



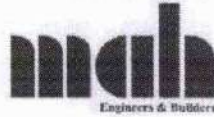
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INFORMATION MEMORANDUM

Zero Coupon Bond of BDT 2,499 Million

for

Mir Akhter Hossain Limited



Contact Information: Red Crescent Borak Tower, Level 7 & 10

71-72 Old Elephant Road, Eskaton Garden, Dhaka 1000

Issue Name: Mir Akhter Zero Coupon Bond

Type of Security: Non-convertible Fully Redeemable Zero Coupon Bond

Trustee: UCB Investment Limited

Total Face Value: BDT 2,499,000,000

Face Value of Each Bond: BDT 500,000 and **Face Value of Each Lot of Bond:** BDT 3,000,000

Bonds in Each Lot: 6, Number of Lot: 833, Number of Securities: 4,998

Issue Price of each Bond is Variable as it is ZCB and mentioned in Features of Bond

Issue Price of Each lot of Bond: BDT 2,487,130.63

Total Issue Price of the Bond: BDT 2,071,779,815*

* Calculated based on the Face Value of BDT 2,499 million of the Bonds and YTM of 7.0% p.a. The approval from BSEC to be taken in a range of 7% p.a. – 9% p.a. to adopt any market change and to be finalized based on market condition at the time of bond issuance.

Credit Rating status of the Issue:

Long Term Rating: A+

Credit Rating of the Issuer:

Long Term: AA- Short Term: ST-3

Credit Rating Agency: **Credit Rating Information and Services Limited**

Joint Lead Arranger

IDLC Investments Limited	Prime Bank Limited

Issue Date of IM: _____, 2022

"If you have any query about this document, you may consult the issuer or originator, issue manager and the trustee"

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Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.

Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.

Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.



ARRANGER'S DISCLAIMER


Mir Akhter Hossain Limited (the "Issuer") has authorized IDLC Investments Limited (IDLCIL) and Prime Bank Limited (the "Arranger" or "Arrangers") to distribute this Information Memorandum in connection with the proposed transaction outlined in it (the "Transaction") and the bond proposed to be issued in the Transaction (the "Bond").

This Information Memorandum is provided to prospective investors on a private and confidential basis for use solely in connection with the issue, offer, sale or invitation to subscribe or purchase the Zero Coupon Bonds. This Information Memorandum shall not be, in whole or in part, reproduced or used for any other purpose without prior written consent of the Arranger.

The Issuer has prepared this Information Memorandum and the Issuer is solely responsible for its contents. The Issuer will comply with all laws, rules and regulations and has obtained all regulatory, governmental and corporate approvals for the issuance of the Bond. All the information contained in this Information Memorandum has been provided by the Issuer or is from publicly available information, and such information has not been independently verified by the Arranger. No representation or warranty, expressed or implied, is or will be made, and no responsibility or liability is or will be accepted, by the Arranger or its affiliates for the accuracy, completeness, reliability, correctness or fairness of this Information Memorandum or any of the information or opinions contained therein, and the Arranger hereby expressly disclaim, to the fullest extent permitted by law, any responsibility for the contents of this Information memorandum and any liability, whether arising in tort or contract or otherwise, relating to or resulting from this Information Memorandum or any information or errors contained therein or any omissions therefrom. By accepting this Information Memorandum, you agree that the Arranger will not have any such liability.

You should carefully read and retain this Information Memorandum. However, you are not to construe the contents of this Information Memorandum as investment, legal, accounting, regulatory or tax advice, and you should consult with your own advisors as to all legal, accounting, regulatory, tax, financial and related matters concerning an investment in the Bond.


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.


Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.



ISSUER'S DISCLAIMER

This Information Memorandum is neither a prospectus nor a statement in lieu of prospectus. The issue of non-convertible zero coupon bonds is being made strictly on a private placement basis. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. It does not constitute and shall not be deemed to constitute an offer or an invitation to subscribe to the bond issue to the public in general. Apart from this Information Memorandum, no information memorandum or prospectus has been prepared in connection with the offering of this issue.

This Information Memorandum has been prepared to provide general information about the issuer to potential investors to whom it is addressed and who are willing and eligible to subscribe to the bond issue. This Information Memorandum does not purport to contain all the information that any potential investor may require. Neither does this Information Memorandum nor any other information supplied in connection with the bond issue is intended to provide the basis of any credit or other evaluation and any recipient of this Information Memorandum should not consider such receipt a recommendation to purchase any bonds. Each potential investor contemplating the purchase of any bonds should make his/her own independent investigation of the financial condition and affairs of the issuer and his/her own appraisal of the creditworthiness of the issuer.

Potential investors should consult their own financial, legal, tax, and other professional advisors as to the risks and investment considerations arising from an investment in the bonds and should possess the appropriate resources to analyse such investment and the suitability of such investment to such investor's particular circumstances.

The information relating to the company contained in this Information Memorandum is believed by the issuing company to be accurate in all respects as to the date hereof.


It is the responsibility of potential investors to also ensure that they will sell/transfer these Bonds in strict accordance with this Information Memorandum and other applicable laws. None of the intermediaries or their agents or advisors associated with this issue undertake to review the financial condition or affairs of the issuer during the life of the arrangements contemplated by this Information Memorandum or have any responsibility to advise any investor or potential investor in the bonds of any information available with or subsequently coming to the attention of the intermediaries, agents or advisors.

No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this Information Memorandum or in any material made available by the issuer to any potential investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having been authorized by the issuer.

The contents of this Information Memorandum are intended to be used only by those potential investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient.

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Mr **Nasir Hossain**
Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.


iii
Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.



