



Bismillahir Rahmanir Rahim

## Report of the Board of Directors



**Dear Shareholders,**

**Assalamu Alaikum,**

It is a pleasure and privilege to present the Annual Report and Audited Financial Statements of the Company for the year ended 30th June, 2021 for your kind approval using digital platform for the 2nd successive year because of the COVID-19 pandemic. I, on behalf of the Board of Directors expressing my gratitude and welcome all the shareholders in the 36th Annual General Meeting of Samorita Hospital Limited.

### Preparation of Financial Statements:

The Financial Statements of Samorita Hospital Limited have been prepared in compliance with International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), relevant requirements of the schedule to the Securities and Exchange Rules 1987 and the Companies Act 1994 to give a true and fair view of the total business activities of the company to our Shareholders.

### Industry outlook and possible future developments in the industry:

Private sector healthcare institutions have come a long way over the past 20 years. Only two decades back, public sector healthcare institutions were mainly responsible for providing healthcare service to the people. But the situation has changed a lot today. Now private sector healthcare service has emerged as a vibrant economic sector in Bangladesh due to the quality, efficiency and reliability of the services. The healthcare industry has been experiencing steady growth for the last few decades and it has huge potential. Now private healthcare institutions are largely attracting investment from big industry entrepreneurs as the industry offers high growth potential. It is expected that the healthcare industry will continue to grow in the coming years.

### Economic scenario of the country:

Bangladesh has had an annual GDP growth rate of over 6 percent. Since 2011, going up to 8.20 percent in the fiscal year 2018-2019. But the COVID-19 pandemic severely affected the country. Bangladesh Bureau of Statistics revealed that the



country may achieve 5.47 percent growth in the financial year 2020-2021 against the government target to attain 8.20 percent GDP growth even though the economy across the world were struggling hard to tackle COVID-19, leaving economic activities almost to a halt. Global economic recovery and remittance inflow from Bangladeshi expatriates contributed to achieve the growth in 2020-2021. The country's foreign exchange reserves stood at a record level. Bangladesh qualified to graduate into a developing country from a least developed country after the final evaluation by the United Nations Committee for Development Policy. The government is exploring ways to expand and diversify the country's export basket.

BBS's provisional GDP estimation in the financial year 2020-2021 showed a little bit recovery in industrial growth as this main growth driver of the country expanded 6.12 percent. Service sector growth bounced a bit to 5.61 percent in 2020-2021 from 4.16 percent in the previous year. The growth rate in agriculture however, fell to 3.45 percent in the year 2020-2021 from an impressive 4.59 percent in the previous year 2019-2020.

Our per capita income stands at US\$ 2227 in the fiscal year 2020-2021, as against previous fiscal year's per capita income of US\$ 2064 showing a growth rate of 7.90 percent.

Our average inflation rate in the financial year 2020-2021 was recorded at 5.56 percent from the government's target of 5.4 percent. In the year 2019-2020 the average inflation rate was 5.65 percent.

Though the GDP growth rate recovered a bit in the financial year 2020-2021 from that in the previous financial year, the country's economic scenario was still below the pre-corona level.

### Performance review and financial analysis of the company:

A dark cloud of uncertainty prevailed in the whole financial year of 2020-2021 for COVID-19 pandemic across the country. The year was exceptionally difficult one for all, be it governments, individual or companies. The Pandemic affected lives, livelihoods and economic activities very adversely and suffered a contraction. Yet, it is a matter of satisfaction that during the year our company has generated revenue of Tk. 39.36 crore which was Tk. 32.12 crore in the previous year resulting revenue growth of 22.54%. Except for the deviation caused by the Pandemic in 2019-2020, the revenue generation of your company has been increasing consistently over the past years. During the year direct expenses to revenue has been decreased by 2.23% and operating expenses to revenue decreased by 9.05% compared to previous year. This has been possible for relentless endeavors of the management and efficient Board of Directors of the Company. On the other hand, when cut-off of the employee has become a common practice in different organizations of the country, our company simply on humanitarian and professional ethics did not furlough a single employee in this pandemic period.

