on financial statements:

xxiii) Responsibility for preparation and presentation of financial statements

The Board of Directors of the Company is responsible for the preparation and presentation of financial statements under section 183 of the Companies Act 1994 and as per the provision of "The Framework for the Preparation and Presentation of Financial Statements" issued by the International Accounting Standards Committee (IASC) and Bangladesh Securities and Exchange Rules 1987.

xxiv) Authorization date for issuing Financial Statements:

The financial statements earlier authorized for issue by the Board of Directors on March 22, 2016 has been cancelled subsequently and withdrawn dated July 12, 2016 and later on issued the amended Financial Statements that was authorized for issue by the Board of Directors on July 31, 2016.

xxv) Components of the Financial Statements

According to **BAS-1: "Presentation of financial statements"** the complete set of financial statement includes the following components

- 1) Statement of Financial Position as at December 31, 2015.
- 2) Statement of Profit or Loss and other Comprehensive Income for the Year ended December 31, 2015.
- 3) Statement of Changes in Equity for the Year ended December 31, 2015.
- 4) Statement of Cash Flows for the Year ended December 31, 2015.
- 5) A summary of significant accounting policies and other explanatory information.

xxvi) Comparative:

Comparative information have been disclosed in respect of the previous years for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current year's financial statements.

Re-arrangement

Previous year's figure has been re-arranged whenever considered necessary to ensure better comparability with the current year's presentation without causing any impact on the profit and value of assets and liability as reported in the Financial Statement.

Re-Statement

In finalizing the financial statements for the year ended December 31, 2015 some figures of previous year were restated to confirm the provisions in accordance with Para 22, 42 & 49 of **BAS-8: "Accounting Policies, Changes in Accounting Estimates and Errors"**. During the year the following accounting policies and errors have been rectified in compliance with **BAS -8**:

- A) Total Re-Valuation surplus of taka 2,964,216,441 was initially incorporated at the time of Assets Re-Valuation in the Financial Statements as at December 31, 2011. The Re-Valuation surplus of taka 2,731,256,838 (after depreciation and related adjustments) was reported at the last audited financial statement as at December 31, 2014. However, as per the decision of the board of directors, the company has discarded the revaluation surplus of taka 2,731,256,838 as reported at the last audited financial statement as at December 31, 2014. Retrospective effects were considered for previous years
- B) The balance of previous year Provision for tax has been adjusted with Current year tax Provision of the company at an applicable rate 35.00%.
- C) The Board of directors has decided to discard the revaluation surplus of all assets in a board meeting held on October 04, 2015.
- D) As per Board decision depreciation has been charged on Land & RCC Construction value from the date of commercial operation of the company and accordingly necessary adjustment were made during the year. The company has taken a revised policy to charge depreciation on the value of Land & RCC Construction as follows:

Particulars	Amended Rate of Depreciation	Previous Rate of Depreciation
Land & RCC Construction	1.25%	0%

xxvii) Reporting Period

Financial statements of the company cover one year from January 01, 2015 to December 31, 2015.

xxviii) General

Figures appearing in the Financial Statements have been rounded off to the nearest Taka.

		Amount in Taka		
		31.12.2015	31.12.2014	01.01.2014
2.00	Property, Plant & Equipment: Tk. 2,322,763,126			
	1. Based on Cost:			
	A. Cost:			
	Opening Balance	2,538,521,883	2,274,315,883	2,274,315,883
	Less: Transfer/ Disposal during the year	(8,840,412)	(4,965,000)	-
	Add: Addition during the year	225,001,239	269,171,000	-
	Closing Balance	2,754,682,710	2,538,521,883	2,274,315,883
	B. Accumulated depreciation:			
	Opening Balance	348,357,250	274,833,970	222,425,457
	Less : Adjustment for charging Depreciation on Land & RCC Construction	-	-	52,408,513
	Less: Transfer/ Disposal during the year	(1,654,633)	(1,244,074)	-
	Add: Charged during the year	85,216,967	74,767,354	-
	Closing Balance	431,919,584	348,357,250	274,833,970
	Written down value on cost (A-B)	2,322,763,126	2,190,164,632	1,999,481,912
	2. Based on Revaluation:			
	Revaluation Surplus	-	-	2,964,216,441
	Less: Accumulated Depreciation	-	-	(168,636,640)
	Charged on revaluation Assets	-	-	(2,795,579,801)
	Less: Adjustment (Discard)	-	-	-
	Written down value on revaluation	-	-	-
	Written down value on cost and revaluation (1+2)	2,322,763,126	2,190,164,632	1,999,481,912
	The Board of Directors agreed to De-recognize the Revaluation Surplus of all assets in a Board Meeting held on October 04, 2015 and instructed the management to incorporate the changes as per BAS-8. Moreover, the changes in policy have been treated as per Para 76 of BAS- 16 & Para 22 of BAS- 8.			
	The details Schedule of Property, Plant & Equipment are shown in attached (Annexure- A).			
3.00	Other Non Current Assets: Tk. 88,955,128			
	This is made up as follows:			
	Particulars			
	Advance for Land	88,955,128	88,955,128	-
	Total:	88,955,128	88,955,128	-
	The above balance is represents advance for 26 decimals of land situated at kodomtali Sea Beach Road, Cox's Bazar Under a Registered Baina Deed in favor of Dhaka Regency Hotel & Resort Limited and the Baina registration date 20.09.2015.			
4.00	Security Deposits: Tk. 3,767,911			
	This is made up as follows:			
	Particulars			
	Electricity	300,000	300,000	300,000
	Telephone Line	115,750	115,750	115,750
	Airport Counter Lease	174,042	-	-
	House Rent	300,000	-	-
	Gas Line	2,878,119	2,193,138	2,193,138
	Total:	3,767,911	2,608,888	2,608,888
5.00	Advances, Deposits and Prepayments : Tk. 193,687,374			
	This is made up as follows:			
	Particulars			
	Security Deposits (Current Portion)	1,086,158	5,847,590	7,523,529
	Advances for Capital Expenditure	141,352,161	137,290,433	66,139,996
	Advance for Expenses	4,802,675	13,968,937	21,374,324
	Advance Tax & TDS	42,195,749	29,754,724	4,454,361
	Other Advance	4,250,631	14,629,767	12,941,580
	Advance for Land	-	-	88,955,128
	Total:	193,687,374	201,491,451	201,388,918

		Amount in Taka		
		31.12.2015	31.12.2014	01.01.2014
Aging of Advance & Deposits:				
Particulars				
Due to three month		118,149,298	108,805,383	102,708,348
Due to Six month		71,664,328	74,551,837	70,486,121
Due to one year		3,873,747	18,134,231	28,194,449
Total:		193,687,374	201,491,451	201,388,918
5.01 Advances for Capital Expenditure: Tk. 141,352,161				
Name of Party				
Advance for hotel decoration, construction and interior		42,865,794	58,530,807	37,993,013
Advance for equipment and others		40,876,000	40,032,550	9,524,509
Advance for electrical work		14,966,014	17,022,735	5,066,987
Advance for Car		5,861,575	-	-
Advance for furniture		36,782,778	21,704,341	13,555,487
Total:		141,352,161	137,290,433	66,139,996
5.02 Advances for Expenses: Tk. 4,802,675				
This is made up as follows:				
Particulars				
Advance for staff salary		282,315	1,532,000	239,449
Advance for operating supplies		4,520,360	12,436,937	21,134,875
Total:		4,802,675	13,968,937	21,374,324
5.03 Advance Tax & TDS: Tk. 42,195,749				
This is made up as follows:				
Particulars				
Opening Balance		29,754,724	4,454,361	4,454,361
Add: Advance Tax & Tax Deduction At Source against Revenue		1,232,239	1,037,708	-
Add: Tax Deduction At Source against Dividend Income		905	-	-
Add: Tax Deduction At Source against FDR interest Income		10,381	-	-
Add: Advance Tax Paid		11,197,500	24,262,655	-
Total Advance Tax		42,195,749	29,754,724	4,454,361
Less: Current year Adjustment		-	-	-
Total:		42,195,749	29,754,724	4,454,361
5.04 Other Advances : Tk. 4,250,631				
This is made up as follows:				
Name of Party				
Graphic Information System		865,840	3,089,095	2,865,840
Saf International		301,050	1,504,748	1,301,050
Digita interactive		126,000	-	-
Green tech		85,023	-	-
Creation		150,000	-	-
Prepaid Insurance Premium		657,718	-	-
Advance for GMS		-	4,500,365	4,879,455
Others		2,065,000	5,535,559	3,895,235
Total:		4,250,631	14,629,767	12,941,580
The amount was advanced to various parties as advances against expenditure.				
6.00 Accounts Receivable: Tk. 79,726,002				
This is made up as follows :				
Particulars	Below Six Month	Within one year period		
Corporate & Business Group	19,163,306	6,555,800	25,719,106	24,539,187
Tours & Travel Agents	13,243,951	2,731,864	15,975,815	17,115,575
Airlines	12,689,632	5,309,846	17,999,478	22,544,815
Power/Energy	309,993	89,791	399,784	3,040,604
Department				
MNC	481,944	113,048	594,992	105,921
Garments	1,200	1,268	2,468	2,458
Govt/Diplomats	260,900	5,018	285,918	439,346
Telecommunication	-	-	-	42,708
Individual Guests	2,919,850	673,811	3,593,661	6,341,461
GL Current	2,534,979	818,168	3,353,147	7,964,824
Other Receivable	9,273,723	2,527,910	11,801,633	14,750,538
Total:	60,879,477	18,846,525	79,726,002	96,887,437
I) No amount was due to managing Director, employees & Officers during the year.				
II) The amount was due for the above period and realizable. This receivable is considered as good and Collectable.				
III) The details of Accounts Receivable are show in (Annexure - B).				

7.00 Inventories: Tk. 45,832,316

This is made up as follows:

Particulars

	Amount in Taka		
	31.12.2015	31.12.2014	01.01.2014
Restaurant Materials	12,066,172	16,882,179	16,887,842
Service materials	31,492,852	23,593,718	33,332,619
Gift shop item and others	-	162,814	176,175
Total Direct Material	43,559,024	40,638,711	50,396,636
Spare parts	2,273,292	2,040,565	1,242,270
Total:	45,832,316	42,679,276	51,638,906

A schedule of Inventory as per company Act-1994 Schedule-11 Part-II, Para- 3 is given in (Annexure- C).

8.00 Investments: Tk. 253,930

This is made up as follows:

Particulars

	Market Value	Market Value	Market Value
Lanka Bangla Securities Ltd. (Bo A/C No: 1204030040918101)	253,930	333,190	353,206
Hazrat Amanat Shah Securities Ltd (Bo A/C No: 1204570043551405)	-	365,649	180,245
Total:	253,930	698,839	533,451

Details of Marketable Securities are shown in below:

Lanka Bangla Securities Ltd.**Name of Companies**

	Cost	Market Value	Market Value	Market Value
AB Bank Limited	36,143	19,589	24,578	20,148
Beacon Pharmaceuticals	34,136	15,435	18,900	13,860
Maksons Spinning	118,080	20,756	33,462	48,059
Power Grid Company of Bangladesh	155,210	99,660	88,880	116,160
Titas GAS	161,448	98,490	167,370	154,980
Total:	505,017	253,930	333,190	353,206

Hazrat Amanat Shah Securities Ltd.**Name of Companies**

	Cost	Market Value	Market Value	Market Value
Nitolins	-	-	29	296
Beachhatch	-	-	-	122,400
Premier Bank	-	-	-	139
CVOPRL	-	-	365,620	57,410
Total:	-	-	365,649	180,245

9.00 Cash and Cash Equivalents: Tk. 21,624,260

This is made up as follows:

Particulars

Cash in Hand	Note: 9.01	5,179,540	6,961,990	6,784,062
Cash at Bank	Note: 9.02	16,444,721	60,875,092	28,320,493
Total:		21,624,260	67,837,082	35,104,555

9.01 Cash in Hand: Tk. 5,179,540

This balance represents as per cash in hand as at 31.12.2015.

9.02 Cash at Bank: Tk. 16,444,721

This is made up as follows:

Name of Bank	Branch	Account No.			
Dhaka Bank Ltd.	Uttara Br.	204100000005533	348,751	107,797	40,806
Stand. Char. Bank Ltd.	Uttara Br.	01 3387933 01	343,608	348,208	352,198
Brac Bank Ltd.	Gulshan Br.	15012005862080001	2,534,066	6,183,765	441,784
National Bank Ltd.	Uttara Br.	0068-33011228	5,654	6,459	7,148
NCC Bank Ltd	-	210015586	-	-	3,850
The City Bank Ltd.	DSE Nikunja Br.	1101073736001	2,010,419	1,080,482	13,898,890
Sahajalal Islami Bank Ltd	Uttara Br.	4008 11100005342	114,073	36,422,847	8,405,859
Uttara Bank Ltd	Joarshara Br.	21-2392	7,925,373	15,538,330	4,478,040
Uttara Bank Ltd	Joarshara Br.	21-2393	3,150,429	1,173,705	677,268
Janata Bank Ltd.	Uttara Br.	1023099	12,350	13,500	14,650
Total:			16,444,721	60,875,092	28,320,493

Bank balances were reconciled with the bank statements and found in order with the books of account as on 31.12.2015.

10.00 Share Capital: Tk. 600,000,000

This is made up as follows:

Particulars

Authorized Capital

300,000,000 share @ Tk. 10/-each

Issued, Subscribed and Paid-up Capital

60,000,000 share @ Tk. 10/- each

Total:

Amount in Taka		
31.12.2015	31.12.2014	01.01.2014

3,000,000,000	3,000,000,000	3,000,000,000
600,000,000	600,000,000	600,000,000
600,000,000	600,000,000	600,000,000

Holding of the Share	No. of Shareholder	No. of Share	% of Holding
Sponsor Directors	6	27,313,886	45.52
General Shareholders	119	32,686,114	54.48
Total:	125	60,000,000	100.00

31.12.2015	31.12.2014
Value in Taka	Value in Taka
273,138,860	329,317,840
326,861,140	270,682,160
600,000,000	600,000,000

Name of Sponsor Directors	No. of Share	% of Holding
Kabir Reza	5,780,000	9.63
Musleh Uddin Ahmed	7,731,886	12.89
Dilkush Begum	4,202,000	7.00
Najma Arif	3,200,000	5.33
Rukeya Khatun	3,200,000	5.33
Zebun Nessa	3,200,000	5.33
Total	27,313,886	45.52

Value in Taka
57,800,000
77,318,860
42,020,000
32,000,000
32,000,000
32,000,000
273,138,860

Classification of Shareholder by holding:

Classification of shareholders	No. of Shareholder	No. of Share	% of Holding
1-1000	-	-	-
1001-5000	-	-	-
5001-10000	-	-	-
10001-20000	-	-	-
20001-30000	-	-	-
30001-40000	-	-	-
40001-50000	-	-	-
50001-100000	5	348,000	0.58
100001-500000	97	17,536,114	29.23
500001-1000000	14	9,744,000	16.24
1000001-5000000	7	18,860,000	31.43
5000001-15000000	2	13,511,886	22.52
Total:	125	60,000,000	100.00

31.12.2015	31.12.2014
Value in Taka	Value in Taka
-	-
-	-
-	-
-	-
-	-
-	-
2,343,200	1,740,000
194,550,000	181,942,160
74,820,000	76,560,000
10,440,000	78,220,020
317,846,800	261,537,820
600,000,000	600,000,000

Revaluation Reserve: Nil

This is made up as follows:

Particulars

Opening Balance

Less: Adjustment (De-recognize)

Total:

-	-	2,795,579,801
-	-	2,795,579,801
-	-	-

Revaluation of Company's assets were carried out by, an Independent Valuer, M/S Saha Majumder & CO.; Chartered Accountants following Estimated Net Realizable Value Method & Depreciated Replacement cost method of valuation based on the nature of the assets as on December 28, 2011. Revaluation Surplus has been credited to Revaluation Surplus Account and treated as per BAS & BFRS and other applicable laws, regulations & guidelines.

The Board of directors agreed to de-recognize the revaluation surplus of all assets in a board meeting held on October 04, 2015.

			Amount in Taka			
			31.12.2015	31.12.2014	01.01.2014	
12.00	Share Premium: Tk. 388,000,000					
	This is made up as follows:					
	Particulars					
	Opening Balance		388,000,000	388,000,000	388,000,000	
	Adjustment during the year		-	-	-	
	Total:		388,000,000	388,000,000	388,000,000	
13.00	Retained Earnings: Tk. 847,259,530					
	This is made up as follows:					
	Particulars					
	Opening balance		708,127,901	(Re-stated) 527,686,316	(Re-stated) 561,574,472	
	Add: Profit during the year		139,131,629	180,441,585	-	
	Less: Unrealized Loss on Investment (considered separately)		-	-	177,376	
	Add: Adjustment for changes in deferred tax liability for charging Depreciation on Land & RCC Construction				18,342,981	
	Less: Adjustment for charging Depreciation on Land & RCC Construction				52,408,513	
	Total:		847,259,530	708,127,901	527,686,316	
14.00	Director's Loan (Unsecured): Tk. 2,230,331					
	This is made up as follows:					
	Particulars					
	Opening Balance		2,956,176	2,956,176	2,956,176	
	Adjust During the Year		(725,845)	-	-	
	Total :		2,230,331	2,956,176	2,956,176	
15.00	Deferred Tax: Tk. 142,082,581					
	This is made up as follows:					
	Particulars					
	Opening Balance		113,827,039	(Re-stated) 85,730,815	104,073,796	
	Deferred Tax Expenses/(Income) during the year		28,255,542	28,096,224	-	
	Less: Adjustment for changes in deferred tax liability for charging Depreciation on Land & RCC Construction		-	-	18,342,981	
	Total:		142,082,581	113,827,039	85,730,815	
	Particulars	Accounting base	Tax base	Taxable/ (Deductible) Temporary Diff.	Tax Rate	Deferred Tax (Income)/ Expenses
	Depreciation of Property, Plant & Equipment	85,216,967	168,216,110	82,999,143	35%	29,049,700
	Written Down Value of disposed Property, Plant & Equipment	7,185,779	4,916,756	(2,269,023)	35%	(794,158)
	Total:					28,255,542
16.00	Term Loan (Secured): Tk. 236,710,021					
	This is made up as follows :					
	Particulars	Branch Name	Account No.			
	Sahajalal Islami Bank Ltd.	Uttara	4008 3630000073 7	-	10,182,639	26,463,376
	Sahajalal Islami Bank Ltd.	Uttara	4008 3630000074 3	-	8,757,799	23,231,614
	Sahajalal Islami Bank Ltd.	Uttara	4008 3630000075 1	-	10,927,670	28,826,023
	Sahajalal Islami Bank Ltd.	Uttara	4008 3630000080 6	14,549,908	33,301,636	53,743,256
	Sahajalal Islami Bank Ltd.	Uttara	4008 3630000084 1	9,328,426	18,280,717	26,587,896
	Sahajalal Islami Bank Ltd.	Uttara	4008 3650000003 0	-	1,407,531	2,698,587
	Sahajalal Islami Bank Ltd.	Uttara	4008 3640000024 6	-	-	3,030,309
	Sahajalal Islami Bank Ltd.	Uttara	4008 3650000011 6	16,504,650	28,559,871	40,715,385
	Sahajalal Islami Bank Ltd.	Uttara	4008 3650000013 9	82,370,491	129,976,798	174,188,500
	Sahajalal Islami Bank Ltd.	Uttara	4008 3650000015 1	26,175,469	34,930,224	44,951,668
	Sahajalal Islami Bank Ltd.	Uttara	4008 3650000030 6	45,210,224	56,638,975	67,032,816
	Sahajalal Islami Bank Ltd.	Uttara	4008 36400000426	1,440,526	1,798,533	2,117,970
	Sahajalal Islami Bank Ltd.	Uttara	4008 36500000346	190,897,415	197,006,812	-
	United Leasing Company Ltd.	Gulshan	1011000050	-	-	108,654
	IPDC	Gulshan	00360200000013	44,507,822	59,233,041	73,910,172
				430,984,931	591,002,247	567,606,227
	Less: Current portion of Term Loan			194,274,911	235,319,637	173,610,793
	Total:			236,710,021	355,682,610	393,995,434

The above Term Loan represents the amount received from the respective Bank and Financial institutions. The amount so received were utilized mainly for the expansion of the hotel building renovations, decoration and others. Loans taken from Shahjalal Islami

Bank Ltd & IPDC are respectively secured against mortgage of floor and building space of the company and Cox's Bazar land as collateral given by the directors. The chargeable rate of interest for the loan amount carries a rate ranging from 16% to 18%.

			Amount in Taka		
			31.12.2015	31.12.2014	01.01.2014
17.00	Current Portion of Term Loan: Tk. 194,274,911				
This is made up as follows :					
Particulars	Branch Name	Account No.			
Sahajalal Islami Bank Ltd.	Uttara	4008 3630000073 7	-	10,182,639	16,280,737
Sahajalal Islami Bank Ltd.	Uttara	4008 3630000074 3	-	8,757,799	14,473,815
Sahajalal Islami Bank Ltd.	Uttara	4008 3630000075 1	-	10,927,670	17,898,353
Sahajalal Islami Bank Ltd.	Uttara	4008 3630000080 6	14,549,908	33,301,636	20,441,620
Sahajalal Islami Bank Ltd.	Uttara	4008 3630000084 1	9,328,426	14,648,622	8,307,178
Sahajalal Islami Bank Ltd.	Uttara	4008 3650000003 0	-	1,407,531	2,698,587
Sahajalal Islami Bank Ltd.	Uttara	4008 3640000024 6	-	-	1,622,779
Sahajalal Islami Bank Ltd.	Uttara	4008 3650000011 6	16,504,650	21,277,921	12,155,514
Sahajalal Islami Bank Ltd.	Uttara	4008 3650000013 9	82,370,491	75,617,966	44,211,702
Sahajalal Islami Bank Ltd.	Uttara	4008 3650000015 1	17,407,352	15,145,493	10,021,443
Sahajalal Islami Bank Ltd.	Uttara	4008 3650000030 6	18,647,332	16,224,354	10,393,842
Sahajalal Islami Bank Ltd.	Uttara	4008 3640000042 6	426,635	371,199	319,438
Sahajalal Islami Bank Ltd.	Uttara	4008 3650000034 6	11,624,496	10,114,044	-
United Leasing Company Ltd.	Gulshan	1011000050	-	-	108,654
IPDC	Gulshan	00360200000013	23,415,621	17,342,763	14,677,131
Total:			194,274,911	235,319,637	173,610,793

18.00	Accrued Expenses: Tk. 75,394,896				
This is made up as follows:					
Particulars					
Audit fee			230,000	172,500	150,000
Elevators Repair & Maintenance			12,000	25,000	24,000
Flower Bill			110,874	105,351	56,449
Fuel Bill			21,153	25,691	47,386
Satellite Bill Payable			50,000	50,000	40,000
Front Office Paid Out			83,101	83,735	18,889
House Rent			20,000	-	81,750
Sales Commission Payable			389,204	241,441	311,430
Pest Control			60,000	40,000	-
Laundry Bill Payable			1,187,200	438,442	295,374
Rates, Rent & tax			5,711,289	-	-
Menu cost			-	93,000	-
Magazine Advertisement Payable			41,800	10,000	20,000
Newspaper Advertisement Payable			8,000	-	28,000
News Paper bill Payable			41,850	30,400	34,500
Outdoor Sign (Billboard)			451,626	229,125	-
Salary and Bonus Payable			6,020,171	4,916,750	5,230,546
Supplier Tax Payable			468,884	942,942	483,724
Supplier VAT Payable			747,582	533,270	404,692
Internet Bill Payable			-	-	95,000
Music & Entertainment Payable			-	-	227,767
Painting & Decoration			250,000	165,000	-
Mobile & Telephone Bill Payable			125,000	132,248	142,746
Welfare fund			3,112,376	2,716,384	2,134,875
Window Cleaning bill Payable			-	105,000	-
Security Expenses			264,331	25,000	-
Third Party Reservation			525,343	984,261	31,548
Unearned Revenue			1,473,043	-	-
Repair & Maintenance Payable			-	629,331	10,001
Utility Bill Payable			3,465,709	3,010,000	5,128,531
Service Charge Payable			1,664,183	1,095,277	915,875
Premier club incentive			102,676	104,408	-
Rental Transportation			-	150,000	-
Service Charge Payable Breakage			3,648,942	3,648,942	3,648,942
Payable building			-	425,000	-
Security Deposit from Suppliers			1,438,000	1,238,000	1,263,000
Advance Sales Account			-	421,877	545,875
Employee Salary Tax Payable			100,241	62,578	57,196
Legal & Professional Fees			75,000	25,000	-
WPPF Payable	Note: 18.01		13,232,670	15,566,465	8,436,459
Value Added Tax (VAT)	Note: 18.02		9,568,163	10,238,750	8,956,994
City Ledger			869,588	646,049	911,450
Advance SA IFS Office Dhaka			8,343,000	-	-
Interest Payable on Loan	Note: 18.03		11,481,896	6,720,221	14,725,116
Total:			75,394,896	56,047,438	54,458,115

			Amount in Taka		
			31.12.2015	31.12.2014	01.01.2014
18.01	Workers Profit Participation Fund Payable: Tk. 13,232,670				
This is made up as follows:					
<u>Particulars</u>					
Opening Balance			15,566,465	8,436,459	8,436,459
Add: Addition During the year			9,147,861	13,880,122	-
			24,714,326	22,316,581	8,436,459
Less: Paid During the year			11,481,656	6,750,116	-
Outstanding Balance			13,232,670	15,566,465	8,436,459
18.02	Value Added Tax (VAT) & Others Duty: Tk. 9,568,163				
This is made up as follows:					
<u>Particulars</u>					
VAT Charge during the year			100,178,483	115,317,601	8,956,994
Add: Supplementary Duty & others			9,324,409	8,474,428	-
VAT Charged on Sales			109,502,892	123,792,029	8,956,994
Add: Opening Balance			10,238,750	8,956,994	-
			119,741,642	132,749,023	8,956,994
Less: VAT paid during the year			105,640,486	118,319,375	-
Less: Rebate during the year			4,532,993	4,190,898	-
Outstanding Balance:			9,568,163	10,238,750	8,956,994
18.03	Interest Payable on Loan: Tk. 11,481,896				
This is made up as follows :					
<u>Particulars</u>	<u>Branch Name</u>	<u>Account No.</u>			
Sahajalal Islami Bank Ltd.	Uttara	363-737	-	131,759	425,020
Sahajalal Islami Bank Ltd.	Uttara	363-743	-	114,088	338,745
Sahajalal Islami Bank Ltd.	Uttara	363-751	-	136,591	419,853
Sahajalal Islami Bank Ltd.	Uttara	363-806	176,666	413,929	775,952
Sahajalal Islami Bank Ltd.	Uttara	363-841	222,703	225,930	383,305
Sahajalal Islami Bank Ltd.	Uttara	364-246	-	-	40,895
Sahajalal Islami Bank Ltd.	Uttara	365-030	-	17,567	44,035
Sahajalal Islami Bank Ltd.	Uttara	365-116	404,713	348,039	586,208
Sahajalal Islami Bank Ltd.	Uttara	365-139	1,064,211	1,580,632	2,502,703
Sahajalal Islami Bank Ltd.	Uttara	365-151	338,820	424,315	645,158
Sahajalal Islami Bank Ltd.	Uttara	365-306	560,592	687,326	990,721
Sahajalal Islami Bank Ltd.	Uttara	364-426	17,730	21,809	30,387
Sahajalal Islami Bank Ltd.	Uttara	365-346	2,306,480	1,855,334	-
IPDC	Gulshan	00360200000013	1,536,647	296,235	208,617
Sahajalal Islami Bank Ltd.	Uttara	6249	2,426,667	233,333	-
Sahajalal Islami Bank Ltd.	Uttara	6250	2,426,667	233,333	-
Sahajalal Islami Bank Ltd.	Uttara	341-5635	-	-	1,269,539
Sahajalal Islami Bank Ltd.	Uttara	341-5636	-	-	1,936,252
Sahajalal Islami Bank Ltd.	Uttara	341-5637	-	-	1,848,049
Sahajalal Islami Bank Ltd.	Uttara	341-5638	-	-	2,279,679
Total:			11,481,896	6,720,221	14,725,116
19.00	Short term loan: Tk. 80,000,000				
This is made up as follows:					
<u>Name of bank</u>	<u>Branch Name</u>	<u>Account No.</u>			
Sahajalal Islami Bank Ltd.	Uttara	6249	40,000,000	40,000,000	-
Sahajalal Islami Bank Ltd.	Uttara	6250	40,000,000	40,000,000	-
Sahajalal Islami Bank Ltd.	Uttara	341-5635	-	-	13,824,663
Sahajalal Islami Bank Ltd.	Uttara	341-5636	-	-	21,084,852
Sahajalal Islami Bank Ltd.	Uttara	341-5637	-	-	20,124,363
Sahajalal Islami Bank Ltd.	Uttara	341-5638	-	-	24,966,122
Total:			80,000,000	80,000,000	80,000,000
These loan sanctioned against purchase of Food Item for the company for serving its customers. These loan is secured by a post dated master MICR cheque covering full investment amount, Commercial space measuring total 154,057 sft and Personal Guarantee of all the Directors of the Company. These Loan is repayable in partially or at a time from operational revenue or from other sources of the Company as per sanction letter. The Loan bears 14.00% interest which is subject to change time to time.					
20.00	Provision for Tax: Tk. 137,299,449				
This is made up as follows:					
<u>Particulars</u>					
Opening Balance			121,729,393	52,664,763	52,664,763
Current year Tax Provision			15,570,057	69,064,630	-
Closing Balance:			137,299,449	121,729,393	52,664,763
Less: Adjustment with Advance Tax			-	-	-
Less: Payment during the year			-	-	-
			137,299,449	121,729,393	52,664,763

		Amount in Taka		
		31.12.2015	31.12.2014	01.01.2014
21.00	Unclaimed Dividend: Tk. 6,644,807			
	This is made up as follows:			
	Particulars			
	Opening Balance	7,167,637	9,078,157	9,078,157
	Dividend declared during the year	-	-	-
		7,167,637	9,078,157	9,078,157
	Less: Paid during the year	522,830	1,910,520	-
	Outstanding Balance:	6,644,807	7,167,637	9,078,157
22.00	Accounts Payable : Tk. 46,964,609			
	This is made up as follows:			
	Particulars			
	Accounts Payable	46,964,609	24,827,659	19,640,874
		46,964,609	24,827,659	19,640,874
The details of Accounts Payable are shown in (Annexure- D).				

		Amount in Taka	
		01.01.2015 to 31.12.2015	01.01.2014 to 31.12.2014
23.00	Revenue: Tk. 659,350,739		
	This is made up as follows:		
	Particulars		
	Revenue from guest	461,867,306	530,202,406
	Revenue generated from restaurant	226,943,298	268,644,134
	Total Room & Restaurant Revenue	688,810,604	798,846,540
	Misc. Operating Revenue	80,043,027	87,009,908
	Total Revenue	768,853,631	885,856,448
	Less: VAT & Supplementary Duty	109,502,892	123,792,029
	Total Revenue (Net off VAT):	659,350,739	762,064,419
24.00	Cost of Service: Tk. 270,168,909		
	This is made up as follows:		
	Particulars		
	Complementary Services	80,222	76,063
	Contract & Dry Cleaning	425,398	388,800
	Depreciation	85,216,967	74,767,354
	Direct Material (F&B)	50,603,068	60,594,971
	Fuel Expenses (Fuel & Diesel)	2,644,140	3,066,181
	HVAC, Generator R & M	2,942,098	3,914,276
	Internet Bill	1,021,243	1,255,324
	Laundry Expenses	4,243,125	4,744,890
	Linen	2,380,856	4,291,494
	Maintenance(Swimming pool R&M, Building)	247,185	495,632
	Music & Cultural Expense	215,500	336,320
	Operating Supplies	11,239,412	11,906,421
	Overtime	336,514	482,403
	Removal of Wastage	-	-
	Salary & Benefits	44,884,102	40,017,995
	Cable TV & Video	521,740	453,904
	Security Expenses	3,169,621	2,555,230
	Service Charge	19,831,864	21,883,397
	Spoilage	91,801	78,532
	Uniform	1,350,080	1,285,208
	Utensils (glass, silver , utensils & china)	1,091,893	1,089,988
	Utility Expense (Electricity, Wasa & Gas)	34,771,822	34,958,452
	Water Treatment	111,950	98,250
	Window Cleaning	91,508	107,000
	Elevators R&M	408,550	343,560
	Furnishing	684,990	534,227
	kitchen Equipment R&M	340,707	651,882
	Menus	129,982	93,000
	All Other E & M Supplies (Spare Parts)	1,092,571	1,511,875
	Total:	270,168,909	271,982,629

Note: 24.01

Note: 24.02

		Amount in Taka	
		01.01.2015 to 31.12.2015	01.01.2014 to 31.12.2014
24.01	Direct Materials: Tk. 50,603,068		
	This is made up as follows:		
	<u>Particulars</u>		
	Opening Balance	40,638,711	50,396,636
	Add: Purchase during the year	53,523,381	50,837,046
		94,162,092	101,233,682
	Less: Closing Stock	43,559,024	40,638,711
	Total:	50,603,068	60,594,971
24.02	All Other E & M Supplies (Spare Parts): Tk. 1,092,571		
	This is made up as follows:		
	<u>Particulars</u>		
	Opening Balance	2,040,565	1,242,270
	Add: Purchase during the year	1,325,298	2,310,170
		3,365,863	3,552,440
	Less: Closing Stock	2,273,292	2,040,565
	Total:	1,092,571	1,511,875
25.00	General and Administrative Exp. : Tk. 100,157,948		
	This is made up as follows:		
	<u>Particulars</u>		
	Salary & Wages	36,404,306	32,510,871
	Managing Director's Remuneration	7,200,000	7,200,000
	Directors remuneration	14,400,000	14,400,000
	Bonus	6,199,611	5,855,079
	AGM Expenses	353,545	545,000
	Audit fees	345,000	172,500
	Board Meeting Fee	202,500	210,000
	Central billing Commission	4,169,586	4,754,521
	Comp. Guest Items	2,779,129	2,349,148
	Comp. Parking & transport	611,200	726,515
	Display materials	87,352	-
	Donation	263,550	168,900
	Electric Items R & M	804,748	1,044,648
	Entertainment	974,905	668,234
	Fees & purchases service	950,663	770,027
	Grounds, roads & Walks	85,510	51,285
	House Rent	1,646,717	1,606,597
	Insurance General-Hotel	1,343,445	1,455,362
	Legal Fees	505,800	522,938
	License	432,896	422,275
	Miscellaneous Expense	1,991,118	1,227,781
	Newspaper bill	-	-
	Office Equipment Repair & Main.	324,697	306,130
	Painting & Decoration	1,804,244	1,722,600
	Photography	11,770	26,000
	Planting	826,113	956,808
	Plumbing	572,010	417,494
	Radio & Television	193,910	193,840
	Rental & Contract Service	84,600	121,255
	Telephone & Mobile Bill	1,374,203	1,492,969
	Training Allowance	87,050	6,245
	Rent, Rate & Tax	7,711,289	206,615
	Traveling Expense	3,403,361	3,037,351
	Vehicle Repair & Maintenance	1,041,347	1,924,509
	Loss on Disposal	-	-
	Engineering Supplies	971,773	1,206,191
	Depreciation on Assets of Revaluation Amount		
	Total:	100,157,948	88,279,688
	Payment/perquisites to Directors and officers		
	The aggregate amount paid/provided during the year in respect of Directors and officers of the company as defined in the securities and Exchange Rules 1987 are disclosed below:		
	<u>Particulars</u>		
	Directors Remuneration		14,400,000
	Managing Director Remuneration		7,200,000
	Board meeting fee		202,500
	i) The Board of Directors have drawn Tk. 7,500/- per Board meeting attendance fees during the year under review.		
	ii) No money was given to any directors for rendering special services to the company.		
	iii) Four meeting of the Board of Directors were held during the year.		
	iv) The Company has been provided car facilities to the three directors.		

26.00 Selling Expenses: Tk.19,456,358

This is made up as follows:

Particulars

Advertisement (Out Door)
 Airport Counter
 Other Sales & Promotion
 Postage & Courier
 Print Magazine
 Print Newspaper
 Print Other Publication
 Salary & Benefits
 Bonus
 Sales Commission
 Sales & Marketing Exp
 Sales Promotion- Specific Function
 SPA Share portion
 Third party Reservation

Total:**27.00 Non-Operating Income/ (Expense): Tk. 7,716,049**

This is made up as follows:

Particulars

Non-Operating Income
 Non- Operating Expenses/ Loss

Total:**27.01 Non-Operating Income: Tk. 11,349,980**

This is made up as follows:

Particulars

Garbage Sales
 Gift Shop Rent
 Training Fee
 Car Insurance
 Space Rent
 Dividend Income
 Interest on FDR (Security Deposits)
 Other Income

Total:**27.02 Non- Operating Expenses/ Loss :Tk. 3,633,931**

This is made up as follows:

Particulars

Realized Loss on Investment in Share (Hazrat Amanat Shah Securities Ltd)
 Realized Gain on Investment in Share (Lanka Bangla Securities Ltd)
 Loss on Car Disposal
 Foreign Currency Loss

Total:**28.00 Financial Expenses: Tk. 85,178,485**

This is made up as follows:

Particulars

Bank Charge
 Interest on loan

Total:

Amount in Taka	
01.01.2015 to 31.12.2015	01.01.2014 to 31.12.2014

584,897	1,237,672
757,808	726,759
1,484,133	898,544
335,880	256,853
402,270	391,878
266,035	-
285,150	346,515
5,987,972	4,964,137
430,159	383,270
4,112,136	4,332,537
1,145,316	1,115,478
498,970	504,719
-	1,023,959
3,165,632	3,355,174
19,456,358	19,537,495

Note: 27.01

Note: 27.02

11,349,980	8,622,492
(3,633,931)	(360,762)
7,716,049	8,261,730

2,585,607	2,709,683
600,000	600,000
240,000	387,500
-	153,000
7,682,209	4,762,500
9,049	9,809
103,809	-
129,306	-
11,349,980	8,622,492

108,103	79,415
-	-
3,225,779	281,347
300,049	-
3,633,931	360,762

152,106	254,734
85,026,378	98,789,042
85,178,485	99,043,776

Amount in Taka	
01.01.2015 to 31.12.2015	01.01.2014 to 31.12.2014

29.00 Workers Profit Participation and Welfare Fund: Tk. 9,147,861

This is made up as follows:

Particulars

Profit before Tax and Reserve
 Rate (Profit before Tax and Reserve*5/105)

Total:

192,105,089	291,482,561
5%	5%
9,147,861	13,880,122

30.00 Current Tax Expenses: Tk. 15,570,057

This is made up as follows:

Particulars

Profit before Tax

Applicable Tax Rate

182,957,227	277,602,439
35%	35%
64,035,030	97,160,854
28,255,542	28,096,224
35,779,488	69,064,630
20,209,431	-
15,570,057	69,064,630

Less: Deferred Tax Expenses during the year

Less: Adjustment for over provision during the income year 2013

Current Tax Expenses**31.00 Un-Realize Gain/(Loss) on Investment: Tk. (65,556)**

This is made up as follows:

Particulars

Opening Un-Realize Gain/(Loss) on Investment

Closing Un-Realize Gain/(Loss) on Investment

Total:

185,532	177,376
251,088	185,532
(65,556)	(8,156)

32.00 Earnings Per Share: Tk. 2.32

This is made up as follows:

Particulars

Net Profit after Taxes

No. of Share

Total:

139,131,629	180,441,585
60,000,000	60,000,000
2.42	3.01

Diluted Earning per Share:

No Diluted earnings per share are required to be calculated for the year as there was no scope for dilution during the year under review.