Relying on the high growth of revenue during the year under review your Company has made an impressive 1194% increase in Profit after tax compared to previous year. Profit of the previous year had been tumbled due to country wide prolonged lock-down for deadly Corona Virus. Earning per share increased to Tk. 2.23 up by a whopping 1212%, from Tk. 0.17 in the previous year.

Although we are earning profit, but the business is competitive. There are many competitors in hospital business and more are expected to enter the field. Samorita has a vision to extend its service facilities at affordable prices as our prime objective is to serve the ailing humanity. While doing business the management thinks much more in mind than just making profit.

Samorita Hospital Ltd. always believes in the philosophy of carrying on business activities for the well being of the people.

### Corporate social responsibility:

Corporate social responsibility is a process by which we take part for the well being of the society from our limited financial ability. It is a continuous process. Our social responsibility extends from our customers to employees and the community in which we live. During the year we have rendered free services to 292 indoor patients and 3842 outdoor patients. Apart from these, we contribute for celebration of different government and private occasional days. Our aim being a publicly listed company is to serve the people of our country through uninterrupted service.

### Discussion on Gross Profit Margin and Net Profit Margin:

The following analysis are made to provide the shareholders with an overview on Gross profit and Net profit margin.



Particulars	2020-2021	2019-2020	Growth
Revenue	393,615,786	321,234,770	22.54%
Direct Expenses	163,771,548	140,839,670	(2.23%)
Gross Profit	229,844,238	180,395,100	49,449,138
Net Profit	42,088,383	3,252,866	38,835,517
Gross Profit Margin (%)	58.39%	56.16%	2.23%
Net Profit Margin (%)	10.69%	1.01%	9.68%

### Gross Profit Margin Ratio:

Gross profit is the difference between Revenue and Direct Expenses.

The gross profit margin is calculated dividing gross profit by revenue and multiplied by 100 i.e.  $\text{Gross profit} / \text{Revenue} \times 100$ . Gross profit margin measures the profitability of the Company. Higher gross profit margin indicates better health of the Company.

During the year 2020-2021 Gross profit margin was increased by 2.23% compared to last year due to decreased of direct expenses to revenue by 2.23%.

### Net Profit Margin Ratio:

The Net profit margin is the ratio of net profit to revenue of a Company. It is expressed as a percentage. This is considered to be the most accurate measures of company's profitability. The net profit margin is intended to be a measure of overall success of a business. The higher the ratio, the better the performance and vice versa.

Net profit margin in the year 2020-2021 has increased by 9.68% compared to 2019-2020 due to lower operating cost.

### Risks and Concerns:

Any investment is always associated with some risk factors and among the factors some can be averted, others are beyond control. The management of our company considers some risk factors involving our business which are described below:

**Competitions:** Competition refers to the risk of decreasing present market share caused by new entrants which could have an adverse impact on the business and result of operation.

**Management Perception:** Management is aware about the competition and optimistic about future growth of the business.

**Technology related risk:** Technology always plays a vital role in the existence of any organization. The service facilities of the Company are based on current available technology. Any invention of new machine or equipment may cause technological obsolescence. Any serious defects in the machine and equipment may affect the service and require additional investment for replacement.

**Management Perception:** The Company has obtained adequate warranty and entered into service contract with the suppliers in order to mitigate serious defects that may arise.

**Changes in government regulations:** The Company operates under the existing laws, rules and regulation of the country. Any abrupt changes of the policies made by the regulatory authorities may adversely affect the business of the Company.

**Management Perception:** Management believes that government and regulatory authority will not frustrate the growth of the business with adverse policy measures.

**Political unrest and natural disasters:** The business of the Company may be affected by outside factors such as political unrest, hartals and acts of terrorism in the country. The natural disasters also could interrupt business for indefinite period.

**Management Perception:** Management has taken insurance coverage for moveable and immoveable properties to mitigate the losses due to any probable terror attack or disaster.

**Interest rate risk:** Volatility of money market may influence the overall interest rate structure of the country.





**Management perception:** At present the Company has long term loan. The company is fully aware about the impact of possible unfavourable changes in the money market.

**Exchange rate fluctuation:** Exchange rate fluctuation of foreign currency may have an adverse impact on the profitability of the Company.