33.00 Operating Cash Flow Per Share: Tk. 5.65

This is made up as follows:

Particulars

Net Cash Provided by Operating Activities

Number of Shares

Operating Cash Flow Per Share

325,916,571	350,388,656
60,000,000	60,000,000
5.43	5.84

Dhaka Regency Hotel & Resort Limited
Schedule of Property, Plant & Equipment
For the Year ended of December 31,2014

											Annexure- A
											Amount in Taka
Sl. No.	Particular	Cost Value				Rate of Dep.	Depreciation				Written Down
		As on 01.01.14	Addition	Disposal of Assets	Total Cost		As on 01.01.14	Depreciation	Acc. Dep. Of Assets	Total	Value
1	Land & RCC Construction	845,280,516	-		845,280,516	1.25%	52,408,513	9,910,900		62,319,413	782,961,103
2	Hotel Building	479,820,445	1,198,217		481,018,662	3%	47,959,549	12,973,800		60,933,349	420,085,313
3	Sanitary	128,649,711	10,875,620		139,525,331	5%	19,553,990	5,726,677		25,280,666	114,244,665
4	Equipment & Machinery	300,239,206	81,709,902		381,949,108	5%	57,988,390	14,155,288		72,143,679	309,805,429
5	Furniture and Fixture	130,068,186	60,553,949		190,622,135	10%	31,427,488	12,891,767		44,319,255	146,302,880
6	Interior Decoration	182,564,584	60,503,127		243,067,711	5%	21,397,638	9,570,925		30,968,564	212,099,147
7	Car & Vehicle	28,427,439	2,466,725	4,965,000	25,929,164	5%	5,668,108	1,199,635	1,244,074	5,623,668	20,305,496
8	Electric Installation & Equipment	96,873,153	51,092,148		147,965,301	5%	21,674,013	5,037,261		26,711,273	121,254,028
9	Gas Installation	3,508,075	-		3,508,075	5%	1,212,415	114,783		1,327,198	2,180,877
10	Telephone & PABX	3,199,477	13,500		3,212,977	5%	994,017	110,610		1,104,628	2,108,349
11	Handicraft, show piece & Renovation	25,331,125	-		25,331,125	5%	6,038,848	964,614		7,003,462	18,327,663
12	Graphics & Sound	23,185,446	299,569		23,485,015	5%	3,610,352	986,244		4,596,596	18,888,419
13	Kitchen Equipment & Utensils	27,168,520	458,243		27,626,763	5%	4,900,648	1,124,850		6,025,498	21,601,265
	Total:	2,274,315,883	269,171,000	4,965,000	2,538,521,883		274,833,970	74,767,354	1,244,074	348,357,250	2,190,164,633

Cost Value of fixed Assets	2,538,521,883
Less: Accumulated Depreciation on Fixed Assets	348,357,250
WDV as on December 31, 2014	2,190,164,633
Add: Revaluation of fixed Assets:-	

Opening Balance	2,964,216,441
Less: Accumulated Depreciation on	
Revaluation of Fixed Assets up to Dec. 31, 2013	168,636,640
WDV as on December 31, 2013	2,795,579,801
Less: Adjustment (Discard)	2,795,579,801
WDV as on December 31, 2014	-
Total WDV as on December 31, 2014	2,190,164,633

Dhaka Regency Hotel & Resort Limited
Schedule of Property, Plant & Equipment (Amended)
For the Year ended of December 31,2015

											Annexure- A
											Amount in Taka
Sl. No.	Particular	Cost Value				Rate of Dep.	Depreciation				Written Down Value as on 31.12.2015
		As on 01.01.15	Addition	Disposal of Assets	Total Cost as on 31.12.2015		As on 01.01.15	Depreciation	Adjustment in disposal	Total as on 31.12.2015	
1	Land & RCC Construction	845,280,516	-	-	845,280,516	1.25%	62,319,413	9,787,014	-	72,106,427	773,174,089
2	Hotel Building	481,018,662	11,405,656	-	492,424,318	3%	60,933,349	12,773,644	-	73,706,993	418,717,325
3	Sanitary	139,525,331	10,037,000	-	149,562,331	5%	25,280,666	5,963,158	-	31,243,824	118,318,507
4	Equipment & Machinery	381,949,108	53,691,188	-	435,640,296	5%	72,143,679	16,832,551	-	88,976,230	346,664,066
5	Furniture and Fixture	190,622,135	25,814,571	-	216,436,706	10%	44,319,255	15,921,017	-	60,240,272	156,196,434
6	Interior Decoration	243,067,711	47,809,000	-	290,876,711	5%	30,968,564	11,800,182	-	42,768,746	248,107,965
7	Car & Vehicle	25,929,164	-	8,840,412	17,088,752	5%	5,623,668	1,015,275	1,654,633	4,984,310	12,104,442
8	Electric Installation & Equipment	147,965,301	27,301,094	-	175,266,395	5%	26,711,273	6,745,229	-	33,456,502	141,809,893
9	Gas Installation	3,508,075	-	-	3,508,075	5%	1,327,198	109,044	-	1,436,242	2,071,833
10	Telephone & PABX	3,212,977	-	-	3,212,977	5%	1,104,628	105,417	-	1,210,045	2,002,932
11	Handicraft, show piece & Renovation	25,331,125	-	-	25,331,125	5%	7,003,462	916,383	-	7,919,845	17,411,280
12	Graphics & Sound	23,485,015	9,367,110	-	32,852,125	5%	4,596,596	1,178,599	-	5,775,195	27,076,930
13	Kitchen Equipment & Utensils	27,626,763	39,575,620	-	67,202,383	5%	6,025,498	2,069,454	-	8,094,952	59,107,431
	Total as on December 31, 2015	2,538,521,883	225,001,239	8,840,412	2,754,682,710		348,357,250	85,216,967	1,654,633	431,919,584	2,322,763,126
	Total as on December 31, 2014	2,274,315,883	269,171,000	4,965,000	2,538,521,883		274,833,970	74,767,354	1,244,074	348,357,250	2,190,164,633

Note: Revaluation Surplus

Represents revaluation surplus arisen In accordance with the report on revaluation of assets carried out by M/S Saha Majumder & CO.; Chartered Accountants.
The board of directors agreed to discard the revaluation surplus of all assets in a board meeting held on October 04, 2015 during the reporting period.

Dhaka Regency Hotel & Resort Limited
Schedule of Accounts Receivable
As at 31 December, 2015

		Annexure- B
		Amount in Taka
Particulars	As at 31 December 2015	As at 31st December 2014
Corporate & Business Group:		
Abul Khair Group	-	13,729
Abul Khair Steel	17,390	
Agrani Bank	205,500	205,500
Air Atlanta Icelandic	2,200,770	1,140,480
Akij Footwear Ltd.	18	18
Akij Group	34,816	34,816
Anon Tex Group	97,812	-
Ashiyon Group	23,592	23,592
Avery Dennison (Bangladesh) Ltd (PAXAR)	360,181	3,739
Bangladesh Foreign Exchange Dealers Association (BAFEDA)	9	
Bangladesh Overseas Employment & Services Limited (BOESL)	220,400	
Bashundhara Group	90	90
Bengal Music Co. Ltd	315,120	315,120
British American Tobacco		33,402
British Council		161,486
Booking.com	3,580	-
BTRC-Bangladesh Telecommunication Regulatory Commission	132,981	132,981
Beximco Pharmaceuticals Ltd	60	44,950
BRB Cable Industries Ltd.	47,191	40,930
Civil Aviation Authority of Bangladesh		729,053
Crown Cement	25,990	-
Shah Cement Industries Limited	80,722	
Concord Pharmaceuticals Ltd.	122,790	
Consulting Service International Ltd. CSI	12,864	12,864
Corporate Work Station	250,000	250,000
Comtextile (HK) Limited, Chittagong		35,059
Desh TV	106,878	61,991
Dhaka Regency Hotel & Resort	45,839	181,594
Dewhirst Sportswear Limited		101,388
Diganta TV	154,172	154,172
Eskayef Bangladesh Ltd.	2,300	136,337
Four D Communication Ltd.	12,427	
Foster Wheeler (Thailand) Ltd.		17,208
Foster Wheeler (Thailand) Ltd. Bangladesh Branch		133,709
DHL Global Forwarding Bangladesh		16,859
GDS	27,097	6,072
G.M.Group	99,105	99,105
Grameenphone Ltd. (Supply Chain)		11,271
Grameenphone Ltd.	3,692	334,716
Group Captain Mueen		299,997
Golden Jubilee Int. Pvt. Ltd	1,455,558	1,455,558
GP Platinum	55,406	82,009
Hotel Agrabad	95,928	138,337
Hoplun	18	72,141
HSBC		243,351
ICC World twenty20 Bangladesh 2014	717	717
International Turkish Hope School	85,893	85,893
Intas Shipping Ltd.	25,000	25,000
Investor		
Investor Friend	2,045,952	2,045,952
Investor Group	10,993,315	10,993,315
JST Bangladesh Ltd.	259,069	-
Le Meridien Dhaka	3,239	-
Kmart Australia Sourcing	4,981	4,981

Particulars	Amount in Taka	
	As at 31 December 2015	As at 31st December 2014
Kenpark		31,125
KAFCO Karnaphuli Fertilizer Company Ltd.	66,512	106,456
Mannan Group	26,544	26,544
Marico Bangladesh Ltd.		12,103
MAS Intimates Bangladesh	23,491	-
Mott MacDonald Bangladesh	24,876	24,876
Petredec Elpiji Limited (kleenheat Gas)	59,982	
Nikunja Club Limited	5,454	5,454
Novo Nordisk Pharma Pvt. Ltd.	15,574	541,059
NRB Bank Ltd.		55,999
Online Reservation	336,492	336,492
Orbitz	2,215	2,215
Ocean Paradise	4,680	4,680
Orient Chem-tex Ltd.		405,900
Others	444,002	469,002
Penguin International Ltd/ Delgro-Setsco OTC..	57,578	85,925
Parading Architect & Engineering	164	164
Dusai Resort & Spa	294	
Parshi Communication	219,546	219,546
Partex Group		-
Plexal Group (Thailand)Ltd.	2	90,855
Pran Confectionary Ltd	579,037	
Pran RFL-Group	-	11,866
Premier Club	66,654	12,693
Probashi Polli	18,405	18,405
Professional Skills Development Institute	18,962	18,962
Progressive Test Centre	30,411	4,281
Prominent Skill Development Training Center	575,506	575,506
Promiles Liasion Office Bangladesh	1,203	1,203
Rahimafrooz Accumulators Limited		79,937
Rainbow Pharmaceuticals Ltd.	5,313	5,313
Radisson Water Garden Hotel Dhaka		-
Raowa Club	162,000	162,000
Reckitt Benckiser	5,423	5,423
S.B. Trades	24,297	24,297
SCB Promotion		59,200
Sharp Cargo Logistics	52,776	136,976
Shushu Polli Plus	25,618	38,427
Sylhet Royals	3,049,917	3,049,917
Travel World	50,658	50,658
Tominaga Group	101,514	101,514
The millennium Sound & Event Management	-	300,000
Unique Vocational Training Center	35,544	134,835
UNFPA-UN	-	1,740
Sub Total	25,719,106	27,091,030
Tours & Travels		
Air Express Travel & Tours	259,210	258,635
Air India	-	-
Autarky Tours & Travels	25,539	77,763
Agoda	6,170	6,170
Blue Sky Holidays	130	138,546
Journey Plus	20,240	-
Expedia tours & Travels Ltd.	15,309,159	15,526,189
Expedia Travel	-	-
Escape Bangladesh Travel & Tours	13	13
Kamal Tour & Travel	124,451	-
Galaxy Holiday	-	46,984
Green Channel Tour Operators	23,412	23,412
Haque & Sons Ltd. (Marine Travel)	110	110
International Travel Corporation (ITC Holidays)	-	13,736

Particulars	Amount in Taka	
	As at 31 December 2015	As at 31 December 2015
Prominent Marine Academy Pvt. Ltd.	-	58,414
Riverain Tours	-	31,590
Silver Wave Tours Ltd	-	106,920
The Bengal Tours Ltd.	207,381	416,571
Tour Planners	-	70,470
Sub Total	15,975,815	16,775,523
Airlines Groups		
Air Arabia.Com	3,683,410	2,819,692
Aviation Support Ltd	40,510	40,510
Best Aviation Ltd.	206,800	206,800
Best Holdings Ltd.	108	172,857
Biman Bangladesh Airlines (Operation)	2,052,864	4,734
Biman Bangladesh Airlines (Revenue Interline)	4,734	-
Bismillah Airlines	7	-
China Southern Airlines	-	-
China Eastern Airlines	26	-
Drukair (royal Bhutan Airlines)	141,741	-
Dragon Air (KA)	-	1,311
Emirates Airlines	39	-
Federal Air Cargo	1,830	-
Federal Group of Companies	185	185
Fly Dubai (GSA: Sky Air Services limited)	2,391,927	3,243,677
Japan Airlines Ltd.	-	28
Jet Airways(India)Ltd	21,890	307,659
Kuwait Airways	-	-
Lufthansa Cargo	-	77,620
Malayasia Air Lines	1,706,637	1,088,384
Maldivian, GSA of Air Galaxy	80,294	80,294
Novo Air	-	4,880
Pakistan International Airlines	16,104	-
Regent Airways	5,867	5,867
Embassy of State Of Qatar	-	-
Royal Embassy Of Saudia Arabia	-	10,456
Saudi Arabian Airlines	7,042,945	12,584,777
Singapore Airlines	25,709	25,709
Thai Airways	-	26,716
Turkish Airlines	575,851	-
Sub Total	17,999,478	20,702,156
Power/Energy		
Chevron Bangladesh Ltd.	88,084	1,291,469
Meghnaghat Power Ltd.	13,711	-
Bangladesh Petroleum Corporation/ Padma Oil Company Ltd.	271,094	-
Pendekar Energy Ltd.	-	-
Rural Power Company Limited	45	250,700
Aggreko international Power project	26,850	26,850
Sub Total	399,784	1,569,019

Particulars	Amount in Taka	
	As at 31 December 2015	As at 31 December 2015
MNC		
Novartis (Bangladesh) Ltd.	-	54,828
Le ERICSSON BD LTD	42,708	
RAK Ceramics Pvt. Ltd.	255,279	19,410
Transcom Beverages Limited		106,050
Unilever Bangladesh Limited	23,568	14,754
Islamic Foundation Bangladesh	173,974	-
TUV SUD Bangladesh (Pvt.) Ltd.	73,955	-
UL VS Bangladesh Ltd.	7,209	-
Star Ceramics Pvt Ltd.	18,299	-
Yokogawa India Ltd		-
Sub Total	594,992	195,042
Garments		
ACS Textiles (Bangladesh) Ltd.	2,458	2,458
Health Insurance Garment Worker	10	-
Sub Total	2,468	2,458
Govt & Diplomats		
Government of The people Republic Of Bangladesh	55,476	698,563
High Commission of India		45,328
Ministry of Foreign Affairs		166,996
RAJUK National Debate Championship	173	
RAJUK	9,867	9,867
UNFPA-UN	1,740	
UNDP, Dhaka, Bd	218,662	218,662
Sub Total	285,918	1,139,416
Telecommunication		
LM Ericsson Bangladesh		42,708
Sub Total	-	42,708
Individual		
Dr. Reza Dubai	6,895	106,895
Drt. Haq	33,500	
Mr. Ashrafu	34,181	121,295
Jazz	9,999	79,999
Mr. Jain Sanjiv		85,456
Mr. Jamil	50,000	250,000
Mr. Masum	40,192	140,192
Mr. Polash	-	115,000
Mr. Rafsan		287,456
MR. Judo	49,999	388,000
Mr. Maruf	25,068	125,068
Mr. Rashek	11,941	111,941
Mr. Ripon Milky		385,383
Tareq	35,495	335,495
Mr. Zahedur Rahman Simon	85,444	85,444
Mishu Hassan	348,783	-
Mr. Polash	73,555	73,555
Mrs. Mahbub,	85,000	93,000
Md. Farhan Uddin		45,789
MS. Farnaz Mahbub		45,875
Special Package @ Weekend	2,079	
Group Captain Mueen	299,997	-
Sami Sattar	200,000	200,000
Individual	2,142,042	-
Walk-In	59,491	3,359,491
Sub Total	3,593,661	6,435,334

Particulars	Amount in Taka	
	As at 31 December 2015	As at 31 December 2015
Guest Ledger		
Guest Ledger	3,353,147	7,757,780
Sub Total	3,353,147	7,757,780
Other Receivable		
Amex Card	2,207,962	1,084,288
Airtel Bangladesh Ltd.	1,270,500	-
BRAC Bank Card	1,051,441	2,862,652
City Bank Card	4,054,062	2,860,651
PrimeBank Card	535,828	535,828
Individual	-	1,508,486
M/S Alam Iron Store	85,000	-
M/S S Alam Engineering Works	268,000	868,000
M/S Babul & Brothers	300,000	925,000
Perl Haven	78,058	380,000
Hazrat Amanat Shah Securities Ltd	1,056	2,306
Lanka Bangla Securities Ltd.	23,267	23,787
Employee Ledger	1,918,433	1,707,254
SA IFS Office Dhaka	8,026	
M/S R.M. Enterprise	-	370,000
GMS Receivable	-	4,225,945
Sub Total	11,801,633	17,354,196
Grand Total:	79,726,002	99,064,662

Dhaka Regency Hotel & Resort Limited
Schedule of Material Inventory
As at December 31, 2015

		Annexure- C
Particulars	As at December 31, 2015	As at December 31, 2014
Restaurant Materials :		
Food Item	3,416,892	4,945,681
Beverage Item	8,649,280	11,936,498
Total Restaurant Material	12,066,172	16,882,179
Service Materials :		
China Silver Items	9,813,393	4,603,582
Linen Item	11,610,277	7,840,541
Room Amenities	2,643,557	3,518,946
Operating Supplies	7,425,625	7,630,649
Total Service Materials	31,492,852	23,593,718
Spare Parts :		
Spare Parts	2,273,292	2,040,565
Total Spare Parts	2,273,292	2,040,565
Gift Soft Inventory		
Gift Soft Inventory	-	162,814
Total Gift Soft Inventory	-	162,814
Total:	45,832,316	42,679,276

Dhaka Regency Hotel & Resort Limited
Schedule of Accounts Payable
As at 31 December, 2015

		Annexure- D
		Amount in Taka
Particulars	As at December 31, 2015	As at December 31, 2014
A & A Enterprise	570,224	72,245
Abdullah Vegetables Store	4,000	-
ACI Limited	8,976	3,150
AEGIS Services Limited	290,880	335,100
Aftab Bahumukhi Farms Ltd.	644,812	-
AGI Printing and Packeging Ltd.	50,125	24,625
Agri Care Bangladesh	167,701	37,948
Agricultural Marketing Co Ltd	17,880	17,880
Akij Food & Beverage Ltd.	696,477	611,340
Akij Match Factory Limited	20,000	20,000
AL REIAD	6,500	30,500
Alam Enterprise	208,369	11,300
AL-Amin Computer	11,570	2,880
AL-Amin Enterprise	-	9,800
Alif Traders Hardware & Print Suppliers	568,064	109,483
Allion Trade Internaional	783,088	-
Amity Metallic	6,299	6,299
Anna Plaza	-	16,200
Annex Communications Ltd.	49,351	-
Aphoner Phone	23,950	-
Arabian Mint Lounge	-	124,200
Arkay Enterprise	90,000	425,000
Arla Foods Bangladesh Limited	75,012	63,000
Arthoprobaho	15,000	15,000
Asian Electronics	4,249	4,249
Astir Japan International	30,000	-
Azhar Trading Limited	312,945	154,615
Babu Motores	117,790	16,340
Bashar Agro Food Products	39	39
Basic Technologies	67,750	7,500
Bay Engineering & Ac Equipment	104,000	-
Bazna Production	-	168,751
B'borton-Md.Naim Murtoza Haque	6,500	6,500
bdjobs. Com	60,600	-
Bengal Meat Processing Industries Limited	1,329,506	435,476
Bengal Trade Center	-	150,000
Berger Paint (BD)Ltd	-	288,598
Bio-Access Tech Co. biometric Solution	5,000	5,000
Blue back Corporation	1,219,309	1,550,140
Blue Bird International	975,826	-
Body & Sports	41,100	15,652
Bogra Enterprise	597,741	43,613
Bogra Rice Agency	367	367
Brac Chicken	1,160,160	-
Canom pest Management BD Pvt Ltd	60,030	-
Chef Works	248,850	60,220
Chen House	37,230	19,950
City Link International	92,480	-
Computer Solution Inc.	7,350	1,000
Corporate Printers	219,057	-

Particulars	Amount in Taka	
	As at December 31, 2015	As at December 31, 2014
Creative Engineers Ltd.	78,000	50,260
Daily sun	47,450	49,393
Deluxe Engineering Company	-	70,000
Dhaka Tribune	14,900	11,800
Dimonds Traders	24,320	-
Diplomat	600,000	600,000
DPS STS School Dhaka	20,000	20,000
Duncan Products Limited	36,225	36,225
E-Bangla Corporation	42,684	6,842
EJAB Distribution Ltd.	144,720	84,420
Electro Process (PTV) LTD.	9,650	4,500
Elora International	50,400	10,200
Ethic Mercantile Limited	-	136,800
Expolink Resources Ltd.	777,771	360,025
FaabN Limited	5,450	-
Fair Distribution Limited	100,368	71,067
Fair tread international	707,703	604,785
Ferdous Tailors & Febrics Limited	7,240	7,240
Flora Limited	31,700	23,350
Foodex International	1,225,951	357,500
Fusion Net	190,000	95,000
Glaobal Brand Distribution Ltd.	2,400	-
Genesis (PVT) Ltd.	1,850,263	2,053,856
Gloden International	241,954	-
Grameen Danone Foods Ltd.	10,644	10,644
Greentech Services.	15,575	15,575
Greenland Technologies	14,500	-
Group Tex	300,000	300,000
H N Agro Fisheries & Dairy Farm	15,290	7,750
Hafiz Tailors & Fabrics	45,800	32,610
Haider Sing	37,500	-
Harvest Rich Agro Industries Ltd.	400	400
Hatirpool Motsho Bitan	136,699	24,510
HNM Enterprise	53,560	-
Holiday	1,260	1,260
Holy Seed Agro Ltd	-	578,167
ICE Media Limited	4,025	4,025
Ice Today	31,962	31,962
IGLOO Foods Limited.	79,080	35,208
Independent Publication Limited	15,000	-
International Beverages Private Limited	34,127	92,380
International Homeware	9,500	64,994
Islam Corporation	64,750	18,500
Islam S.S. Metal	32,500	-
Ixpress Limited	6,087	-
J & J Marketing	534,781	21,036
J & J Printing & Packaging	2,839	7,600
J A N Associates	67,350	76,200
J. Alam Traders	80,230	79,018
JAT Holdings Bangladesh (PVT) Ltd.	33,865	13,706
Jharna Corporation	26,250	-
Kamal General Store	256,402	247,516
Kazi & Kazi Tea Estate Ltd.	31,509	18,144
Kim Gomes Engineering	19,500	19,500
Lavender Convenience Store Ltd.	63,000	-
Litme Enterprise	183,000	420,000
Luminous Associates	53,730	105,250
M/S Anwar Furniture	39,000	-
M/S Dipu Traders	81,958	-
M R Corporation	-	23,215
M/S Eleas Enterprise	2,686	2,686
M/s Hamidi Construction	54,250	-

Particulars	Amount in Taka	
	As at December 31, 2015	As at December 31, 2015
M/s K R Corporation	116,400	173,600
M/S Nikunja Enterprise	50,055	-
M/S Panna Enterprise	31,866	-
M/s R.M Enterprise	1,292,779	1,552,181
M/S Sajeda Trading Agency	153,782	402,058
M/S Salina Steel Corporation	630	630
M/S Sikder Corporation	219,681	49,903
M/S. Sikdar Traders	260,784	7,500
M/S BS Traders	409,650	-
m2m Communicatiomn	15,591	-
Maa. Enterprise (Food)	203	203
Maa-Fatema Varietise Store	444	444
Maan Bangladesh Ltd.	50,000	12,000
MEC Logistics	48,903	-
Media Triple	98,704	-
Md. Masud	-	36,000
Miami Associates (BD)	389,300	84,415
Molla Hardware & Paint Store	-	11,889
Monitor	10,000	70,000
Mugdho Trade House	132,296	-
Mozir & Company	334,346	66,850
Must Ad	6,088	2,920
Navana Furniture Limited	62,604	45,684
Nayem Electric House	960	960
Need Printing	50,000	33,150
Netcom Technologies (Pvt.) Ltd.	48,000	155,500
New Age Advertisement	15,000	30,384
New Lighting Zone	11,280	-
New Powergen Refrigeration Service	17,090	44,470
New Signplus	2,030	-
new Yousuf Enterprise	120,456	6,108
Nikunja Model Service Centre	531,447	234,576
Nishat Kamal Enterprise	16,600	10,200
Noor Trade House	328,309	-
Nusaiba Enterprise	1,693,134	191,676
Otobi Limited	8,968	-
Pacific Maintenance & Energy Conservation Trust	358,000	358,000
Panbo Bangla Mushroom Ltd	81,535	38,286
Paragon Agro Ltd.	460,224	-
Peter England Tailors limited	44,480	-
Poly Enterprise	99,000	-
Progoti Consortium	1,182,100	-
Progoti Electric	12,730	840
Proticchobi	38,880	78,128
Provath International	441,246	68,224
Purchase dipartment Dhaka Regency Hotel	69,544	67,323
Puspo Nir	334,018	-
Quality Paper House	6,100	6,100
QUBEE Alludin Tower	29,404	64,234
R M Enterprise	33,600	-

Particulars	Amount in Taka	
	As at December 31, 2015	As at December 31, 2015
Rahim Afroz Energy Services	229,600	2,500
Rajdhani L P Gas	5,600	-
Rangs Motors Workshop Ltd.	6,219	-
Rapid PR	3,000	-
Rajdhani Paint Suppliers	-	3,000
Renesa Stationery & Library	131,805	37,505
Retail Technologies	11,000	-
Richman Informatics	-	16,500
RM International	16,800	13,440
Rupali Insurance Co. Ltd.	492,364	23,158
Rupayan Jantralitya	48,217	1,592
S.K Electronic	151,194	32,692
SAF Chemicals	112,800	528,976
SAF International	60,520	60,520
Saima Enterprise	1,200	9,240
Samata Enterprise	3,600	3,600
Sanwar Engineering Workshop	-	35,500
Scale House	71,248	15,000
Shafiq Paint and Hardware store	112,965	112,965
Shahabuddin Medical	511	511
Shaheen Traders	59,200	-
Shameem Store	-	33,616
Shanto Electronics Works & Telecom	-	112,500
Sonargaon Salt Industries	9,500	-
Spoon bill	35,400	8,850
Square Consumer Products Ltd:	-	61,390
Square Toiletries Limited	-	44,342
Square Food & Beverage	149,172	-
STB Asia Impex (Bangladesh) Pvt. Ltd.	-	24,650
Sun Tech Energy Limited	10,000	-
Suruchi Carpets	-	65,000
Taj Enterprise	464,802	122,361
Tamam Corporation	3,921,018	281,477
Tanro Limited	289	289
Tanvir Oils Limited	181,000	199,720
Tosha Enterprises	34,000	-
Telecom Technology	318,880	10,000
The Builders	143,502	-
The Finacial Express	38,250	36,340
The Aristocrat Agro Ltd.	5,195	-
The Current View	28,320	21,240
The daily Bangladesh Pratidin	47,562	11,682
The Executive Time	4,250	4,250
The Independent	23,000	60,593
The New Nation	5,426	5,133
The New Today	13,475	-
Thermotech Green Products Ltd.	85,000	145,000
Tijarah Motors Ltd	500,000	2,460,000
TN International	560	78,400
Toma Satellite Cabel	50,000	-
Topclean Bangladesh Ltd.	650,527	-
Touch Interior	100,982	141,319
Tourism International	20,000	8,000
Transcom Beverage	261,049	-
Travel World	-	210
Tuhin Enterprise	105,528	-

Particulars	Amount in Taka	
	As at December 31, 2015	As at December 31, 2015
Trust Advertising	87,990	23,650
U.S Dry Cleaning	4,229,075	-
U-N -Press	121,180	80,328
United Sugar Mills Ltd	64,500	47,570
URO Tyre & Bettery	59,948	78,621
Virtue	9,710	4,658
Well Trade BD.	52,320	20,030
Win Printing & Packaging	179,100	-
Woodcraft Ltd	64,400	-
XEBEC Trading Services	-	31,200
Zinias Charms	84,000	-
Zahir & Brothers	-	111,456
Zenith BD	-	7,870
Foysal Marble	41,164	41,164
Hassan Glass(Pallab)	136,935	136,935
Jani Trading (Kitchen Hood)	437,200	437,200
Lucky Star-Vertical Blind	73,741	73,741
Mitsumaru-Stair	28,600	28,600
Munna Construction	1,131,048	1,131,048
National Polymer	53,617	53,617
Olympic Fitness & SPA	24,000	24,000
Saif power	600,000	600,000
Sanitary Bazer	262,690	262,690
Shohel Enterprise	15,000	15,000
Stonex	163,157	163,157
Drishik Associates	948,548	948,548
Total:	46,964,609	24,827,659

Compliance of Applicable Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS) and other related Standards.

BAS/ BFRS No:	Title of BAS/ BFRS	Compliance Status
BAS 1	Presentation of Financial Statements	Complied
BAS 2	Inventories	Complied
BAS 7	Statement of Cash Flows	Complied
BAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
BAS 12	Income Taxes	Complied
BAS 16	Property, Plant and Equipment	Complied
BAS 18	Revenue	Complied
BAS 19	Employee Benefits	Complied
BAS 23	Borrowing Costs	Complied
BAS 24	Related Party Disclosures	Complied
BAS 32	Financial Instruments: Presentation	Complied
BAS 33	Earnings per Share	Complied
BAS 37	Provisions, Contingent Liabilities and Contingent Assets	Complied
BAS 39	Financial Instruments: Recognition and Measurement	Complied
BFRS 1	First-time Adoption of International Financial Reporting Standards	Complied
BFRS 7	Financial Instruments: Disclosures	Complied
BFRS 13	Fair Value Measurement	Complied

Dhaka Regency Hotel And Resort Limited
Statement of Ratio Analysis
For the periods from 01 January 2011 to 31 December, 2015

The following ratios have been computed from the audited financial statements of M/s. Dhaka Regency Hotel & Resort Ltd for the year ended 31 December 2015 & December 31, 2014, 2013, 2012, and 2011.

Name of Ratio	Years				
	2015	2014	2013	2012	2011
	Amended	Re-Styled	Re-Styled	Re-Styled	Re-Styled
A. Liquidity Ratios					
1 Current Ratio (Times)	0.63	0.78	0.99	1.37	1.17
2 Quick Ratio (Times)	0.55	0.70	0.86	1.18	1.01
3 Times Interest Earned Ratio (Times)	3.16	3.86	3.00	3.21	4.18
4 Debt to Equity Ratio (Times)	0.50	0.59	0.57	0.69	0.59
B. Operating Ratios					
1 Accounts Receivable Turnover Ratio (Times)	7.38	7.78	7.78	9.00	12.22
2 Inventory Turnover Ratio (Times)	6.10	5.77	5.31	5.53	5.72
3 Fixed Assets Turnover Ratio	0.28	0.35	0.33	0.35	0.23
4 Assets Turnover Ratio (Times)	0.24	0.30	0.29	0.30	0.21
C. Profitability Ratios					
1 Gross Margin Ratio (%)	59.03	64.31	63.32	68.19	74.04
2 Operating Income Ratio (%)	40.88	50.16	47.74	56.06	60.86
3 Net Income Ratio (%)	21.10	23.68	29.16	29.37	31.73
4 Return on Assets Ratio (%)	5.11	7.03	8.33	8.87	6.66
5 Return on Equity Ratio (%)	7.58	10.64	12.83	14.47	15.20
6 Earning Per Share	2.32	3.01	3.31	3.33	3.46
7 EBITDA Margin	0.54	0.59	0.56	0.62	0.66
D. Coverage Ratio					
1 Debt to Total Assets Ratio	0.16	0.22	0.23	0.26	0.27
2 Debt Service Coverage Ratio	1.10	1.39	2.00	2.17	3.07
E. Cash Flow					
1 Net Operating Cash Flow per Share	5.65	5.84	2.35	4.05	5.78
2 Net Operating Cash Flow per Share/EPS	2.44	1.94	0.71	1.22	1.67

We have examined the calculation of the above ratios of M/s. Dhaka Regency Hotel & Resort Ltd for the year ended December 31, 2015, and the year ended 2014, 2013, 2012 and 2011 and are found them correct. The detail calculation is presented in **Annexure-1**.

Place: Dhaka;
Dated: July 31, 2016

Sd/-
Ahmed Zaker & Co.
Chartered Accountants

AUDITORS' REPORT
OF
Dhaka Regency Hotel and Resort Limited
Under section 135(1) and paragraph 24(1)(3) and 25 of Part-II of Third Schedule of the Companies Act 1994

We have examined the financial statements of Dhaka Regency Hotel and Resort Limited for the year 2015, 2014, 2012 and 2011 were audited by us and for the year ended 2013 by Atik Khaled & Co.; Chartered Accountants. In pursuance of Section 135(1) under Paragraph 24(1) of Part-II of Third Schedule of the Companies Act 1994 our report is as under:

The presentation of these financial statements is the responsibility of the Company's management.

Our responsibility is to review the relevant audited financial statements and confirm that the related information have been correctly extracted from those audited financial statements.

We have reviewed the relevant audited financial statements and confirm that the related information have been correctly extracted from those audited financial statements.

- a. The company was incorporated on November 14, 2006;
- b. The Company has started commercial operation on 14th April, 2007;
- c. The Company has no subsidiaries;
- d. **Dividend declared:**

	31.12.2015	31.12.2014	31.12.2013	31.12.2012	31.12.2011	31.12.2010
Cash dividend- %	0%	0%	0%	12%	20%	0%
Stock dividend (Bonus share)- %	0%	0%	0%	0%	0%	0%

e. Enclosures :

- (i) The Statement of Assets and Liabilities (Financial Position) of the Company for the year ended December 31, 2015 and for immediately preceding four years. (**Annexure - A**)
- (ii) The Statement of operating results (Comprehensive Income) of the Company for the year ended December 31, 2015 and for immediately preceding four years. (**Annexure - B**)
- (iii) The Statement of Cash Flows of the Company for the year December 31, 2015 and for immediately preceding four years. (**Annexure - C**)
- f. No proceeds or part of proceeds of the issue of shares were applied directly or indirectly by the Bank in the purchase of any other business or an interest thereon;
- g. The Company did not prepare any financial statements for any period subsequent to December 31, 2015; and
- h. Figures related to previous years have been rearranged wherever considered necessary as per BAS- 08.

Place: Dhaka;
Dated: July 31, 2016

Sd/-
Ahmed Zaker & Co.
Chartered Accountants

**The Statement of Assets and Liabilities (Financial Position) of the company for the year ended 31 December 2015
and for immediately preceding four years
Dhaka Regency Hotel And Resort Limited**

Statement of Financial Position

Statement of Assets and Liabilities	Amount in Taka				
	December 31, 2015	December 31, 2014	December 31, 2013	December 31, 2012	December 31, 2011
	Amended	Re-Stated	Re-Stated	Re-Stated	Re-Stated
APPLICATION OF FUND					
Property, Plant & Equipment	2,322,763,126	2,190,164,632	2,051,890,425	2,020,617,527	1,910,676,362
Security Deposits	3,767,911	2,608,888	2,608,888	-	-
Other Non-Current Assets	88,955,128	88,955,128	-	-	-
Preliminary expenses	-	-	-	-	-
Un-allocated revenue expenses	-	-	-	-	-
Total non-current assets	2,415,486,165	2,281,728,648	2,054,499,313	2,020,617,527	1,910,676,362
Current Assets					
Advances, deposits & prepayments	193,687,374	201,491,451	201,388,918	134,655,594	110,547,268
Cash and Cash Equivalents	21,624,260	67,837,082	35,104,555	44,410,791	23,735,945
Inventories	45,832,316	42,679,276	51,638,906	42,501,873	35,846,834
Investments	253,930	698,839	533,451	10,299,140	20,282,910
Accounts receivable	79,726,002	99,064,662	96,887,437	78,425,713	72,854,982
Total Current Assets	341,123,882	411,771,310	385,553,268	310,293,111	263,267,939
Total Assets	2,756,610,047	2,693,499,959	2,440,052,581	2,330,910,638	2,173,944,301
SOURCES OF FUND					
Share Holder's Equity					
Share Capital	600,000,000	600,000,000	600,000,000	600,000,000	600,000,000
Share deposit account	-	-	-	-	-
Reserve for investment	-	-	-	20,176,721	20,176,721
Reserve for tax holiday	-	-	-	60,530,165	60,530,165
Revaluation reserve	-	-	-	-	-
Shareholders contribution towards equity	-	-	-	-	-
Share premium account	388,000,000	388,000,000	388,000,000	388,000,000	388,000,000
Un-Realize Gain/(Loss) on Investment	(251,088)	(185,532)	(177,376)	(2,178,142)	(0)
Retained earning	847,259,530	708,127,901	561,751,848	314,769,914	295,577,252
Total Shareholder Equity	1,835,008,442	1,695,942,370	1,549,574,472	1,381,298,658	1,364,284,137
Non-Current Liabilities					
Term Loan	236,710,021	355,682,610	393,995,434	598,405,318	585,392,936
Directors Loan	2,230,331	2,956,176	2,956,176	30,549,758	-
Deferred Tax	142,082,581	113,827,039	104,073,795	94,652,522	-
Total Non-Current Liabilities	381,022,933	472,465,825	501,025,406	723,607,598	585,392,936
Current Liabilities					
Current Portion of Term Loan	194,274,911	235,319,637	173,610,793	-	-
Liabilities for expenses	75,394,896	56,047,438	54,458,115	44,652,951	36,427,685
Accounts payable	46,964,609	24,827,659	19,640,874	18,456,676	24,648,818
Short term Loan	80,000,000	80,000,000	80,000,000	82,892,084	82,474,999
Provision for Tax	137,299,449	121,729,393	52,664,763	70,049,227	80,715,725
Un-Claimed Dividend	6,644,807	7,167,637	9,078,157	9,953,444	-
Total Current Liabilities	540,578,672	525,091,764	389,452,703	226,004,382	224,267,227
Total Equities & Liabilities	2,756,610,047	2,693,499,959	2,440,052,580	2,330,910,638	2,173,944,301
Net Assets Value Per Share (NAVPS)	30.58	28.27	25.83	23.02	22.74

The Statement of operating results (Profit and Loss Account) of the company for the year ended December 31, 2015 and for immediately preceding four years

Dhaka Regency Hotel And Resort Limited

Statement of Profit or Loss and other Comprehensive Income

Statement of Operating Results:	Amount in Taka				
	January 2015 to December 2015	January 2014 to December 2014	January 2013 to December 2013	January 2012 to December 2012	January 2011 to December 2011
	Amended	Re- Stated	Re- Stated	Re- Stated	Re- Stated
Sales	659,350,739	762,064,419	681,620,509	680,467,500	653,452,274
Cost of Service	(270,168,909)	(271,982,629)	(250,050,045)	(216,454,586)	(169,662,395)
Gross profit	389,181,830	490,081,790	431,570,464	464,012,915	483,789,879
General & Administrative expenses	(100,157,948)	(88,279,688)	(81,639,646)	(66,398,344)	(72,628,706)
Selling and distribution expenses	(19,456,358)	(19,537,495)	(24,516,675)	(16,167,146)	(13,496,507)
Profit from operation	269,567,524	382,264,607	325,414,143	381,447,425	397,664,666
Non-operating income/(Expense)	7,716,049	8,261,730	4,929,672	(1,767,508)	7,485,640
Financial expenses	(85,178,485)	(99,043,776)	(108,518,136)	(118,727,544)	(95,171,580)
Net Profit before Tax & Reserve	192,105,089	291,482,561	221,825,679	260,952,373	309,978,725
Workers Profit Participation Fund	(9,147,861)	(13,880,122)	(7,031,964)	(9,831,470)	-
Less: Tax holiday reserve @ 30%	-	-	-	-	(16,423,824)
Less: Reserve for investment in publicly traded company (u/S 46A/©)	-	-	-	-	(5,474,608)
Deferred Tax	(28,255,542)	(28,096,224)	(9,421,274)	(33,940,109)	-
Provision for Tax	(15,570,057)	(69,064,630)	(6,615,536)	(17,329,025)	(80,715,725)
Net Profit after tax	139,131,629	180,441,585	198,756,905	199,851,769	207,364,569
Un-Realize Gain/(Loss) on Investment	(65,556)	(8,156)	2,000,767	(2,178,142)	-
Total Comprehensive Income	139,066,073	180,433,430	200,757,672	197,673,627	207,364,569
Earnings Per Share	2.32	3.01	3.31	3.33	3.46

Statement of Cash Flows:

Particulars	January 2015 to December 2015	January 2014 to December 2014	January 2013 to December 2013	January 2012 to December 2012	January 2011 to December 2011
	Total	Total	Total	Total	Total
CASH FLOW FROM OPERATING ACTIVITIES					
Cash Received from Turnover	689,302,715	768,245,765	670,214,332	681,029,890	622,173,721
Cash Payment for Cost and Expenses	(257,447,745)	(285,762,809)	(401,938,891)	(284,659,046)	(180,707,420)
Income Tax Paid	(12,441,025)	(25,300,363)	(18,500,000)	(34,934,047)	-
Interest Paid	(80,264,703)	(106,793,937)	(108,518,136)	(118,390,583)	(94,936,909)
Net Cash Provided by Operating Activities	339,149,242	350,388,656	141,257,305	243,046,214	346,529,392
Cash Flow from Investing Activities					
Acquisition of Property, Plant & Equipment	(87,710,806)	(203,031,004)	(8,565,325)	(76,131,811)	(327,860,828)
Investment In Shares	272,000	-	8,500,000	(95,000)	(19,782,910)
Dividend Income	9,049	9,809	-	-	-
Advance for Capital Expenses	(141,352,161)	(137,290,433)	(66,139,996)	(80,077,225)	-
Disposal of Fixed Assets	3,960,000	1,170,000	-	-	-
Net Cash Used by Investing Activities	(224,821,918)	(339,141,628)	(66,205,321)	(156,304,036)	(347,643,738)
Cash Flow from Financing Activities					
Short Term Loan	-	-	-	417,085	-
Share premium account (Tax)	-	-	-	-	(12,000,000)
Dividend paid	(522,830)	(1,910,520)	(33,357,146)	(110,046,556)	-
Directors loan	-	-	(27,593,582)	30,549,758	-
Term Loan	(160,017,315)	23,396,020	(23,407,492)	13,012,382	15,220,296
Net Cash Used by Financing Activities	(160,540,146)	21,485,500	(84,358,220)	(66,067,331)	3,220,296
Net Cash inflow/ outflow	(46,212,822)	32,732,528	(9,306,236)	20,674,847	2,105,951
Opening Cash and Bank Balance	67,837,082	35,104,555	44,410,791	23,735,945	21,629,994
Closing Cash and Bank Balance	21,624,261	67,837,082	35,104,555	44,410,791	23,735,945
Operating Cash Flow Per Share	5.65	5.84	2.35	4.05	5.78