**Management perception:** The Company do not earn or make payment through foreign currency. As such there is no chance of adverse impact from foreign currency changes.

### Key operating & Financial information:

The key operating and financial information for the year 2020-2021 along with the preceding five years are presented below:

Value in '000 Taka

Particulars	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Revenue	370,053	376,635	370,198	374,388	321,234	393,615
Gross Profit	210,817	219,785	210,134	216,257	180,395	229,844
Net Profit Before Tax	45,818	56,211	34,204	43,724	10,280	54,533
Net Profit After Tax	33,606	38,182	23,617	32,236	3,252	42,088
Gross Profit Margin	56.97%	58.35%	56.76%	57.76%	56.16%	58.39%
Net Profit Margin	9.08%	10.14%	6.38%	8.61%	1.01%	10.69%
Shareholders' Equity	831,269	854,655	933,939	944,614	929,194	971,283
Earning Per Share	2.06	2.12	1.31	1.71	0.17	2.23
Fixed Assets (Net)	891,028	879,996	880,882	864,719	902,237	951,084
Net Asset Value Per Share	50.87	47.54	51.95	50.05	49.23	51.46
Rate of Dividend	10% Cash 10% Stock	10% Cash 10% Stock	12% Cash	10% Cash 5% Stock	No dividend	10% Cash
Market Value Per Share	70.50	79.70	77.40	68.90	60.60	67.20
Price Earning Ratio (Times)	34.22	37.59	59.08	40.29	356.47	30.13
No. of Shareholders	2,930	2,117	2,621	2,430	2,178	2,579

### Variance between Quarterly financial performance and Annual financial statements:

As required by law Samorita Hospital Ltd. disclosed quarterly financial performance of the Company for the 1st, 2nd and 3rd quarter for the year 2020-2021. Significant deviation in operational performance and financial position has not been found between quarterly and year end financial statements.

### Significant deviations from last year's operating results and financial position:

Operating result in the reporting period has been increased significantly due to following reasons, compared to corresponding period of the preceding year.

- Revenue has been increased significantly by Tk. 7.24 crore. Last year revenue had been decreased drastically for prolonged lock down across the country due to deadly coronavirus.
  - Direct expenses has been decreased by 2.23% compared to previous year.
  - Operating expenses has been decreased by 9.05% compared to previous year although revenue has been increased by 22.54% during the year for relentless endeavors of the management.
- Net operating cash flow per share increased significantly due to cash received from customers and others increased to Tk. 6.00 crore from Tk. 1.20 crore in the previous year.
- Net Asset value per share increased from Tk. 49.23 to Tk. 51.46 for increase of retained earnings.

**Segment wise Performance Report:** A Segment wise performance report is given in note no. 36 of notes to the Accounts.

**Board's intention to declare interim stock dividend:** The Board has no intention to declare interim stock dividend.



## Management's Discussion and Analysis:

**Bismillahir Rahmanir Rahim**

**Dear Shareholders,**

**Assalamu Alaikum Wa Rahmatullah**

The Management's discussion and analysis regarding company's operational performance and financial position are described as under:

Despite variety of adversities and challenges the year 2020-2021 has been a good year for our Company. Our Company has generated revenue of Tk. 39.36 crore which was Tk. 32.12 crore in the previous year resulting a growth of 22.54%. During the year direct expenses to revenue decreased by 2.23% and operating expenses to revenue decreased by 9.05% compared to previous year. Relying on the high growth of revenue during the year your company has made an impressive 1194% increase in profit after tax compared to previous year. Earnings per share increased to Tk. 2.23 from Tk. 0.17 in the previous year.

The financial statements of Samorita Hospital Ltd. for the year ended 30th June, 2021 have been prepared having no change in accounting policies and estimations.