Dhaka Regency Hotel & Resort Ltd

Fiancial Spread Sheet Analysis

Statement of Financial Position

Particulars	As at 31.12.2015		As at 31.12.2014		As at 31.12.2013		As at 31.12.2012		As at 31.12.2011	
	Amountn (BDT)	% on Total Asset	Amountn (BDT)	% on Total Asset	Amountn (BDT)	% on Total Asset	Amountn (BDT)	% on Total Asset	Amountn (BDT)	% on Total Asset
APPLICATION OF FUND										
Property, Plant & Equipment	2,394,869,553	84.66%	2,252,484,046	81.74%	2,051,890,425	84.09%	2,020,617,527	86.69%	1,910,676,362	87.89%
Security Deposits	3,767,911	0.13%	2,608,888	0.09%	2,608,888	0.11%	-	0.00%	-	0.00%
Other Non Current Assets	88,955,128	3.14%	88,955,128	3.23%	-	0.00%	-	0.00%	-	0.00%
Preliminary expenses	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Un-allocated revenue expenses	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Total non-current assets	2,487,592,592	87.94%	2,344,048,062	85.06%	2,054,499,313	84.20%	2,020,617,527	86.69%	1,910,676,362	87.89%
Current Assets										
Advances, deposits & prepayments	193,687,374	6.85%	201,491,451	7.31%	201,388,918	8.25%	134,655,594	5.78%	110,547,268	5.09%
Cash and Cash Equivalents	21,624,261	0.76%	67,837,082	2.46%	35,104,555	1.44%	44,410,791	1.91%	23,735,945	1.09%
Inventories	45,832,316	1.62%	42,679,276	1.55%	51,638,906	2.12%	42,501,873	1.82%	35,846,834	1.65%
Investments	253,930	0.01%	698,839	0.03%	533,451	0.02%	10,299,140	0.44%	20,282,910	0.93%
Accounts receivable	79,726,002	2.82%	99,064,662	3.59%	96,887,437	3.97%	78,425,713	3.36%	72,854,982	3.35%
Total Current Assts	341,123,882	12.06%	411,771,310	14.94%	385,553,268	15.80%	310,293,111	13.31%	263,267,939	12.11%
Total Assets	2,828,716,474	100.00%	2,755,819,372	100.00%	2,440,052,581	100.00%	2,330,910,638	100.00%	2,173,944,301	100.00%
SOURCES OF FUND										
Share Holder's Equity										
Share Capital	600,000,000	21.21%	600,000,000	21.77%	600,000,000	24.59%	600,000,000	25.74%	600,000,000	27.60%
Share deposit account	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Reserve for investment	-	0.00%	-	0.00%	-	0.00%	20,176,721	0.87%	20,176,721	0.93%
Reserve for tax holiday	-	0.00%	-	0.00%	-	0.00%	60,530,165	2.60%	60,530,165	2.78%
Revaluation reserve	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Shareholders contribution towards equity	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Share premium account	388,000,000	13.72%	388,000,000	14.08%	388,000,000	15.90%	388,000,000	16.65%	388,000,000	17.85%
Un-Realize Gain/(Loss) on Investment	(251,088)	-0.01%	(185,532)	-0.01%	(177,376)	-0.01%	(2,178,142)	-0.09%	-	0.00%
Retained earning	893,519,009	31.59%	748,328,752	27.15%	561,751,848	23.02%	314,769,914	13.50%	295,577,252	13.60%
Total Shareholder Equity	1,881,267,921	66.51%	1,736,143,221	63.00%	1,549,574,472	63.51%	1,381,298,658	59.26%	1,364,284,138	62.76%
Non-Current Liabilities										
Term Loan	236,710,021	8.37%	355,682,610	12.91%	393,995,434	16.15%	598,405,318	25.67%	585,392,936	26.93%
Directors Loan	2,230,331	0.08%	2,956,176	0.11%	2,956,176	0.12%	30,549,758	1.31%	-	0.00%
Deferred Tax	167,319,831	5.92%	135,638,834	4.92%	104,073,795	4.27%	94,652,522	4.06%	-	0.00%
Total Non Current Liabilities	406,260,183	14.36%	494,277,621	17.94%	501,025,406	20.53%	723,607,598	31.04%	585,392,936	26.93%
Current Liabilities										
Current Portion of Term Loan	194,274,911	6.87%	235,319,637	8.54%	173,610,793	7.12%	-	0.00%	-	0.00%
Liabilities for expenses	76,332,892	2.70%	56,519,386	2.05%	54,458,115	2.23%	44,652,951	1.92%	36,427,685	1.68%
Accounts payable	46,964,609	1.66%	24,827,659	0.90%	19,640,874	0.80%	18,456,676	0.79%	24,648,818	1.13%
Short term Loan	80,000,000	2.83%	80,000,000	2.90%	80,000,000	3.28%	82,892,084	3.56%	82,474,999	3.79%
Provision for Tax	136,971,151	4.84%	121,564,211	4.41%	52,664,763	2.16%	70,049,227	3.01%	80,715,725	3.71%
Un-Claimed Dividend	6,644,807	0.23%	7,167,637	0.26%	9,078,157	0.37%	9,953,444	0.43%	-	0.00%
Total Current Liabilities	541,188,370	19.13%	525,398,530	19.07%	389,452,703	15.96%	226,004,382	9.70%	224,267,227	10.32%
Total Equities & Liabilities	2,828,716,474	100.00%	2,755,819,372	100.00%	2,440,052,581	100.00%	2,330,910,638	100.00%	2,173,944,301	100.00%

Statement of Profit or loss and other Comprehensive Income

Particulars	2015	% on Sales	2014	% on Sales	2013	% on Sales	2012	% on Sales	2011	% on Sales
	Amountn (BDT)		Amountn (BDT)		Amountn (BDT)		Amountn (BDT)		Amountn (BDT)	
Sales	659,350,739	100.00%	762,064,419	100.00%	681,620,509	100.00%	680,467,500	100.00%	653,452,274	100.00%
Cost of Service	(260,381,895)	-39.49%	(262,071,729)	-34.39%	(250,050,045)	-36.68%	(216,454,586)	-31.81%	(169,662,395)	-25.96%
Gross profit	398,968,844	60.51%	499,992,690	65.61%	431,570,464	63.32%	464,012,915	68.19%	483,789,879	74.04%
General & Administrative expenses	(100,157,948)	-15.19%	(88,279,688)	-11.58%	(81,639,646)	-11.98%	(66,398,344)	-9.76%	(72,628,706)	-11.11%
Selling Expenses	(19,456,358)	-2.95%	(19,537,495)	-2.56%	(24,516,675)	-3.60%	(16,167,146)	-2.38%	(13,496,507)	-2.07%
Profit from operation	279,354,538	42.37%	392,175,507	51.46%	325,414,143	47.74%	381,447,425	56.06%	397,664,666	60.86%
Non-operating income/ (Expenses)	7,716,049	1.17%	8,261,730	1.08%	4,929,672	0.72%	(1,767,508)	-0.26%	7,485,640	1.15%
Financial expenses	(85,178,485)	-12.92%	(99,043,776)	-13.00%	(108,518,136)	-15.92%	(118,727,544)	-17.45%	(95,171,580)	-14.56%
Net Profit before Tax & Reserve	201,892,103	30.62%	301,393,462	39.55%	221,825,679	32.54%	260,952,373	38.35%	309,978,725	47.44%
Workers Profit Participation Fund & Welfare Fund	(9,613,910)	1.46%	(14,352,070)	1.88%	(7,031,964)	1.03%	(9,831,470)	1.44%	-	0.00%
Tax holiday reserve @ 30%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	(16,423,824)	-2.51%
Reserve for investment in publicly traded company (u/S 46A/©)	-	0.00%	-	0.00%	-	0.00%	-	0.00%	(5,474,608)	-0.84%
Deferred Tax	(31,680,997)	4.80%	(31,565,039)	4.14%	(9,421,274)	1.38%	(33,940,109)	4.99%	-	0.00%
Provision for Tax	(15,406,940)	2.34%	(68,899,448)	9.04%	(6,615,536)	0.97%	(17,329,025)	2.55%	(80,715,725)	12.35%
Net Profit after tax	145,190,256	22.02%	186,576,905	24.48%	198,756,905	29.16%	199,851,769	29.37%	207,364,569	31.73%
Un-Realize Gain/(Loss) on Investment	(65,556)	-0.01%	(8,156)	-0.01%	2,000,767	-0.01%	(2,178,142)	-0.01%	-	-0.01%
Total Comprehensive Income	145,124,700	22.01%	186,568,749	24.48%	200,757,672	29.45%	197,673,627	29.05%	207,364,569	31.73%

Earnings Per Share	2.42	3.11	3.31	3.33	3.46
EBITDA Margin	52.90%	58.54%	55.45%	62.33%	67.97%

Statement of Cash Flows:

Particulars	January 2015 to December 2015	January 2014 to December 2014	January 2013 to December 2013	January 2012 to December 2012	January 2011 to December 2011
Net Cash Provided by Operating Activities	339,149,242	350,388,656	141,257,305	243,046,214	346,529,392
Net Cash Used by Investing Activities	(224,821,918)	(339,141,628)	(66,205,321)	(156,304,036)	(347,643,738)
Net Cash Used by Financing Activities	(160,540,146)	21,485,500	(84,358,220)	(66,067,331)	3,220,296
Net Cash inflow/ outflow	(46,212,822)	32,732,528	(9,306,236)	20,674,847	2,105,951
Opening Cash and cash Equivalent	67,837,082	35,104,555	44,410,791	23,735,945	21,629,994
Closing Cash and cash Equivalent	21,624,261	67,837,082	35,104,555	44,410,791	23,735,945
Net Operating Cash Flow Per Share	5.65	5.84	2.35	4.05	5.78
Net Operating Cash Flow Per Share/EPS	2.34	1.88	0.71	1.22	1.67

Worksheet Analysis												
For the year ended and as at December 31, 2015												
Particulars	Trial Balance		Adjustment		Adjusted Trial Balance		Statement of Profit or Loss and other Comprehensive Income		Statement of Changes in equity		Statement of Financial Position	
	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit
Property, Plant & Equipment	2,754,682,710				2,754,682,710	-					2,754,682,710	-
Security Deposits	3,767,911				3,767,911	-					3,767,911	-
Other Non Current Assets	88,955,128				88,955,128	-					88,955,128	-
Advances, deposits & prepayments	193,687,374				193,687,374	-					193,687,374	-
Cash and Cash Equivalents	21,624,260				21,624,260	-					21,624,260	-
Inventories	45,832,316				45,832,316	-					45,832,316	-
Investments	505,017			251,088	253,930	-					253,930	-
Accounts receivable	79,726,002				79,726,002	-					79,726,002	-
Share Capital		600,000,000			-	600,000,000					-	600,000,000
Share premium account		388,000,000			-	388,000,000					-	388,000,000
Un-Realize Gain/(Loss) on Investment		-	251,088	-	251,088	-					251,088	-
Retained earning		748,328,752			-	748,328,752			748,328,752		-	893,519,009
Term Loan		236,710,021			-	236,710,021					-	236,710,021
Directors Loan		2,230,331			-	2,230,331					-	2,230,331
Deferred Tax		135,638,834		31,680,997		167,319,831					-	167,319,831
Current Portion of Term Loan		194,274,911			-	194,274,911					-	194,274,911
Liabilities for expenses		76,332,892			-	76,332,892					-	76,332,892
Accounts payable		46,964,609			-	46,964,609					-	46,964,609
Short term Loan		80,000,000			-	80,000,000					-	80,000,000
Provision for Tax		121,564,211		15,406,940		136,971,151					-	136,971,151
Un-Claimed Dividend		6,644,807			-	6,644,807					-	6,644,807
Sales		659,350,739			-	659,350,739		659,350,739				
Cost of Service Except Depreciation Expense	184,951,942	-			184,951,942	-	184,951,942	-				
Non-operating income/ (Expenses)	-	7,716,049				7,716,049	-	7,716,049				
General & Administrative expenses	99,812,948				99,812,948	-	99,812,948	-				
Selling Expenses	19,456,358				19,456,358	-	19,456,358	-				
Financial expenses	85,178,485				85,178,485	-	85,178,485	-				
Workers Profit Participation Fund & Welfare	9,613,910				9,613,910	-	9,613,910	-				
Current Tax Expenses			15,406,940		15,406,940		15,406,940	-				
Deferred Tax (Income) /Expenses			31,680,997		31,680,997		31,680,997	-				
Accumulated Depreciation		284,383,204		75,429,953		359,813,157	-	-				359,813,157
Depreciation			75,429,953		75,429,953		75,429,953	-				
Audit Fees			345,000		345,000	-	345,000					
	3,587,794,361	3,588,139,361	123,113,978	122,768,978	3,710,657,251	3,710,657,251	521,876,533	667,066,789				
Net Profit After Tax							145,190,256			145,190,256		
							667,066,789	667,066,789				
Transfer to Retained Earnings									893,519,009			
									893,519,009	893,519,009	3,188,780,719	3,188,780,719

Auditors' Certificate Regarding Net Assets Value Per Share (Amended)

This is certify that the Net Asset Value of Dhaka Regency Hotel & Resort Ltd. As on December 31, 2015 was As Follows:

Particulars		Amount In (BDT)
A	Non Current Assets	
	Property, Plant & Equipment	2,322,763,126
	Security Deposits	3,767,911
	Other Non Current Assets	88,955,128
	Current Assets	
	Advances, deposits and Prepayments	193,687,374
	Cash and Cash Equivalents	21,624,260
	Inventories	45,832,316
	Investment in Share	253,930
	Accounts receivable	79,726,002
	Total Assets	2,756,610,047
B	Non-Current Liabilities	
	Directors Loan	2,230,331
	Deferred Tax liabilities	142,082,581
	Term loan	236,710,021
	Total Non-Current Liabilities	381,022,933
	Current Liabilities	
	Current Portion of Term Loan	194,274,911
	Liabilities for expenses	75,394,896
	Accounts payable	46,964,609
	Short term Loan	80,000,000
	Provision for Tax	137,299,449
	Dividend Payable	6,644,807
	Total Current Liabilities	540,578,672
	Total Liabilities	921,601,605
D=(A-B)	Net Assets Value	1,835,008,442
F	Total Number Of Ordinary Share Outstanding	60,000,000
G=(D/F)	Net Assets Value Per Share (NAVPS)	30.58

We have examined the above calculation of Net Assets Value Per Share of Dhaka Regency Hotel & Resort Ltd. As on December 31, 2015 and required papers/documents and books of accounts of the company in this respects and found them in order.

Place: Dhaka;
Dated: July 31, 2016

Sd/-
Ahmed Zaker & Co.
Chartered Accountants

Auditors' Certificate Regarding Net Tangible Assets Value Per Share (Amended)

This is certify that the Net Tangible Asset Value of Dhaka Regency Hotel & Resort Ltd. As on December 31, 2015 was As Follows:

Particulars	Amount In (BDT)
Property, Plant & Equipment	2,322,763,126
Security Deposits	3,767,911
Other Non Current Assets	88,955,128
A. Total Non Current Assets	2,415,486,165
Current Assets	
Advances and deposits	193,687,374
Cash and bank Balances	21,624,260
Materials inventory	45,832,316
Investment in Share	253,930
Accounts receivable	79,726,002
B. Total Current Assets	341,123,882
Total Assets (A+B)	2,756,610,047
Less:	
Intangible Assets	-
Non-Current Liabilities	381,022,933
Current Liabilities	540,578,672
Net Tangibles Assets	1,835,008,442
Total Number Of Ordinary Share Outstanding	60,000,000
Net Tangibles Assets Value Per Share	30.58

We have examined the above calculation of Net Tangibles Assets Value Per Share of Dhaka Regency Hotel & Resort Ltd. As on December 31, 2015 and required papers/documents and books of accounts of the company in this respects and found them in order.

Place: Dhaka;
Dated: July 31, 2016

Sd/-
Ahmed Zaker & Co.
Chartered Accountants

Annexure-G (6)**AUDITOR'S CERTIFICATE REGARDING PURCHASED IN BRAND NEW CONDITION OF MACHINERIES**

During the course of our audit, we have examined the relevant papers of plant and machinery and observed that, no re-conditioned or second-hand plant & machinery is used by **Dhaka Regency Hotel & Resort Limited**.

Place: Dhaka;
Dated: March 29, 2016

Sd/-
Ahmed Zaker & Co.
Chartered Accountants

Annexure-G (14)**AUDITOR'S CERTIFICATE REGARDING ALLOTMENT OF SHARES TO PROMOTERS OR SPONSOR SHAREHOLDERS FOR CONSIDERATION IN CASH/OTHER THAN CASH**

After due verification, we certify that the paid up capital of **Dhaka Regency Hotel & Resort Limited** as at December 31, 2015 was BDT 600,000,000.00 divided into 60,000,000 ordinary shares of taka 10/- each made up as follows:

Particulars of Allotment	Date of Allotment	Form of Consideration			Amount of Share Capital (Amount in BDT)
		In cash	Other than in cash	Bonus Share	
First	Subscribers to the Memorandum & Articles of Association at the time of Incorporation	514,650	-	-	5,146,500
Second	20.11.2006	287,100	-	-	2,871,000
Third	27.11.2008	198,250	-	-	1982,500
Fourth	25.06.2009	49,000,000	-	-	490,000,000
Fifth	27.12.2010	10,000,000	-	-	100,000,000
Total		60,000,000	-	-	600,000,000

Dhaka Regency Hotel And Resort Limited raised its paid-up capital from BDT 10,000,000 to BDT 500,000,000 vide BSEC letter no. SEC/CI/CPLC-181/09/89 dated May 20, 2009 only through issuance of 4,900,000 ordinary shares of Tk.100.00 each at par totaling Tk.490,000,000 (taka forty nine crore) only and subsequently raised its paid-up capital from BDT 500,000,000 to BDT 600,000,000 vide BSEC letter no. SEC/CI/CPLC-181/09/207 dated March 24, 2011 only through issuance of 10,000,000 ordinary shares of Tk. 50.00 (with premium tk. 40.00) each totaling Tk. 500,000,000 (taka fifty crore) only.