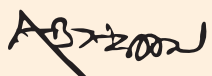
Net asset value per share increased to Tk. 51.46 from Tk. 49.23 in previous year. Shareholders fund increased by 4.53% to Tk. 97.12 crore in 2020-2021, from Tk. 92.91 crore in 2019-2020. The major additions to the fixed assets were Land and Land Development, Building, Lift, Equipment etc. Share Capital comprised 1,88,75,236 no. ordinary shares of Tk. 10 each. The market value of the share is Tk. 67.20 as on 30th June, 2021 in Dhaka Stock Exchange Ltd. (DSE) and Tk. 66.00 in Chittagong Stock Exchange Ltd. (CSE) resulting a market capitalisation of Tk. 127 crore. Non-current borrowing net off current portion includes Tk. 5.12 crore in 2020-2021 for acquisition of Land and building adjacent to Samorita Hospital Ltd. Current ratio in the year 2020-2021 is 2.75:1 from 2.31:1 in 2019-2020. Current ratio is much higher than standard which indicates that the company is fully capable to meet its short term obligations.

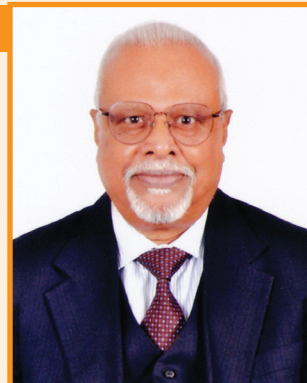
Due to more cash received from customers and others cash generated from operations increased to Tk. 6.00 crore from Tk. 1.20 crore in previous year. Hence, net operating cash flow per share increased to Tk. 3.18 from Tk. 0.64 in previous year.

A statement for comparative analysis of financial performance and financial position for current financial year with immediate preceding 5 years has been explained in this annual report. Industry outlook and possible future development in the industry, economic scenario of the country and the risk and concerns issues related to financial statements have also been discussed in this annual report.

We are focusing on generating more revenue and to add value for the shareholders. We have declared an investment of Tk. 5.5 crore to construct a 08 storied building adjacent to our hospital premises for expansion of hospital business. It is expected that the project will be completed by the year of 2023. The project will be financed from our own source.

We have a vision to extend our service facilities at affordable prices as our prime object is to serve the ailing humanity. While doing business we think much more in mind than just making profit. We always believe in the philosophy of carrying on business activities for the well being of the people and the shareholders of the company as well.

  
(Dr. A. B. M. Haroon)  
Managing Director





### Related Party Transaction:

During the year the Company has carried out following transactions with related parties. The Board of Directors like to disclose the related parties transaction with the business as required by the Corporate Governance Code issued by the BSEC. Details are given below:

Sl. No.	Particulars	Nature of relation	Basis of transactions	Total transactions value	Out standing	Re- marks
1.	Nurse Hostel	Mrs. Latifa Haroon Wife of Dr. A. B. M. Haroon	Rent Paid as per contract	19,11,228	-	-
2.	The Imaging Services Ltd.	Associate Company	Rent received as per contract	9,59,860	1,42,364	-
3.	Purabi General Insurance Company Ltd.	Common director	Insurance Premium paid as per contract	3,02,017	-	-
4.	Sandhani Life Insurance Company Ltd.	Common director	Life Insurance Premium paid as per contract	2,10,000	-	-
5.	M H Samorita Hospital & Medical College	Common director	Pathology test as per contract	12,47,408	7,77,111	-

The Audit Committee reviewed all related party transactions in its meeting.

### Dividend Distribution Policy:

This Policy will be applicable to Samorita Hospital Ltd. This Policy is for payment of dividend to shareholders of the Company.

Future dividend payment will depend on a variety of factors including Samorita Hospital Ltd's earnings, financial condition, solvency requirements and the general economic environment. The dividend proposed by the Board of Directors in any particular year may vary depending on a variety of factors (as noted above).

The Board of Directors recommend/declare and distribute dividend as per the provisions of Companies Act, Articles of Association of the company and BSEC's guidelines and notifications.