Place: Dhaka;
Dated: March 29, 2016

Sd/-
Ahmed Zaker & Co.
Chartered Accountants

Annexure- G (25), (a)**STATEMENT OF LONG TERM AND SHORT TERM BORROWINGS INCLUDING BORROWING FROM RELATED PARTY OR CONNECTED PERSONS WITH RATE OF INTEREST AND INTEREST PAID/ACCRUED**

After due verification, we certify that the Long Term and Short Term Borrowings Including Borrowing from Related Party or Connected Persons of **Dhaka Regency Hotel and Resort Limited** for the last five years made up as follows:

For the Year ended December 31, 2015:

Name Of the Institutions	Nature of Relationship	Nature of Borrowings	Balance as on 31 December 2015	Interest Rate (%)	Interest Paid (BDT)	Interest Accrued (BDT)
Shahjalal Islami Bank Ltd	-	Term Loan	386,477,110	14.00%	66,637,327	5,091,915
IPDC	-	Term Loan	44,507,822	16.00%	6,658,485	1,536,647
Shahjalal Islami Bank Ltd	-	Short Term	80,000,000	14.00%	6,968,891	4,853,335
Rukeya Khatun	Director	Short Term	2,230,331	-	-	-
Total			513,215,363		80,264,703	11,481,896

For the Year ended December 31, 2014:

Name Of the Institutions	Nature of Relationship	Nature of Borrowings	Balance as on 31 December 2014	Interest Rate (%)	Interest Paid (BDT)	Interest Accrued (BDT)
Shahjalal Islami Bank Ltd	-	Term Loan	531,769,206	14.00%	75,188,900	5,957,320
IPDC	-	Term Loan	59,233,041	16.00%	11,416,477	296,235
Shahjalal Islami Bank Ltd	-	Short Term	80,000,000.00	14.00%	20,185,893	466,667
United Leasing Company Ltd.	-	Short Term	-	-	2,668	-
Rukeya Khatun	Director	Short Term	2,956,176	-	-	-
Total			673,958,423		106,793,937	6,720,222

For the Year ended December 31, 2013:

Name Of the Institutions	Nature of Relationship	Nature of Borrowings	Balance as on 31 December 2013	Interest Rate (%)	Interest Paid (BDT)	Interest Accrued (BDT)
Shahjalal Islami Bank Ltd	-	Term Loan	500,770,383	14.00%	91,899,745	-
IPDC	-	Term Loan	74,118,789	16.00%	2,408,270	-
Shahjalal Islami Bank Ltd	-	Short Term	87,333,517	14.00%	14,119,694	-
Standard Chartered Bank	-	Short Term	-	17.50%	24,689	-
United Leasing Company Ltd.	-	Short Term	108,654.00	15.00%	65,738	-
Rukeya Khatun	Director	Short Term	2,956,176	-	-	-
Total			665,287,519		108,518,136	-

For the Year ended December 31, 2012:

Name Of the Institutions	Nature of Relationship	Nature of Borrowings	Balance as on 31 December 2012	Interest Rate (%)	Interest Paid (BDT)	Interest Accrued (BDT)
Shahjalal Islami Bank Ltd	-	Term Loan	597,211,634	14.00%	104,265,662	-
Shahjalal Islami Bank Ltd	-	Short Term	82,892,084	14.00%	13,800,391	-
Standard Chartered Bank	-	Short Term	482,836	17.50%	174,837	-
United Leasing Company Ltd.	-	Short Term	710,848	15.00%	149,693	-
Dilkush Begum	Director	Short Term	2,900,000	-	-	-
NazmaArif	Director	Short Term	3,000,000	-	-	-
Zabun Nessa	Director	Short Term	3,020,000	-	-	-
Kabir Reza	Director	Short Term	6,841,014	-	-	-
Musleh uddin Ahmed	Director	Short Term	7,380,578	-	-	-
ArifMotahar	Director	Short Term	4,384,166	-	-	-
RukeyaKhatun	Director	Short Term	3,024,000	-	-	-
Total			711,847,159		118,390,583	-

For the Year ended December 31, 2011:

Name Of the Institutions	Nature of Relationship	Nature of Borrowings	Balance as on 31 December 2011	Interest Rate (%)	Interest Paid (BDT)	Interest Accrued (BDT)
Shahjalal Islami Bank Ltd	-	Term Loan	582,682,567	14.00%	87,565,457	-
IPDC	-	Term Loan	-	16.00%	66,177	-
Shahjalal Islami Bank Ltd	-	Short Term	82,474,999	14.00%	6,170,042	-
Standard Chartered Bank	-	Short Term	1,481,282	17.5%	313,716	-
United Leasing Company Ltd.	-	Short Term	1,229,087	15%	217,012	-
Kabir Reza	Director	Short Term	-	-	604,505	-
Total			667,867,935		94,936,909	-

Place: Dhaka;
Dated: March 29, 2016

Sd/-
Ahmed Zaker & Co.
Chartered Accountants

Annexure- G (25), (b)

**STATEMENT OF PRINCIPAL TERMS OF SECURED SHORT TERM LOANS AND ASSETS ON WHICH CHARGE HAVE BEEN
CREATED AGAINST THOSE LOANS**

Particulars	2015	2014	2013	2012	2011
Names of lenders	Shahjalal Islami Bank Limited				
Purpose	Equipment, Real Estate, Transport & Working Capital				
Status of Asset Charged	Commercial Space measuring total 154,057 sft.				
Sanctioned Amount	983,200,000	983,200,000	783,200,000	781,000,000	711,000,000
Rate of Interest	14%	14%	14%	14%	14%
Primary Security/Collateral/Other Security	Personal Guarantee				
Re-payment schedule	Monthly				
Status (Current Balance)	466,477,110	611,769,206	588,103,900	680,103,717	665,157,566

Particulars	2015	2014	2013	2012	2011
Names of lenders	Industrial Promotion and Development Company of Bangladesh Ltd. (IPDC)				
Purpose	Term Loan				
Status of Asset Charged	Commercial Space on the 13th floor				
Sanctioned Amount	75,000,000	75,000,000	75,000,000		
Rate of Interest	16.00%	16.00%	16.00%		
Primary Security/Collateral/Other Security	Personal Guarantee				
Re-payment schedule	Monthly				
Status (Current Balance)	44,507,922	59,233,041	74,118,789		

Particulars	2015	2014	2013	2012	2011
Names of lenders	United Leasing Company Ltd.				
Purpose	Transport				
Status of Asset Charged					
Sanctioned Amount			2,000,000	2,000,000	2,000,000
Rate of Interest			15.00%	15.00%	15.00%
Primary Security/Collateral/Other Security	Personal Guarantee				
Re-payment schedule	Monthly				
Status (Current Balance)			108,654	710,848	1,229,087

Particulars	2015	2014	2013	2012	2011
Names of lenders	Standard Chartered Bank				
Purpose	Transport				
Status of Asset Charged					
Sanctioned Amount				2,000,000	2,000,000
Rate of Interest				17.50%	17.50%
Primary Security/Collateral/Other Security	Personal Guarantee				
Re-payment schedule	Monthly				
Status (Current Balance)				482,836	1,481,282

Place: Dhaka;
Dated: March 29, 2016

Sd/-
Ahmed Zaker & Co.
Chartered Accountants

STATEMENT OF UNSECURED LOANS WITH TERMS & CONDITIONS

This is to certify that Dhaka Regency Hotel & Resort Limited has not taken any unsecured loan from any person/body/related party from January 1, 2011 to December 31, 2015 except the following:

Name of the Company/Person	Relationship	Nature of Transaction	2015	2014	2013	2012	2011
Dilkush Begum	Director	Director Loan	-	-	-	2,900,000	-
Rukeya Khatun	Director	Director Loan	2,230,331	2,956,176	2,956,176	3,024,000	-
Nazma Arif	Director	Director Loan	-	-	-	3,000,000	-
Zabun Nessa	Director	Director Loan	-	-	-	3,020,000	-
Kabir Reza	Director	Director Loan	-	-	-	6,841,014	-
Musleh Uddin Ahmed	Director	Director Loan	-	-	-	7,380,578	-
Arif Motahar	Director	Director Loan	-	-	-	4,384,166	-
Total			2,230,331	2,956,176	2,956,176	30,549,758	-

Terms & Conditions:

1. The loan has been taken from Directors as temporary loan to meet emergency fund as Working Capital.
2. There was no provision for charging interest.
3. The loan amount should be paid within five years or before or subject to mutual understanding.
4. The loan is unsecured and there is no any mortgage as security.

Place: Dhaka;
Dated: March 29, 2016

Sd/-
Ahmed Zaker & Co.
Chartered Accountants

Annexure- G (25), (d)**STATEMENT OF INVENTORIES**Amount in BDT

Items	2015	2014	2013	2012	2011
Restaurant Materials	12,066,172	16,882,179	16,887,842	9,778,398	4,694,337
Service Materials	31,492,852	23,593,718	33,332,619	31,263,701	30,857,726
Spare Parts	2,273,292	2,040,565	1,242,270	1,283,599	118,596
Gift Soft Inventory	-	162,814	176,175	176,175	176,175
Total	45,832,316	42,679,276	51,638,906	42,501,874	35,846,834

Place: Dhaka;
Dated: March 29, 2016

Sd/-
Ahmed Zaker & Co.
Chartered Accountants

Annexure- G (25), (e)**STATEMENT OF TRADE RECEIVABLES**

Particulars	Amount in BDT				
	2015	2014	2013	2012	2011
General	79,726,002	99,064,662	96,887,437	78,425,713	72,854,982
Total	79,726,002	99,064,662	96,887,437	78,425,713	72,854,982

Place: Dhaka;
Dated: March 29, 2016

Sd/-
Ahmed Zaker & Co.
Chartered Accountants

Annexure- G (25), (f)**STATEMENT OF ANY LOAN GIVEN BY THE ISSUER INCLUDING LOANS TO RELATED PARTY OR CONNECTED PERSONS**

This is to certify that **Dhaka Regency Hotel & Resort Limited** had not given any loan to related Party or connected persons from January 1, 2011 to December 31, 2015.

Place: Dhaka;
Dated: March 29, 2016

Sd/-
Ahmed Zaker & Co.
Chartered Accountants

STATEMENT OF OTHER INCOME

Particulars	Amount in BDT				
	2015	2014	2013	2012	2011
Garbage Sales	2,585,607	2,709,683	3,367,985	-	-
Gift Shop Rent	600,000	600,000	600,000	-	-
Training Fee	240,000	387,500	415,500	-	-
Car Insurance	-	153,000	-	-	-
Space Rent	7,682,209	4,762,500	3,458,750	-	-
Dividend Income	9,049	9,809	70,302	-	-
Interest on FDR (Security Deposits)	103,809	-	-	-	-
Other Income	129,306	-	-	6,133,121	7,485,640
Total	11,349,980	8,622,492	7,912,537	6,133,121	7,485,640

Place: Dhaka;
Dated: March 29, 2016

Sd/-
Ahmed Zaker & Co.
Chartered Accountants

STATEMENT OF TURNOVER

Particulars	Amount in BDT				
	2015	2014	2013	2012	2011
In Cash	190,571,536	210,356,864	190,366,470	211,115,367	276,448,192
Through Banking Channel	593,030,733	668,881,397	578,229,915	567,479,482	427,813,673
Total	783,602,269	879,238,262	768,596,385	778,594,849	704,261,865

Place: Dhaka;
Dated: March 29, 2016

Sd/-
Ahmed Zaker & Co.
Chartered Accountants

AUDITORS' CERTIFICATE REGARDING STATEMENT OF RELATED PARTY TRANSACTION

Name of the Company/Person	Relationship	Nature of Transaction	2015		2014		2013		2012		2011	
			Value of transaction during the year	Balance at year end Receivable/ (Payable)	Value of transaction during the year	Balance at year end Receivable/ (Payable)	Value of transaction during the year	Balance at year end Receivable/ (Payable)	Value of transaction during the year	Balance at year end Receivable/ (Payable)	Value of transaction during the year	Balance at year end Receivable/ (Payable)
Dilkush Begum	Director	Remuneration	2,400,000	-		-	-	-	-	-		
		Board Meeting fees	30,000	-	30,000	-	30,000	-	30,000	-	30,000	-
		Director Loan	-	-	-	-	2,900,000	-	2,900,000	2,900,000	-	-
RukeyaKhatun	Director	Remuneration	-	-	-	-	-	-	-	-	-	-
		Board Meeting fees	30,000	-	30,000	-	30,000	-	30,000	-	30,000	-
		Director Loan	725,845	2,230,331	-	2,956,176	67,824	2,956,176	3,024,000	3,024,000	-	-
NazmaArif	Director	Remuneration		-	-	-	-	-	-	-	-	-
		Board Meeting fees	30,000	-	30,000	-	30,000	-	30,000	-	30,000	-
		Director Loan	-	-	-	-	3,000,000	-	3,000,000	3,000,000	-	-
ZabunNessa	Director	Remuneration	-	-	-	-	-	-	-	-	-	-
		Board Meeting fees	-	-	-	-	30,000	-	30,000	-	30,000	-
		Director Loan	30,000	-	30,000	-	3,020,000	-	3,020,000	3,020,000	-	-
Kabir Reza	Director	Remuneration	7,200,000	-	7,200,000	-	7,200,000	-	7,200,000	-	7,200,000	-
		Board Meeting fees	30,000	-	30,000	-	30,000	-	30,000	-	30,000	-
		Director Loan		-	-	-	6,841,014	-	17,799,146	6,841,014	21,209,011	-
Musleh Ahmed	Director	Remuneration	7,200,000	-	7,200,000	-	7,200,000	-	7,200,000	-	7,200,000	-
		Board Meeting fees	30,000	-	30,000	-	30,000	-	30,000	-	30,000	-
		Director Loan		-	-	-	7,380,578	-	17,259,546	7,380,578	-	-
ArifMotahar	Director	Remuneration	4,800,000	-	7,200,000	-	7,200,000	-	7,200,000	-	7,200,000	-
		Board Meeting fees	22,500	-	30,000	-	30,000	-	30,000	-	30,000	-
		Director Loan	-	-	-	-	4,384,166	-	14,489,166	4,384,166	-	-
Total			22,528,345	2,230,331	21,810,000	2,956,176	49,403,582	2,956,176	83,301,858	30,549,758	43,019,011	-

Place: Dhaka;
Dated: March 29, 2016

Sd/-
Ahmed Zaker& Co.
Chartered Accountants

Annexure- G (25), (k)

**AUDITOR'S DISCLOSURE REGARDING CONFIRMATION THAT ALL RECEIPTS AND PAYMENTS OF THE ISSUER ABOVE
TK. 5, 00,000/- (FIVE LAC) WERE MADE THROUGH BANKING CHANNEL**

This is to certify that all transactions whether receipts and payments excepting adjustment entries of **Dhaka Regency Hotel & Resort Limited** above Tk. 5,00,000/- (Five lac) were not made through banking channel in all respect for the year ended December 31, 2011 to December 31, 2015.

Place: Dhaka;
Dated: March 29, 2016

Sd/-
Ahmed Zaker & Co.
Chartered Accountants

Annexure- G (25), (l)

**AUDITOR'S DISCLOSURE REGARDING CONFIRMATION THAT BANK STATEMENTS OF THE ISSUER ARE IN CONFORMITY
WITH ITS BOOKS OF ACCOUNTS**

This is to certify that Bank Statements and Bank Reconciliation of **Dhaka Regency Hotel & Resort Limited** are in conformity with its books of accounts for the year ended December 31, 2011 to December 31, 2015.

Place: Dhaka;
Dated: March 29, 2016

Sd/-
Ahmed Zaker & Co.
Chartered Accountants

REPORT: RR/9379/16

This is a credit rating report as per the provisions of the Credit Rating Companies Rules 1996. CRISL's entity rating is valid one year for long-term rating and 6 months for short term rating. CRISL's Bank loan rating (blr) is valid one year for long term facilities and up-to 365 days (according to tenure of short term facilities) for short term facilities. After the above periods, these ratings will not carry any validity unless the entity goes for surveillance.

Address:

CRISL
Nakshi Homes
(4th & 5th Floor)
6/1A, Segunbagicha,
Dhaka-1000
Tel: 9530991-4
Fax: 88-02-953-0995
Email:
crisldhk@crislbd.com

Analysts:

Md. Asifur Huq
asif@crislbd.com

Habibur Rahman Khan
habibur@crislbd.com

Entity Rating

Long Term: A+
Short Term: ST-2

Outlook: Stable

**DHAKA REGENCY
HOTEL & RESORT
LIMITED**

ACTIVITY

Hospitality business

DATE OF

INCORPORATION
14th November, 2006

CHAIRMAN

Musleh Uddin Ahmed

**MANAGING
DIRECTOR**

Kabir Reza

EQUITY

Tk. 1,881.27 million

TOTAL ASSETS

Tk. 2,828.72 million

CRISL followed Corporate Rating Methodology published in CRISL website www.crislbd.com

Date of Rating: March 28, 2016		Valid up to: March 27, 2017
		Long Term
Entity Rating	A+	Short Term
Outlook	Stable	
Bank Facilities Rating		
Bank/FI	Mode of Exposures (Figures in million)	Ratings
SIBL	*WCL – Tk. 80.00	blr A+
	**TLO – Tk. 362.54	
IPDC	**TLO – Tk. 42.87	blr A+

*WCL – Working Capital Limit, **TLO – Term Loan Outstanding

1.0 RATIONALE

CRISL has reaffirmed the Long Term rating to 'A+' (pronounced as single A plus) and the Short Term rating to ST-2 of Dhaka Regency Hotel & Resort Limited (DRHRL) on the basis of its financials and other relevant quantitative and qualitative information up to the date of rating.

This rating reflects DRHRL's equity based capital structure, regular debt repayment history, suitable location, average infrastructural facilities etc. However, the above ratings have been constrained to some extent by absence of affiliation with any international chain, decline in EPS, high finance cost, competition risk, quality maintenance risk etc.

The Long Term rating indicates that entity rated in this category is adjudged to offer adequate safety for timely repayment of financial obligations. This level of rating indicates a corporate entity with an adequate credit profile. Risk factors are more variable and greater in periods of economic stress than those rated in the higher categories. The Short Term rating indicates high certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.

CRISL also placed the company with "Stable Outlook" for its steady business growth and consistent fundamentals.

2.0 CORPORATE PROFILE**2.1 The Genesis**

Dhaka Regency Hotel & Resort Limited (DRHRL) a public limited company has been engaged in the hospitality business in order to provide lodging and hotel services. The company was incorporated under the Companies Act 1994 as a public limited company in 2006 with an authorized and paid-up capital of Tk. 1,000 million and Tk. 8.02 million respectively. DRHRL is a 15-storied hotel with over 250,000 square feet of space (including 25,000 sq. ft. parking lot) having 214 guestrooms with city or airport runway views. Room sizes vary from 300 square feet to almost 1650 square feet. As on December 31, 2015 the authorized and paid up capital of the company stood at Tk. 3,000.00 million and Tk. 600.00 million respectively. The hotel is located one kilometer from the Baridhara and three kilometers from Hazrat Shahjalal International Airport at Airport road, Nikunja-2, Dhaka-1229.

2.2 Ownership Pattern

Name of Shareholders	Position	No. of Share	Percentage
Mr. Musleh Uddin Ahmed	Chairman	5,780,000	9.63%
Mrs. Dilkush Begum	Vice Chairman	7,731,886	12.89%
Mr. Kabir Reza	Managing Director	4,202,000	7.00%
Mrs. Najma Arif	Director	3,200,000	5.33%
Mrs. Rukeya Khatun	Director	3,200,000	5.33%
Mrs. Zebun Nessa	Director	3,200,000	5.33%
Sub Total		27,313,886	45.52%
General Shareholders		32,686,114	54.48%
Grand total		60,000,000	100.00

Being a public limited company, the ownership of DRHRL is vested upon 125 individual

shareholders. Mr. Kabir Reza, Managing Director of the company holds 7.00% share (total 60,000,000 outstanding shares) and Mr. Musleh Uddin Ahmed, Chairman of the company holds 9.63% share. The rest 88.37% shares are held by other 123 individual shareholders.

3.0 BUSINESS STRATEGY

3.1 Facilities and Infrastructures

Moderate infrastructural facilities

DRHRL is a 15-storied hotel with over 250,000 square feet of space (including 25,000 sq. ft. parking lot) having 214 guestrooms with city or airport runway views. Room sizes vary from 300 square feet to almost 1650 square feet. It offers a 24-hour business center, function rooms and a ballroom. The business center provides complimentary internet access, office equipment, secretarial and other support services. The Grill on the Skyline is a rooftop barbecue restaurant offering panoramic city and airport views. Grandiose Restaurant serves international cuisine, ranging from Italian to Bangladeshi, 24 hours a day. The hotel also offers a relaxing coffee lounge and a hookah bar. Recreational amenities include a day spa, a health club with a variety of cardio and resistance fitness equipment and a rooftop outdoor pool. The Juvenex SPA & Salon, a complete authentic Siamese rejuvenation facility in the country began its operation in June 2009. It features a variety of luxurious treatment suites, body scrub rooms with heated floors, relaxation lounges and yoga studio. Club-13, the live performance membership lounge bar that was launched in June 2009 has already created a new facility among the trendy in Bangladesh. Wireless Internet access and local calls are complimentary. Additional room amenities include CD players, LCD TVs with satellite channels and international direct-dial phones. Rooms also include mini bars, refrigerators and complimentary bottled water. Executive suites also include butler service and breakfast and cocktails in the VIP Regency Lounge.

3.2 Procurement Strategy

The company procures its food and other items necessary for the business mainly from selected number of local suppliers under a supplier-buyer agreement. Only the enlisted suppliers are eligible to participate in the bid. The successful bidders are allowed to provide required materials and supplies strictly as per the specification and purchase orders. In case of failure of the bidders to supply, the merchandises are procured directly from market or through third party and differences in price are deducted from the security or bill of the bidders. If the successful bidders' performance is considered poor in terms of quality, date and time, company takes necessary action against them as per terms of contract. The company has separate quality control department which inspects the quality of all things procured.

3.3 Marketing Strategy & Brand Development

Own promotional policy

DRHRL is a five star hotel without working under any international hotel chain. However, the company has developed its own marketing and promotional policy. The company has business agreement with different airlines, travel agency, hotels located outside the country. The entire marketing campaign entails communications plan, embracing festoon, print media and bill boards throughout the length and breadth of the country. The hotel, taking the advantage of being located within the vicinity of Hazrat Shahjalal International Airport, enjoys the benefit of providing short-stay facilities to the transit passengers of both international and local flights. Sylhet and Chittagong bound passengers coming through various international inward flights and needing short stay considers this hotel as an ideal hotel to avoid going to Dhaka for the short duration.

4.0 MARKET POSITION

All the five star hotels in Bangladesh have been operating under international hotel chain such as The Westin Dhaka (Starwood Hotels), InterContinental Dhaka (InterContinental Hotels Group), Radisson Blu Water Garden Hotel (Carlson Rezidor Hotel Group), Pan Pacific Sonargaon (Pan Pacific Hotel). However, DRHRL is yet to operate under any international hotel chain. The Westin Dhaka has already captured one of the leading positions among the few operating five star hotels in the country followed by Radisson Water Garden, Pan pacific Sonargaon and InterContinental Dhaka (Previously Known as Ruposhi Bangla) considering all performance indicators.