- Interim dividend will be paid to the entitled Shareholders within 30 days of record date.
- Final dividend will be paid within 30 days of approval of Shareholders at the AGM.
- The Company shall ensure that the amount of cash dividend shall be deposited in a scheduled bank in a separate account within the stipulated time specified by the regulators and pay directly to the bank account of entitled shareholders as available in BO account maintained with Depository Participant (DP), or the bank account as provided by shareholders in paper form, through Bangladesh Electronic Funds Transfer Network (BEFTN). In case of margin loan, cash dividend will be paid off to Consolidated Customers Bank Account (CCBA) as provided by the merchant banker or portfolio manager within stipulated time through BEFTN.
- Undistributed/unclaimed cash dividend shall be deposited in a scheduled bank in a separate account and dividend including interest thereon for a period of 3 years from the date of declaration or approval shall be transferred to the fund as directed or prescribed by BSEC.
- The Company shall credit stock dividend directly to the BO account or issue bonus share certificate of the entitled shareholder, as applicable, within 30 days of declaration or approval, as the case may be, subject to clearance of the Dhaka and Chittagong Stock Exchange Ltd. and Central Depository Bangladesh Ltd. (CDBL).



- vi) Undistributed bonus shares shall be held in a Suspense BO account under Block Module with CDBL and unclaimed bonus shares for a period of 3 years from date of declaration or approval shall be transferred in dematerialized form to the BO account as directed by BSEC.
- vii) The Company shall submit a compliance report to the Bangladesh Securities and Exchange Commission (BSEC) in a specific format, within 07 (seven) working days of completion of dividend distribution. Provided that the Company will also publish the compliance report in its website.
- viii) The Company shall not forfeit any unclaimed cash dividend or stock dividend till the claim becomes barred by the law of land in force.

The Board shall review this policy on annual basis or as and when required by the law. The Board is authorised to change/ amend this policy from time to time at its sole discretion and/or in pursuance of any amendments made in the companies Act and BSEC's Regulations/Notifications or guidelines etc. The Company shall make appropriate disclosures as required under BSEC's directive dated 14 January, 2021.

#### Summary of Unclaimed dividend:

Sl. No.	Financial Year	Unclaimed Dividend		Total Unclaimed dividend Taka
		In Folio	In BOLD	
1	1997-1998	84586.20	-	84586.20
2	1999-2000	67431.00	-	67431.00
3	2000-2001	79818.00	-	79818.00
4	2001-2002	119366.50	-	119366.50
5	2002-2003	88800.00	-	88800.00
6	2003-2004	6305.44	-	6305.44
7	2004-2005	93466.00	-	93466.00
8	2005-2006	177103.50	-	177103.50
9	2006-2007	156799.50	-	156799.50
10	2007-2008	193179.00	-	193179.00
11	2008-2009	136126.73	26266.50	162393.23
12	2009-2010	248084.80	241256.00	489340.80
13	2010-2011	10445.37	7946.14	18391.51
14	2011-2012	9601.43	11725.94	21327.37
15	2012-2013	11445.67	14934.10	26379.77
16	2013-2014	606150.41	1711924.99	2318075.40
17	2014-2015	580540.60	1699745.00	2280285.60
18	2015-2016	337239.95	105485.36	442725.31
19	2016-2017	426664.96	176748.18	603413.14
20	2017-2018	571645.32	163735.44	735380.76
21	2018-2019	504886.99	447353.61	1127941.97
As on 30th June 2021 :				9292510.00
Less Transferred to CMSF on September 26, 2021:				8164568.00
Balance as on September 26, 2021:				1127941.97





### Disclosure of Directors Remuneration:

All members of the Board are non-executive Director except Managing Director. They don't get any remuneration. They get only meeting fees for attending the Board and Committee meetings at Tk. 7,000 per meeting. Managing Director's remuneration and perquisites are determined by the Board. As per Corporate Governance Code remuneration to Directors including Independent Directors are as under:

Name of Directors	Remuneration	Fees
Prof. Riaz Ahmed Chowdhury		56,000
Dr. A. B. M. Haroon	50,71,858	42,000
Late Engr. A. M. Shaukat Ali		7,000
Mrs. Shamsa Chowdhury		42,000
Mrs. Farida Bano		49,000
Mr. Ahasanul Islam MP		7,000
Mrs. Golam Fatema Tahera Khanam		56,000
Mr. Mojibul Islam		70,000
Mrs. Kishwar Jahan Sayeeda Banu		21,000
Mr. Sheikh Mahfuzul Hoque FCA (Independent Director)		63,000
Mr. Shyamal Krishna Roy FCA (Independent Director)		21,000
Prof. Md. Ubaidul Kabir Chowdhury (Independent Director)		49,000
Engr. Mostaque Ahmed Siddiqui (Independent Director)		35,000
Mr. A F M Rezaul Hasan (Independent Director)		14,000
	<b>50,71,858</b>	<b>5,32,000</b>

### Future Plan:

Samorita Hospital Ltd. focuses on generating more revenue and to add value for its shareholders. We have declared an investment of Tk. 5.5 crore to construct a 08 storied building adjacent to our hospital premises for expansion of hospital business. It is expected that the project will be completed by the year of 2023. The project will be financed from our own source.

### Peer Industry comparison:

Samorita Hospital Ltd. is the first and only listed hospital in Bangladesh as such we have no peer company to make comparison.

### Event after Balance sheet:

There was no significant event that has occurred between the financial year closing date and financial statement authorised for issue by the Board of directors except the following:

- The Board of Directors in its 194th meeting held on October 30, 2021 has recommended 10% Cash dividend for the year ended 30th June, 2021.
- The Board of Directors in its 193rd virtual meeting held on July 24, 2021 has decided to construct a 08 storied building on the land adjacent to hospital premises. The building space will be used for ETP, Physiotherapy center, Chemotherapy unit, Consultants chamber, Canteen and Dormitory purposes. Estimated total cost of the project will be Tk. 5.5 Crore (Five crore and fifty lac) and the project will be completed by the year 2023. The entire amount will be financed from own source of the company.





- iii) Two building purchased recently adjacent to hospital premises will be let-out for residential purpose after some renovation works until any other decision is taken. The estimated renovation cost will be Tk. 40 lac and estimated monthly rent of Tk. 1,70,000 (One lac seventy thousand) is expected to be received.

### Nomination and Remuneration Committee (NRC):

The NRC of Samorita Hospital Limited comprises of four members which include two Independent Directors. The Chairman of the Committee is an Independent Director. The Company Secretary acts as the Secretary of the committee. The NRC is independent and responsible or accountable to the Board and to the shareholders. The NRC shall assist the Board in formulation of the criteria for determining qualifications, positive attributes, experiences and independence of a director and top level executives and recommend a policy to the Board relating to the remuneration of the directors and top level executives of the company.

The details of the NRC including terms of reference and activities of NRC are disclosed in this Annual Report in the "Nomination and Remuneration Committee (NRC) Report" signed by the chairman of the Committee.

### Dividend:

All of you know that we are always aware about the interest of our shareholders. Considering the profit of the year the Board of Directors has recommended 10% Cash dividend for this year subject to approval of the shareholders in the Annual General Meeting.

### Going concern:

The Company has adequate resources to continue its operation for foreseeable future. Thus the Directors are of the opinion that the Company is a going concern and the financial statements are also prepared on going concern basis.

### Election of Directors:

As per Article 98 of the Articles of Association of the Company, one third of the Directors retire by rotation in every annual general meeting. Accordingly the retiring Directors are Dr. A. B. M. Haroon, Mrs. Shamsa Chowdhury and Mrs. Farida Bano. As per Article 100 of the Articles of Association of the Company the retiring Directors being eligible, offered themselves for being re-elected as Directors of the Company. The Board of Directors recommended the retiring Directors to be re-elected. A brief resume of the re-elected Directors are appended in page no. 32.

Prof. Dr. Niaz Ahmed Chowdhury was also appointed to the Board as Director at the 194th meeting of the Board of Directors held on 30th October, 2021. The appointment will be placed before the shareholders for their approval at the 36th Annual General Meeting of the Company. The profile of Prof. Dr. Niaz Ahmed Chowdhury is stated in page no. 33 of this report.

### Appointment of Independent Directors:

As per Corporate Governance Code of Bangladesh Securities & Exchange Commission Mr. Shyamal Krishna Roy FCA has been appointed as Independent Director of the Company in 190th virtual meeting of the Board of Directors held on January 27, 2021 subject to approval in the 36th Annual General Meeting. A brief resume of Independent Director Mr. Shyamal Krishna Roy FCA is appended in page no. 33.