5.0 INDUSTRY OUTLOOK

Competitive Sector

In recent years there has been a significant increase in the number of international reputed hotels in Bangladesh, indicating a significant increase in the number of well-off visitors coming into the country. The capital now has around more than 1,250 international standard four star rooms (Bangladesh standard five star rooms) and the hotels reach full occupancy in the winter seasons. The average occupancy rate in this sector is around 60.00% which is enough to keep the business profitable (average world occupancy is 65.00%). Bangladesh is one of the emerging economies in the world. One of the major drivers of the growth has been the increase in the number of foreign visitors in connection with their interest in the textile, garment and telecom industries. Businessmen around the world have chosen Bangladesh as a lucrative place for investment. This inflow of visitors is helping the hospitality industry reach new heights. The country's hospitality

industry has become very competitive due to high demand and limited supply. Like its international neighbors, Bangladesh is now home to some international hotel brands like the Westin and Radisson. These types of hotels are now providing world class service which is attracting many foreigners to Bangladesh. Most of the new hotels have been built near to Hazrat Shahjalal International Airport, the garment belt in Ashulia-Savar, the headquarters of the major mobile telecom operators, or close to the capital's diplomatic zone (which is largely unaffected by hartals, enforced general strikes that bring commercial activity in the rest of the city to standstill). The key players in the market are Radisson Water Garden, The Westin Dhaka, Ruposhi Bangla, Pan Pacific Sonargaon, and Dhaka Regency Hotel and Resort Ltd. As the country's business sector is growing, the new operators are optimistic that they will receive more guests. The forecast on economy foresees significant economic growth in coming years.

The direct contribution of Travel & Tourism to GDP was USD2,364.8bn (3.1% of total GDP) in 2014, and is forecast to rise by 3.7% in 2015, and to rise by 3.9% pa, from 2015-2025, to USD3,593.2bn (3.3% of total GDP) in 2025. The total contribution of Travel & Tourism to GDP was USD7,580.9bn (9.8% of GDP) in 2014, and is forecast to rise by 3.7% in 2015, and to rise by 3.8% pa to USD11,381.9bn (10.5% of GDP) in 2025. In 2014 Travel & Tourism directly supported 105,408,000 jobs (3.6% of total employment). This is expected to rise by 2.0% in 2015 and rise by 2.0% pa to 130,694,000 jobs (3.9% of total employment) in 2025. In 2014, the total contribution of Travel & Tourism to employment, including jobs indirectly Visitor exports generated USD1,383.8bn (5.7% of total exports) in 2014. This is forecast to grow by 2.8% in 2015, and grow by 4.2% pa, from 2015-2025, to USD2,140.1bn in 2025 (5.6% of total). Travel & Tourism investment in 2014 was USD814.4bn, or 4.3% of total investment. It should rise by 4.8% in 2015, and rise by 4.6% pa over the next ten years to USD1,336.4bn in 2025 (4.9% of total). 2025 GDP: Total contribution supported by the industry, was 9.4% of total employment (276,845,000 jobs). This is expected to rise by 2.6% in 2015 to 283,983,000 jobs and rise by 2.3% pa to 356,911,000 jobs in 2025 (10.7% of total). Visitor exports generated USD1,383.8bn (5.7% of total exports) in 2014. This is forecast to grow by 2.8% in 2015, and grow by 4.2% pa, from 2015-2025, to USD2,140.1bn in 2025 (5.6% of total). Travel & Tourism investment in 2014 was USD814.4bn, or 4.3% of total investment. It should rise by 4.8% in 2015, and rise by 4.6% pa over the next ten years to USD1,336.4bn in 2025 (4.9% of total).

Over the ten-year period to 2025, the recent and short-term strong growth of the Travel & Tourism sector is expected to continue, with forecast average annual Travel & Tourism GDP growth of 3.7%. As such, the sector will continue to outpace that of the wider economy. By 2025 it is anticipated that Travel & Tourism will contribute US\$11.3 trillion in GDP to the world economy (2014 prices and exchange rates) and will support 355 million jobs globally, which is expected to translate to approximately 10.5% of the world economy in terms of both GDP and employment.

6.0 GOVERNANCE ISSUES

6.1 Board of Directors

Serial	Name of Shareholders	Position
1	Mr. Musleh Uddin Ahmed	Chairman
2	Mrs. Dilkush Begum	Vice Chairman
3	Mr. Kabir Reza	Managing Director
4	Mrs. Najma Arif	Director
5	Mrs. Rukeya Khatun	Director
6	Mrs. Zebun Nessa	Director
7	Prof. Dr. Mojib Uddin Ahmed, Ph.D	Independent Director
8	Mr. Ahmed Ali	Independent Director

The Board of Directors of DRHRL consists of Eight (08) members including two Independent Directors and the Board is Chaired by Mr. Musleh Uddin Ahmed. The other Board members are Mrs. Dilkush Begum, Vice Chairman; Mr. Kabir Reza, Managing Director; Mrs. Najma Arif, Director; Mrs. Rukeya Khatun, Director; Mrs. Zebun Nessa, Director; Prof. Dr. Mojib Uddin Ahmed, Ph.D , Independent Director; Mr. Ahmed Ali, Independent Director. The Board is involved in setting key targets for the company, monitoring the progress, approving of long term strategic plan and adopting sufficient risk management systems to mitigate the core risks of the hotel. During 2015 the Board conducted 04 meetings and also 04 meetings were conducted in the previous year.

6.2 Corporate Management

Serial	Key Professionals	Designation
1	Mr. Musleh Ahmed	Director, Sales & Marketing
2	Mr. Kabir Reza	Director, Food & Beverage
3	Mr. Shahid Hamid FIH	Executive Director
4	Mr. Rafiqul Alam Mia	Financial Controller
5	Mr. Mizanur Rahman Siddiquee	Company Secretary

Eight members Board

Experienced corporate management team

The operations of DRHRL are being looked after by an experienced management team and the team is led by Mr. Mr. Kabir Reza, Managing Director of the company. He leads the team with the assistance of Mr. Musleh Ahmed, Director, Sales & Marketing; Mr. Kabir Reza, Director, Food & Beverage; Mr. Shahid Hamid FIH, Executive Director; Md. Rafiqul Alam Mia, Financial Controller and Md. Mizanur Rahman Siddiquee, Company Secretary.

6.3 Human Resources Management

Hospitality Industry has been expanding and largely depends on trained Human resources. The hotels those are working under international chain, gets structured need based training at home and aboard under the Broad supervision of the chain. But the hotels those are working independently need special care to pick up trained human resources from the existing hotels. In view of the above, the hotel like DRHRL needs special care and attention to keep a strong human resource base with above average compensation packages and facilities. DRHRL recognizes human resource as the most important resource and for this it tries to create a congenial working environment within the company. Total staff strength of the company stood at 384 as on 31st December 2015. Recruitment of human resources is conducted by two ways; one is from internal source like internal CV bank and other way by giving advertisement. DRHRL has always taken care of providing in-house and outdoor training of its human resources within the frame work of development plan. CRISL did not find long term employee benefits like provident fund, gratuity, incentives etc.

6.4 Hotel IT System

Information technology is the most vital issue for any growing organization in today's world especially in the hospitality sector. DRHRL has IT infrastructure (software, hardware and networking) comprising of some talented personnel's. The total software package, intranet (local network infrastructure), guest internet network has been designed, developed and implemented by this IT team. Currently the team is built up with one Head of IT, three software engineers and four network support expert. The IT department is currently using custom made in house software that automatically generates guest room services, billing and other facilities etc. The company has developed other software for accounts, stores, Maintenance Management and other departments.

7.0 OPERATING PERFORMANCE

Indicators	FY 2015	FY 2014	FY 2013	FY 2012
Turnover (Amount In Tk. Mill)	659.35	762.06	681.62	680.47
COGS(Amount In Tk. Mill)	260.38	262.07	250.05	216.45
Gross Profit (Amount In Tk. Mill)	398.97	499.99	431.57	464.01
Profit After Tax (in Mill. Tk.)	145.12	186.57	134.43	135.53

Good business performance

Overall business performance of DRHRL has been found to be good where its profitability remained stable over the years. DRHRL's turnover decreased to Tk. 659.35 million in FY 2015 from Tk. 762.06 million with a growth of 13.48%. The reported turnover of Tk. 659.35 million consisted of Revenue from Guest (60.07% of total revenue) and Revenue generated from Restaurant (29.52% of total revenue).

Occupancy rate:60.19%

While reviewing the Key Performance Indicators (KPIs) like RevPar, ADR and Occupancy Rate, CRISL views that all the indicators of the company have been found to be average. Revpar of the hotel, the most important key indicator stood at Tk. 5,913 against its peer average Tk. 7,799.65. ADR, another performance measured indicator stood at Tk. 8,831 against peer average Tk. 12,232.05. The occupancy rate stood at 66.96 against peer average of 60.19%.

8.0 FINANCIAL PERFORMANCE

Indicators	FY 2015	FY 2014	FY 2013	FY 2012
Gross Profit Margin%	60.51	65.61	63.32	68.19
Net Profit Margin%	22.01	24.48	19.72	19.92
Cost to Revenue Ratio (%)	39.49	34.39	36.68	31.81
Selling & Distribution cost to Revenue (%)	2.95	2.56	3.60	2.38
Administrative Exp. to Revenue Ratio %	15.19	11.58	21.41	19.21
Finance Cost to Revenue Ratio %	12.92	13.00	15.92	17.45
Return on Average Assets After Tax (ROAA)%	5.54	5.03	2.58	2.63
Return on Average Equity After Tax (ROAE)%	8.56	6.61	3.13	3.18
Return on Average Capital Employed (ROACE)%	6.85	5.54	2.69	2.76
Earnings Per Share (Tk.10)	2.42	3.11	2.24	2.26

Average financial performance

The financial performance of DRHRL has been found to be average where all profitability indicators remained stable over the years. The gross profit decreased to Tk. 398.97 million in FY 2015 from Tk. 499.99 million in FY 2014 with a margin of 60.51% and 65.61% respectively. The net profit after tax also decreased to Tk. 145.12 million in FY 2015 from Tk. 186.57 million with a margin of 22.01% and 24.48% respectively.

High finance cost

The cost of service to revenue ratio increased to 39.49% in FY 2015 from 34.39% in FY 2014. In addition to that, the company has significant finance cost burden due to having term loan and working capital loan which stood at 12.92% in FY 2015 against 13.00% in FY 2013. DRHRL's administrative and selling expense also increased by 3.61%.

The profitability of a company can also be measured in terms of Return on Average Assets (ROAA), Return on Average Equity (ROAE) and Return on Average Capital Employed (ROACE). The above indicators of the company have also been found to be stable. The board of directors agreed to De-Recognize the revaluation surplus of all assets in a board meeting held on October 04, 2015 during the reporting period. Therefore, Return on Average Assets (ROAA increased during FY 2015.

9.0 CAPITAL STRUCTURE AND LEVERAGE

Indicators	FY 2015	FY 2014	FY 2013
Leverage Ratio (X)	0.50	0.59	0.20
Bank Borrowing to Equity(X)	0.27	0.39	0.15
Net Asset Value Per Share Tk. 10	31.35	28.94	72.42
Equity Multiplier (X)	1.50	1.59	1.20

Equity based company

DRHRL is an equity based company and has been operating with leverage ratio of 0.50 times as on December 31, 2015. The capital employed as on December 31, 2015 stood at Tk. 2,287.53 million consisting of net current assets of Tk. -200.06 million and fixed assets of Tk. 2,487.59 million. The above capital was financed by shareholder's equity of Tk. 1,881.27 million and long term liabilities of Tk. 406.26 million.

Figure in Tk. Mil.

Particulars	FY 2015	FY 2014	FY 2013	FY 2012
Current assets	341.12	411.77	388.16	310.29
Less Current liabilities	541.19	525.40	208.45	226.00
Net Current Asset	(200.06)	(113.63)	179.71	84.29
Add Fixed assets	2,487.59	2,344.05	4,847.47	4,880.52
Capital Employed	2,287.53	2,230.42	5,027.18	4,964.81
Financed by				
Equity:				
Paid up capital	600.00	600.00	600.00	600.00
Retained earnings	893.52	748.33	561.57	312.59
Share Premium	388.00	388.00	388.00	388.00
Revaluation Surplus	-	-	2,795.58	2,859.90
Other reserve	(0.25)	(0.19)	-	80.71
Total Shareholder's equity	1,881.27	1,736.14	4,345.15	4,241.20
Long term Liabilities	406.26	494.28	682.03	723.61
Shareholder's equity & Long term liabilities	2,287.53	2,230.42	5,027.18	4,964.81

The components of shareholders equity as on December 31, 2015 include paid-up capital of Tk. 600.00 million (31.89% of total shareholders' equity), share premium Tk.388.00 million (20.62% of total shareholders' equity) and retained earnings of Tk. 893.52 million (47.50% of total shareholders' equity). The Net Asset Value (NAV) per share Tk. 10 each stood 31.25 in FY 2015 and Tk. 28.94 in FY 2014.

10.0 LIQUIDITY AND FUND FLOW ANALYSIS

Indicators	FY 2015	FY 2014	FY 2013	FY 2012
Current Ratio (X)	0.63	0.78	1.86	1.37
Quick Ratio (X)	0.55	0.70	1.61	1.18
Cash Conversion Cycle (Days)	61.21	81.64	87.84	70.29

The overall liquidity of the company has been found to be good. As a service providing company, the company is enjoying fast cash conversion cycle. The hotel gets instant service revenue for food & beverage, room service and other service items and does not need to lock up much of its cash for inventory. Moreover, within a very short interval, its inventory turns into Sales. The current ratio and quick ratio stood at 0.63 times and 0.55 times in FY 2015 against 0.78 times and 0.70 times in FY 2014. Average inventory holding days stood at 62 days and average receivable collection period stood at 49 days against which it can stagger its payment up to 50 days.

As on December 31, 2015 the operating cash flow stood at Tk. 339.15 million and after adjusting capital expenditure of Tk. 229.06 million, its free operating cash flow stood at Tk. 109.94 million and its free operating cash flow to debt service coverage ratio stood at 0.57 times.

11.0 CREDIBILITY & BANKING RELATIONSHIP

11.1 Liability Position

As on February 29, 2016 total outstanding bank loan stood at Tk. 485.41 million comprising of term loan of Tk. 405.41 million and working capital loan of Tk. 80.00 million. A summarized position of the loan liability above as on February 29, 2016 stands as follows:

Figure in Tk. Million

Bank Name	Mode	Loan Sanctioned	Outstanding	Installment Size	Repayment status
SIBL	STL	80.00	80.00	-	Regular
SIBL	TLO (Equipment)	63.00	16.50	1,978,134	Regular
SIBL	TLO (Equipment)	210.00	82.37	7,363,786	Regular
SIBL	TLO (Equipment)	50.00	26.17	1,581,191	Regular
SIBL	TLO (Equipment)	70.00	45.21	1,924,333	Regular
SIBL	TLO (Equipment)	200.00	190.89	3,105,329	Regular
SIBL	TLO (Vehicle)	2.00	1.40	50,019	Regular
IPDC	TLO	75.00	42.87	2,133,914	Regular
Total			485.41		

*SIBL - Shahjalal Islami Bank Limited, **IPDC - Industrial Promotion and Development Company of Bangladesh Limited

11.2 Payment Efficiency

Indicators	FY 2015	FY 2014	FY 2013	FY 2012
Debt Service Coverage Ratio (X)	1.13	4.70	3.51	3.02
Interest Coverage Ratio (X)	3.37	4.04	2.39	2.57

Regular debt payment history

The loan repayment history of the company has been found to be regular. The company has good debt paying capacity which is evident from Debt Service Coverage Ratio and Interest Coverage Ratio. The debt service coverage ratio stood at 1.13 times in FY 2015 and 4.70 times in FY 2014. The interest coverage ratio stood at 3.37 times in FY 2015 and 4.04 times in FY 2014.

12.0 RISK FACTORS

12.1 Quality Maintenance Risk

Exposed to Quality maintenance risk

The company does not have any affiliation with any international hotel chain. As the industry as a whole is required to compete with the quality service, the hotel may face the quality service maintenance risk unless and until it takes utmost care with special note to look after the issue.

12.2 Brand Image Risk

The brand image plays a very important role in getting foreign guests. Most of the multilateral agencies provide hotel services to its employees visiting outstations on official visits which provides specific brand name of the hotels. Since the hotel Regency is not attached with any international chain, the hotel may not be able to attract a segment of clients.

12.3 Industry Risk

Competition risk

There are some five star hotels in Bangladesh, namely The Westin Dhaka, Radisson Blue Water Garden, Pan Pacific Sonargaon, etc. Among them "The Westin Dhaka" is holding highest percentage share in terms of revenue. The occupancy rate and average daily rate of "The Westin Dhaka" stood at 70.09% and Tk. 18,210.79. After rebranding as "InterContinental Dhaka", the occupancy rate, average daily rate and the market share of the hotel will improve. In the case of hotel business, increased competition from foreign and domestic hotel chains can lead to lower prices, revenues, profit margins, market share etc. Moreover, further entrance of any international chain in Bangladesh could make the market very competitive. Therefore, like other companies DRHRL has competition risk.

12.4 Changes in Global or National Policy

Changes in global or national policies may also adversely affect the economy in general. Over the ten-year period to 2025, the recent and short-term strong growth of the Travel & Tourism sector is expected to continue, with forecast average annual Travel & Tourism GDP growth of 3.7%. As such, the sector will continue to outpace that of the wider economy. By 2025 it is anticipated that Travel & Tourism will contribute US\$11.3 trillion in GDP to the world economy (2014 prices and exchange rates) and will support 355 million jobs globally, which is expected to translate to approximately 10.5% of the world economy in terms of both GDP and employment. However, the Government of Bangladesh has been implementing some new policies which will boost up tourism sector of Bangladesh. Therefore, like other companies DRHRL has changes in global or national policy risk.

12.5 Existing Government Regulation Risk

The company operates under Company's Act 1994 and other related regulations, Income Tax Ordinance 1984, Income Tax Rules 1984, Value Added Tax (VAT) Act 1991 and Value Added Tax (VAT) Rules 1991. Any abrupt changes of the policies made by the regulatory authorities may adversely affect the business of the Company.

12.6 Financial Risk

Currently, DRHRL has been operating with significant bank borrowing which carries a fixed cost burden for the company. However, an additional debt unless the company manages low cost financing for the business may deteriorate its business performance further. Hence, the company has financial risk to some extent.

13.0 OBSERVATION SUMMERY

Rating Comforts <ul style="list-style-type: none">• Equity based capital structure• Good liquidity• Regular debt repayment history• Suitable location• Average infrastructural facilities• Experienced management team	Rating Concerns <ul style="list-style-type: none">• Absence of affiliation with any international chain• Decline in EPS• High finance cost• Increased operating cost• Exposed to brand image risk
Business Prospects <ul style="list-style-type: none">• Increasing occupancy rate at expected level• Innovation & rendering new services to meet clientele demand• Affiliation with any International Chain• Establishment of deep sea port	Business Challenges <ul style="list-style-type: none">• Political instability• Increasing competition in the market

END OF THE REPORT

(Information used herein is obtained from sources believed to be accurate and reliable. However, CRISL does not guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Rating is an opinion on credit quality only and is not a recommendation to buy or sell any securities. All rights of this report are reserved by CRISL. Contents may be used by news media and researchers with due acknowledgement)

[We have examined, prepared, finalized and issued this report without compromising with the matters of any conflict of interest. We have also complied with all the requirements, policy procedures of the BSEC rules as prescribed by the Bangladesh Securities and Exchange Commission.]

14.0 CORPORATE INFORMATION

Date of Incorporation: 14th November, 2006

Commencement of Business: April, 2007

Board of Directors:

Serial	Name of Shareholders	Position
1	Mr. Musleh Uddin Ahmed	Chairman
2	Mrs. Dilkush Begum	Vice Chairman
3	Mr. Kabir Reza	Managing Director
4	Mrs. Najma Arif	Director
5	Mrs. Rukeya Khatun	Director
6	Mrs. Zebun Nessa	Director
7	Prof. Dr. Mojib Uddin Ahmed, Ph.D	Independent Director
8	Mr. Ahmed Ali	Independent Director

Key Management:

Serial	Key Professionals	Designation
1	Mr. Musleh Uddin Ahmed	Director, Sales & Marketing
2	Mr. Kabir Reza	Director, Food & Beverage
3	Mr. Shahid Hamid FIH	Executive Director
4	Mr. Rafiqul Alam Mia	Financial Controller
5	Mr. Mizanur Rahman Siddiquee	Company Secretary

Auditor:

Ahmed Zaker & CO., Chartered Accountants

15.0 FINANCIALS (Audited)

A. Balance Sheet (As on 31 December)

Figure in mil. Tk.