Prof. Dr. Ridhwanul Haq has been appointed to the Board as Independent Director at the 194th meeting of the Board of Directors held on 30th October, 2021. The appointment will be placed before the shareholders for their approval at the 36th Annual General Meeting of the Company. The profile of Prof. Dr. Ridhwanul Haq is stated in page no. 33 of this report.

### Re-appointment of Managing Director:

Dr. A. B. M. Haroon Managing Director of the company will complete his five years tenure on 15th March, 2022. In compliance with section 110 of the companies Act 1994 the Board of Directors of the company in its 194th meeting held on 30th October, 2021 re-appointed him for another five (05) years with effect from 16th March, 2022 subject to approval in the 36th Annual General Meeting. A brief resume of Managing Director Dr. A. B. M. Haroon is appended in page no. 32.



### Appointment of Auditors:

M/S. Aziz Halim Khair Choudhury, Chartered Accountants, External Auditors of the Company will retire at the 36th Annual General Meeting and they are not eligible for re-appointment as External Auditors for auditing consecutive three years. That's why our Audit Committee has recommended to the Board another Audit firm named M/S. Rahman Mostafa Alam & Co., Chartered Accountants with the fee of Tk. 2,50,000 only as the Auditors of the Company for the year 2021-2022. The Board of Directors in its 194th meeting accepted the recommendation of the Audit Committee subject to approval in the 36th Annual General Meeting of the Company.

### Appointment of Compliance Auditors:

As per Corporate Governance Code of Bangladesh Securities & Exchange Commission the Board in its 194th meeting has recommended to appoint Mollah Quadir Yusuf & Co., Chartered Accountants as Compliance Auditors of the Company for the year 2021-2022 at the existing fee of Tk. 25,000 subject to approval in the 36th Annual General Meeting.

### Directors meeting and attendance:

During the year ended 30th June 2021, 05 (five) meetings of the Board of Directors were held and the Directors who attended the meeting are shown below:

Name of Directors	Attended
Prof. Riaz Ahmed Chowdhury	05
Mr. Mojibul Islam	05
Dr. A. B. M. Haroon	05
Mr. Ahasanul Islam MP	01
Mrs. Shamsa Chowdhury	04
Mrs. Farida Bano	05
Mrs. Kishwar Jahan Sayeeda Banu	03
Mrs. Golam Fatema Tahera Khanam	04
Late Engr. A. M. Shaukat Ali	01
Mr. Shyamal Krishna Roy FCA	02
Prof. Md. Ubaidul Kabir Chowdhury	05
Engr. Mostaque Ahmed Siddiqui	03
Mr. Sheikh Mahfuzul Hoque FCA	03
Mr. A F M Rezaul Hasan	02

The Directors who could not attend the meetings were granted leave of absence.

### Audit committee meeting and attendance:

During the year ended 30th June 2021, 04 (four) meetings of the Audit Committee were held and the Directors who attended the meeting are shown below:

Name of Directors	Attended
Mr. Sheikh Mahfuzul Hoque FCA	03
Mr. Shyamal Krishna Roy FCA	01
Mr. Mojibul Islam	04
Mrs. Shamsa Chowdhury	02



### Nomination and Remuneration Committee meeting and attendance:

During the year ended 30th June 2021, 02 (two) meetings of the Nomination and Remuneration Committee were held and the Directors who attended the meeting are shown below:

Name of Directors	Attended
Prof. Md. Ubaidul Kabir Chowdhury	02
Prof. Riaz Ahmed Chowdhury	02
Mrs. Golam Fatema Tahera Khanam	02
Mr. Sheikh Mahfuzul Hoque FCA	01
Engr. Mostaque Ahmed Siddiqui	01

### Purchase committee meeting and attendance:

During the year ended 30th June 2021, 02 (two) meetings of the Purchase Committee were held and the Directors who attended the meeting are shown below:

Name of Directors	Attended
Mrs. Golam Fatema Tahera Khanam	02
Mrs. Farida Bano	02
Mr. Sheikh Mahfuzul Hoque FCA	02