Balance Sheet	FY 2015	FY 2014
Non-Current Assets		
Property Plant & Equipment	2,394.87	2,252.48
Capital work in progress	-	-
Intangible Assets(net)	-	-
Investment	-	-
Other Non-Current Assets	92.72	91.56
Total Non-Current Assets	2,487.59	2,344.05
Current Assets		
Inventories	45.83	42.68
Trade Debtors	79.73	99.06
Adv. Deposits & Prepayments	193.69	201.49
Short Term Investment	0.25	0.70
Other Current Assets	-	-
Cash & Bank Balances	21.62	67.84
Total Current Assets	341.12	411.77
Current Liabilities		
Short Term Loan	80.00	80.00
Long Term Loan-CP	194.27	235.32
Trade Creditors	46.96	24.83
Liabilities for Expenses	76.33	56.52
Provision for Tax	136.97	121.56
Un-Claimed Dividend	6.64	7.17
Total Current Liabilities	541.19	525.40
Net Current Assets	(200.06)	(113.63)
Capital Employed	2,287.53	2,230.42
Non-Current Liabilities		
Long Term Loan	236.71	355.68
Deferred Liabilities	167.32	135.64
Director's Loan	2.23	2.96
Total Non-Current Liabilities	406.26	494.28
Minority Interest	-	-
Shareholder's Equity		
Share Capital	600.00	600.00
Share Premium	388.00	388.00
Capital Reserve	-	-
Other Reserve	(0.25)	(0.19)
Retained Earnings	893.52	748.33
Total Shareholder's Equity	1,881.27	1,736.14
Total Equity and LT Liabilities	2,287.53	2,230.42
Total Assets	2,828.72	2,755.82

B. Income Statement (For the year ended December)

Figure in mil. Tk.

Income Statement	FY 2015	FY 2014
Sales Revenue	659.35	762.06
Cost of Service	260.38	262.07
Gross Profit	398.97	499.99
Other Income	-	-
Salary & Allowances	36.40	32.51
Depreciation-Admin	-	-
Other Admin. Expenses	63.75	55.77
Total Admin. Expenses	100.16	88.28
Selling & Distribution Exp.	19.46	19.54
Other Operation Exp.	0.07	0.01
Profit from Operation	279.29	392.17
Financial Cost	85.18	99.04
Income from Associates	-	-
Other Non-Operating Income/(-)Expense	7.72	8.26
Worker's Profit Participation and Welfare Fund	9.61	14.35
Profit Before Tax	192.28	287.04
Income Tax	47.09	100.46
Profit After Tax	145.12	186.57

CRISL RATING SCALES AND DEFINITIONS
BANK LOAN/ FACILITY RATING SCALES AND DEFINITIONS- LONG-TERM

RATING	DEFINITION
<i>blr AAA</i> (blr Triple A) (Highest Safety)	Investment Grade Bank Loan/ Facilities enjoyed by banking clients rated in this category are adjudged to have highest credit quality, offer highest safety and carry almost no risk. Risk factors are negligible and almost nearest to risk free Government bonds and securities. Changing economic circumstances are unlikely to have any serious impact on this category of loans/ facilities.
<i>blr AA+, blr AA,</i> <i>blr</i> AA- (Double A) (High Safety)	Bank Loan/ Facilities enjoyed by banking clients rated in this category are adjudged to have high credit quality, offer higher safety and have high credit quality. This level of rating indicates that the loan / facilities enjoyed by an entity has sound credit profile and without any significant problem. Risks are modest and may vary slightly from time to time because of economic conditions.
<i>blr A+, blr A,</i> <i>blr A-</i> Single A (Adequate Safety)	Bank Loan/ Facilities rated in this category are adjudged to carry adequate safety for timely repayment/ settlement. This level of rating indicates that the loan / facilities enjoyed by an entity have adequate and reliable credit profile. Risk factors are more variable and greater in periods of economic stress than those rated in the higher categories.
<i>blr BBB+, blr BBB,</i> <i>blr BBB-</i> Triple B (Moderate Safety)	Bank Loan/ Facilities rated in this category are adjudged to offer moderate degree of safety for timely repayment /fulfilling commitments. This level of rating indicates that the client enjoying loans/ facilities under-performing in some areas. However, these clients are considered to have the capability to overcome the above-mentioned limitations. Cash flows are irregular but the same is sufficient to service the loan/ fulfill commitments. Risk factors are more variable in periods of economic stress than those rated in the higher categories.
<i>blr BB+, blr BB,</i> <i>blr BB-</i> Duble B (Inadequate Safety)	Speculative/ Non investment Grade Bank Loan/ Facilities rated in this category are adjudged to lack key protection factors, which results in an inadequate safety. This level of rating indicates loans/ facilities enjoyed by a client are below investment grade. However, clients may discharge the obligation irregularly within reasonable time although they are in financial/ cash problem. These loans / facilities need strong monitoring from bankers side. There is possibility of overcoming the business situation with the support from group concerns/ owners. Overall quality may move up or down frequently within this category.
<i>blr B+, blr B,</i> <i>blr B-</i> Single B (Somewhat Risk)	Bank Loan/ Facilities rated in this category are adjudged to have weak protection factors. Timely repayment of financial obligations may be impaired by problems. Whilst a Bank loan rated in this category might be currently meeting obligations in time, continuance of this would depend upon favorable economic conditions or on some degree of external support. Special monitoring is needed from the financial institutions to recover the installments.
<i>blr CCC+, blr CCC,</i> <i>blr CCC-</i> Triple C (Risky)	Risky Grade Bank Loan/ Facilities rated in this category are adjudged to be in vulnerable status and the clients enjoying these loans/ facilities might fail to meet its repayments frequently or it may currently meeting obligations through creating external support/liabilities. Continuance of this would depend upon favorable economic conditions or on some degree of external support. These loans / facilities need strong monitoring from bankers side for recovery.
<i>blr CC+, blr CC,</i> <i>blr CC-</i> Double C (High Risky)	Bank Loan/ Facilities rated in this category are adjudged to carry high risk. Client enjoying the loan/ facility might not have required financial flexibility to continue meeting obligations; however, continuance of timely repayment is subject to external support. These loans / facilities need strong monitoring from bankers side for recovery.
<i>blr C+, blr C,</i> <i>blr C-</i> (Extremely Speculative)	Bank Loan/ Facilities rated in this category are adjudged to be extremely risky in timely repayment/ fulfilling commitments. This level of rating indicates that the clients enjoying these loan/ facilities are with very serious problems and unless external support is provided, they would be unable to meet financial obligations.
<i>blr D</i> (Default)	Default Grade Entities rated in this category are adjudged to be either already in default or expected to be in default.

SHORT-TERM RATINGS

<i>blr ST-1</i>	Highest Grade Highest certainty of timely payment. Short-term liquidity including internal fund generation is very strong and access to alternative sources of funds is outstanding, Safety is almost like risk free Government short-term obligations.
<i>blr ST-2</i>	High Grade High certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.
<i>blr ST-3</i>	Good Grade Good certainty of timely payment. Liquidity factors and company fundamentals are sound. Although ongoing funding needs may enlarge total financing requirements, access to capital markets is good. Risk factors are small.
<i>blr ST-4</i>	Satisfactory Grade Satisfactory liquidity and other protection factors qualify issues as to invest grade. Risk factors are larger and subject to more variation.
<i>blr ST-5</i>	Non-Investment Grade Speculative investment characteristics. Liquidity is not sufficient to insure against disruption in debt service. Operating factors and market access may be subject to a high degree of variation.
<i>blr ST-6</i>	Default Institution failed to meet financial obligations

Application for Subscription

1. Application for shares may be made for a minimum lot for [•] ordinary shares to the value of Tk. [•] ([•] Thousand [•] Hundred [•]) only. Prospectus may be obtained from the Registered Office of the Company, members of Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited. Applications/buy Instruction must not be for less than [•] shares. Any application/buy Instruction not meeting this criterion will not be considered for allotment purpose.
2. Joint application form for more than two (2) persons will not be accepted. In the case of joint application, each party must sign the application form.
3. An applicant for public issue of securities shall submit application/buy instruction to the Stockbroker/Merchant Banker where the applicant maintains customer account, within the cut-off date (i.e. subscription closing date).
4. The application/buy instruction may be submitted in prescribed paper or electronic form, which shall contain the Customer ID, Name, BO Account Number, Number of Securities applied for, Total Amount and Category of the Applicant.
5. Application/buy instruction must be in full name of individuals or limited companies or trusts or societies and not in the name of firms, minors or persons of unsound mind. Application/buy instruction from insurance, financial and market intermediary companies and limited companies must be accompanied by Memorandum and Articles of Association.
6. An applicant cannot submit more than two applications, one in his/her own name and the other jointly with another person. In case, an applicant submits more than two applications, all applications will be treated as invalid and will not be considered for allotment purpose. In addition, 15% (fifteen) of the application money will be forfeited by the Commission and the balance amount will be refunded to the applicant.
7. The applicants who have applied for more than two applications using same bank account, their application will not be considered for lottery and the Commission will forfeit 15% of the subscription money.
8. Making of any false statement in the application or supplying of incorrect information therein or suppressing any relevant information in the application shall make the application liable to rejection and subject to forfeiture of 25% of the application money and/or forfeiture of share (unit) before or after issuance of the same by the issuer. The said forfeited application money or share (unit) will be deposited in account of the Bangladesh Securities and Exchange Commission (BSEC). This is in addition to any other penalties as may be provided for by the law.
9. An IPO applicant shall ensure his/her BO account remains operational till the process of IPO (including securities allotment or refund of IPO application/buy instruction) is completed. If any BO account mentioned in the application/buy instruction is found closed, the allotted security may be forfeited by BSEC.
10. Bangladeshi Nationals (including non-resident Bangladeshi Nationals working abroad) and foreign nationals shall be entitled to apply for the share.
11. Non-resident Bangladeshi (NRB) and Foreign applicants shall submit bank drafts (FDD), issued in favor of the Issuer for an amount equivalent to the application money, with their application to the concerned Stockbroker/Merchant Banker. A Non-resident Bangladeshi (NRB) and Foreign applicant may also submit a single draft against 02(two) applications made by him/her, i.e. one in his/her own name and the other jointly with another person. The draft (FDD) shall be issued by the Bank where the applicant maintains NITA/Foreign Currency account debiting the same account. No banker shall issue more than two drafts from any

NITA/Foreign Currency account for any public issue. At the same time, the applicant shall make the service charge available in respective customer account maintained with the Stockbroker/Merchant Banker.

12. The bank draft (FDD) shall be issued considering TT Clean exchange rate of Sonali Bank Ltd. on the date of publication of abridged version of prospectus.
13. The IPO subscription money collected from investors (other than non-resident Bangladeshis in US Dollar or UK Pound sterling or EURO) by the Stock Borkers/Merchant Bankers will be remitted to the '.....' (IPO) interest bearing SND Account No of BRAC Bank, Bangladesh for this purpose.
14. The Application money collected from Eligible Investors (EIs) by the lead banker to the issue will be remitted to the '**DHAKA REGENCY HOTEL AND RESORT LIMITED**' (IPO) interest bearing escrow Account No 1501203495396001 of BRAC Bank Limited, Gulshan Branch, Bangladesh for this purpose.
15. The IPO subscription money collected from successful NRB applicants in US Dollar or UK Pound Sterling or EURO shall be deposited to three FC accounts opened by the Company for IPO purpose are as follows:

#	Name of the FC Accounts	Currency	Account No.	Bank and Branch
1.	DHAKA REGENCY HOTEL AND RESORT LTD.	GBP	1501200586208003	BRAC Bank Limited Gulshan Branch
2.	DHAKA REGENCY HOTEL AND RESORT LTD.	USD	1501200586208004	
3.	DHAKA REGENCY HOTEL AND RESORT LTD.	EURO	1501200586208005	

১৬. ক্ষতিগ্রস্ত ক্ষুদ্র বিনিয়োগকারীগণ সকল পাবলিক ইস্যুতে একক অথবা যৌথ হিসাবের যে কোনটি অথবা উভয়টি হতে সংরক্ষিত কোটায় আবেদন করতে পারবেন। তবে তারা ইচ্ছা করলে ক্ষতিগ্রস্ত সংরক্ষিত কোটায় আবেদন না করে সাধারণ বিনিয়োগকারীদের জন্য নির্ধারিত কোটায়ও আবেদন করতে পারবেন।

APPLICATIONS NOT IN CONFORMITY WITH THE ABOVE REQUIREMENTS ARE LIABLE TO BE REJECTED.

Step-1 (Applicant)

1. An applicant for public issue of securities shall submit application/buy instruction to the Stockbroker/Merchant Banker where the applicant maintains customer account, within the cut-off date (i.e. the subscription closing date), which shall be the **25th (twenty fifth) working day** from the date of publication of abridged version of prospectus.
2. The application/buy instruction may be submitted in prescribed paper or electronic form, which shall contain the Customer ID, Name, BO Account Number, Number of Securities applied for, Total Amount and Category of the Applicant. At the same time:
 - a. Other than non-resident Bangladeshi (NRB) and Foreign applicants shall make the application money and service charge available in respective customer account maintained with the Stockbroker/Merchant Banker. No margin facility, advance or deferred payment is permissible for this purpose. In case the application is made through a margin account, the application money shall be deposited separately and the Stockbroker/Merchant Banker shall keep the amount segregated from the margin account, which shall be refundable to the applicant, if become unsuccessful.
 - b. Non-resident Bangladeshi (NRB) and Foreign applicants shall submit bank drafts (FDD), issued in favor of the Issuer for an amount equivalent to the application money, with their application to the concerned Stockbroker/Merchant Banker. A Non-resident Bangladeshi (NRB) and Foreign applicant may also submit a single draft against 02(two) applications made by him/her, i.e. one in his/her own name and the other jointly with another person. The draft (FDD) shall be issued by the Bank where the applicant maintains NITA/Foreign Currency account debiting the same account. No banker shall issue more than two drafts from any NITA/Foreign Currency account for any public issue. At the same time, the applicant shall make the service charge available in respective customer account maintained with the Stockbroker/Merchant Banker.

Step-2 (Intermediary)

3. The Stockbroker/Merchant Banker shall maintain a separate bank account only for this purpose namely "Public Issue Application Account". The Stockbroker/Merchant Banker shall:
 - a) post the amount separately in the customer account (other than NRB and Foreign applicants), and upon availability of fund, block the amount equivalent to the application money;
 - b) accumulate all the application/buy instructions received up to the cut-off date, deposit the amount in the "Public Issue Application Account" maintained with its bank within the first banking hour of **next working day** of the cut-off date. In case of application submitted by the Stock-dealer or the Merchant Banker's own portfolio, the application amount should also be transferred to the "Public Issue Application Account";
 - c) instruct the banker to block the account for an amount equivalent to the aggregate application money and to issue a certificate in this regard.
4. Banker of the Stockbroker/Merchant Banker shall block the account as requested for, issue a certificate confirming the same and handover it to the respective Stockbroker/Merchant Banker.
5. For Non-resident Bangladeshi (NRB) and Foreign applicants, the Stockbroker/Merchant Banker shall prepare a list containing the draft information against the respective applicant's particulars.
6. The Stockbroker/Merchant Banker shall prepare category wise lists of the applicants containing Customer ID, Name, BO Account Number and Number of Securities applied for, and **within 03 (three) working days** from the cut-off date, send to the respective Exchange, the lists of applicants in electronic (text format with tilde '~' separator) format, the certificate(s) issued by its banker, the drafts received from Non-resident Bangladeshi (NRB) and Foreign applicants and a copy of the list containing the draft information.
7. **On the next working day**, the Exchanges shall provide the Issuer with the information received from the Stockbroker/Merchant Bankers, the drafts submitted by Non-resident Bangladeshi (NRB) and Foreign

applicants and the list containing the draft information. Exchanges shall verify and preserve the bankers' certificates in their custody.

8. The application/buy instructions shall be preserved by the Stockbroker/Merchant Bankers up to 6 months from listing of the securities with exchange.

Step-3 (Issuer)

9. The Issuer shall prepare consolidated list of the applications and send the applicants' BOIDs in electronic (text) format in a CDROM to CDBL for verification. The Issuer shall post the consolidated list of applicants on its website and websites of the Exchanges. CDBL shall verify the BOIDs as to whether the BO accounts of the applicants are active or not.
10. **On the next working day**, CDBL shall provide the Issuer with an updated database of the applicants containing BO Account Number, Name, Addresses, Parents' Name, Joint Account and Bank Account information along with the verification report.
11. After receiving verification report and information from CDBL, the Issuer shall scrutinize the applications, prepare category wise consolidated lists of valid and invalid applications and submit report of final status of subscription to the Commission and the Exchanges **within 10 (ten) working days** from the date of receiving information from the Exchanges.
12. The Issuer and the issue manager shall conduct category wise lottery with the valid applications **within 03 (three) working days** from the date of reporting to the Commission and the Exchanges, if do not receive any observation from the Commission or the Exchanges.
13. The Issuer and issue manager shall arrange posting the lottery result on their websites within **06 (six) hours** and on the websites of the Commission and Exchanges within **12 (twelve) hours** of lottery.
14. Within **02 (two) working days** of conducting lottery, the Issuer shall:
 - a) send category wise lists of the successful and unsuccessful applicants in electronic (text format with tilde '~' separator) format to the respective Exchange.
 - b) send category wise lists of unsuccessful applicants who are subject to penal provisions as per conditions of the Consent Letter issued by the Commission in electronic (text format with tilde '~' separator) format to the Commission and Exchanges mentioning the penalty amount against each applicant.
 - c) issue allotment letters in the names of successful applicants in electronic format with digital signatures and send those to respective Exchange in electronic form.
 - d) send consolidated allotment data (BOID and number of securities) in electronic text format in a CDROM to CDBL to credit the allotted shares to the respective BO accounts.

Step-4 (Intermediary)

15. **On the next working day**, Exchanges shall distribute the information and allotment letters to the Stockbroker/Merchant Bankers concerned in electronic format and instruct them to:
 - a) remit the amount of successful (other than NRB and Foreign) applicants to the Issuer's respective Escrow Account opened for subscription purpose, and unblock the amount of unsuccessful applicants;
 - b) send the penalty amount of other than NRB and Foreign applicants who are subject to penal provisions to the Issuer's respective Escrow Accounts along with a list and unblock the balance application money;
16. **On the next working day** of receiving the documents from the Exchanges, the Stockbrokers/Merchant Banker shall request its banker to:
 - a) release the amount blocked for unsuccessful (other than NRB and foreign) applicants;
 - b) remit the aggregate amount of successful applicants and the penalty amount of unsuccessful applicants (other than NRB and foreign) who are subject to penal provisions to the respective 'Escrow' accounts of the Issuer opened for subscription purpose.

17. **On the next working day** of receiving request from the Stockbrokers/Merchant Bankers, their bankers shall unblock the amount blocked in the account(s) and remit the amount as requested for to the Issuer's 'Escrow' account.
18. **Simultaneously**, the stockbrokers/Merchant Bankers shall release the application money blocked in the customer accounts; inform the successful applicants about allotment of securities and the unsuccessful applicants about releasing their blocked amounts and send documents to the Exchange evidencing details of the remittances made to the respective 'Escrow' accounts of the Issuer. The unblocked amounts of unsuccessful applicants shall be placed as per their instructions. The Stockbroker/Merchant Banker shall be entitled to recover the withdrawal charges, if any, from the applicant who wants to withdraw the application money, up to an amount of Tk. 5.00 (five) per withdrawal.
19. All drafts submitted by NRB or Foreign applicants shall be deposited in the Issuer's respective 'Escrow' accounts and refund shall be made by the Issuer by refund warrants through concerned stockbroker or merchant banker or transfer to the applicant's bank account through banking channel within 10 (ten) working days from the date of lottery.

Miscellaneous:

20. The Issuer, Issue Manager(s), Stockbrokers and Merchant Bankers shall ensure compliance of the above.
21. The bank drafts (FDD) shall be issued considering TT Clean exchange rate of Sonali Bank Ltd. on the date of publication of abridged version of prospectus.
22. Amount deposited and blocked in the "Public Issue Application Account" shall not be withdrawn or transferred during the blocking period. Amount deposited by the applicants shall not be used by the Stockbrokers/Merchant Bankers for any purpose other than public issue application.
23. The Issuer shall pay the costs related to data transmission, if claimed by the Exchange concerned up to an amount of Tk.2,00,000.00 (taka two lac) for a public issue.
24. The Stockbroker/Merchant Bankers shall be entitled to a service charge of Tk.5.00 (taka five) only per application irrespective of the amount or category. The service charge shall be paid by the applicant at the time of submitting application.
25. The Stockbroker/Merchant Banker shall provide the Issuer with a statement of the remittance and drafts sent.
26. The Issuer shall accumulate the penalty amount recovered and send it to the Commission through a bank draft/payment order issued in favor of the Bangladesh Securities and Exchange Commission.
27. The concerned Exchange are authorized to settle any complaints and take necessary actions against any Stockbroker/Merchant Banker in case of violation of any provision of the public issue application process with intimation to the Commission.

All eligible Stock Brokers and Merchant Bankers shall receive the IPO Subscription.

APPLICATION FORM

শেয়ারবাজারে বিনিয়োগ ঝুঁকিপূর্ণ, জেনে ও বুঝে বিনিয়োগ করুন।

APPLICATION FOR PUBLIC ISSUE

Date:

Name of applicant	:																
Client Code	:																
BO ID No.	:																
Category of applicant	:																
Name of the Company	:																
Number of Shares	: Shares of Tk. each															
Total amount in Tk.	:																
Amount in word	:																

Applicants

Authorized Officer