### Construction committee meeting and attendance:

During the year ended 30th June 2021, 01 (one) meeting of the Construction Committee was held and the Directors who attended the meeting are shown below:

Name of Directors	Attended
Prof. Riaz Ahmed Chowdhury	01
Dr. A. B. M. Haroon	01
Mr. Mojibul Islam	01
Engr. Mostaque Ahmed Siddiqui	01

### Pattern of Shareholding

The Pattern of Shareholding of Parent/Subsidiary/Associate Companies and other related Parties, Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit, Executives, Shareholders holding 10% or more voting interest in the Company as at 30 June, 2021 stated as under:





Particulars	Position	No. of Shareholding	%
Prof. Riaz Ahmed Chowdhury	Chairman	3,81,278	2.02
Mr. Mojibul Islam Nominated Director- Sandhani Credit Co-operative Society Ltd.	Vice Chairman	5,67,442	3.01
Dr. A. B. M. Haroon	Managing Director	15,05,354	7.98
Mr. Ahasanul Islam MP Nominated Director- Sandhani Life Insurance Co. Ltd.	Director	6,89,375	3.65
Mrs. Farida Bano	Director	17,52,297	9.28
Mrs. Shamsa Chowdhury	Director	17,36,813	9.20
Mrs. Golam Fatema Tahera Khanam	Director	6,09,822	3.23
Mrs. Kishwar Jahan Sayeeda Banu	Director	6,15,415	3.26
Dr. Pulak Kumar Deb	Chief Medical Officer	15,711	0.08
Dr. Moslehuddin Ahmed	Medical Co-ordinator	9,992	0.05

Shareholders holding 10% or more voting interest in the company other than Chairman/ Managing Director/ Director/ Company Secretary, CFO/HOIA.

Particulars	Position	No. of Shareholding	%
-	-	-	-

### Responsibilities of CEO and CFO about Financial Statements review:

The CEO and CFO have reviewed the financial statements for the year 2020-2021 before submission to the Board in compliance with Corporate Governance Code issued by Bangladesh Securities and Exchange Commission. A report of CEO and CFO in this connection is presented in page no. 31 of this report.

### Additional Statements under Corporate Governance Code:

Pursuant to the BSEC notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June, 2018 the Directors confirm that:

- The financial statements prepared by the management of Samorita Hospital Ltd. fairly present its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of Account of the Company have been maintained.
- 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.
- International Accounting Standards (IAS) or International Financial Reporting standards (IFRS) as applicable in Bangladesh have been followed in preparation of the financial statements.
- The system of internal controls is sound in design and has been effectively implemented and monitored.
- There are no doubts upon the Company's ability to continue as a going concern and the annual accounts have been prepared as a going concern basis.



- g) Significant deviations of operating results of the Company from last year to current year have been found and disclosed in page no. 11.
- h) The key operating and financial data for the last 5 years is enclosed in page no. 11.
- i) The Pattern of shareholding is disclosed in page no. 18 to 19.
- j) Related party transactions are disclosed in page no. 13.
- k) A brief resume of the Director who has been appointed or reappointed in the Board and business interest in other organizations has been disclosed in page no. 32 to 33.

### Corporate Governance Compliance Report and Compliance Certificate:

As per Bangladesh Securities and Exchange Commission's notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dt. June 03, 2018 the Corporate Governance Compliance Reports for the year 2020-2021 are appended in page no. 21 to 26. Further, a Certificate of Compliance required under the said code, as provided by Mollah Quadir Yusuf & Co., Chartered Accountants is also appended in page no. 27 of this Annual Report.

### Acknowledgements:

On behalf of the Board I wish to acknowledge the contribution and support of our Shareholders, BSEC, DSE, CSE, CDBL, RJSC and our honorable customers and suppliers. I also wish to place on record my appreciation for the committed services rendered by the employees of the Company without which our achievement would not have been possible. Finally I also wish to place on record my gratitude and appreciation for continued support and co-operation extended by the honorable members of the Board of Directors of the company.

On behalf of the Board of Directors

Date: October 30, 2021  
Dhaka

(Prof. Riaz Ahmed Chowdhury)  
Chairman