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Each person receiving this Information Memorandum acknowledges that:


- Such person has been afforded an opportunity to request and to review and has reviewed and received this Information Memorandum and all additional information considered by an individual to be necessary to verify the accuracy or to supplement the information herein; and
- Such person has not relied on any intermediary that may be associated with the issuance of the bonds in connection with his/her investigation of the accuracy of such information or his/her investment decision.

The issuer does not undertake to update the Information Memorandum to reflect subsequent events after the date of the Information Memorandum and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the issuer. Neither the delivery of this Information Memorandum nor any sale of bonds made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the issuer since the date hereof.

This Information Memorandum does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the bonds or the distribution of this Information Memorandum in any jurisdiction where such action is required. The distribution of this Information Memorandum and the offering and sale of the bonds may be restricted by law in certain jurisdiction. Persons into whose possession this Information Memorandum comes are required to inform themselves about and to observe any such restrictions.


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.

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Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.



Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

CONTACT LIST

Issuer: Mir Akhter Hossain Limited	
<p>Mr. Parymal Kumer Sarker, FCA Chief Financial Officer Red Crescent Borak Tower, Level 7 & 10 71-72 Old Elephant Road Eskaton Garden, Dhaka 1000 Phone: +880-2-55138529, +880-2-55138533-35 Mobile: +8801777711616 E-mail: parymal.sarker@mirakhter.net</p>	
Trustee: UCB Investment Limited	
<p>Mr. Tanzim Alamgir Managing Director & CEO UCB Investment Limited Bulus Center (17th Floor) Plot-CWS-(A)-1, Road No. 34 Gulshan Avenue, Dhaka 1212 Phone: +880-2-55668070 Mobile: +8801927111555 Email: tanzim.alamgir@ucb.com.bd</p>	<p>Ms. Kazi Sanjana Taufique First Assistant Vice President UCB Investment Limited Bulus Center (17th Floor) Plot-CWS-(A)-1, Road No. 34 Gulshan Avenue, Dhaka 1212 Phone: +880-2-55668070 Mobile: +8801756009957 Email: sanjana.taufique@ucb.com.bd</p>
Arranger: IDLC Investments Limited	
<p>Mr. Md. Moniruzzaman, CFA Managing Director IDLC Investments Limited DR Tower (4th Floor) 65/2/2 Bir Protik Gazi Golam Dostogir Road Purana Paltan, Dhaka 1000 Phone: +8809609994352 Ext: 29101 Mobile: +8801730328813 E-mail: mzaman@idlc.com</p>	<p>Mr. Mahmud-Ur-Rashid Head of Investment Banking IDLC Investments Limited DR Tower (4th Floor) 65/2/2 Bir Proik Gazi Golam Dostogir Road Purana Paltan, Dhaka 1000 Phone: +8809609994352 Mobile: +8801730738360 E-mail: mahmud@idlc.com</p>
Arranger: Prime Bank Limited	
<p>Mr. Md. Shafiqul Islam Head of Debt Capital Market Prime Bank Limited Simpletree Anarkali (Level 3) 89, Gulshan Avenue, Dhaka 1212 Phone: +880255068721 Ext: 371 Mobile: +8801819813588 E-mail: shafiq.islam@primebank.com.bd</p>	<p>Mr. Mohsinul Hoq Sumon Senior Manager Debt Capital Market Prime Bank Limited Simpletree Anarkali (Level 3) 89, Gulshan Avenue, Dhaka 1212 Phone: +880255068721 Ext: 628 Mobile: +8801730727298 E-mail: mhsumon@primebank.com.bd</p>

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Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.


Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.



REPORT TO THE ELIGIBLE INVESTORS


Issuer has obtained information regarding Bangladesh and its economics from various government publications and other sources. Although we believe that its sources are reliable, you should keep in mind that it has not independently verified information it has obtained from industry and government sources and information from its internal surveys has not been verified by any independent sources. In addition, we have obtained information about the Trustee i.e. UCB Investment Limited from the Trustee and do not accept any responsibility for the information contained in the section entitled "The Trustee". Further, we do not accept any responsibility for the information contained in the section entitled "Credit Rating". We are not making any representation to you concerning the accuracy or completeness of the information contained in the section "The Trustee" or in the section "Credit Rating" section.

The distribution of this Information Memorandum and the Offering is restricted only in Bangladesh. It is not intended or make to offer or sale of the Bonds in any other jurisdiction. The Offerings will not be offered to the public at large in Bangladesh, or outside Bangladesh.

We may withdraw this offering at any time, and we reserve the right to reject any offer to purchase the Bonds in whole or in part and to sell to any prospective investor less than the full amount of the Bonds sought by such investor.

We have obtained approval from Bangladesh Securities and Exchange Commission (BSEC) for issue of Bonds and the distribution of this Information Memorandum. Bangladesh Securities and Exchange Commission has given their consent to issue the Bonds through its letter No. dated [.....]


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.


Md. Masbaub Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

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SECTION I: RISK FACTORS AND MANAGEMENT'S PERCEPTION ABOUT THE RISKS

a. Interest Rate Risks

As on June 30 2021, Mir Akhter had outstanding bank borrowing with several financial institutions amounting to BDT 17,005 million. Interest rates on such loans ranges from 7% to 9% per annum. Hence, the company is exposed to volatility of interest rates on its outstanding liabilities.

Management Perception

Mir Akhter is engaged in execution of construction projects which is long term in nature. The company took long term loans to finance construction of these projects in line with the work order received. So, the loans are backed by the cash flow of these projects. As Mir Akhter is engaged in large scale construction projects, the Company requires significant bank financing. To retain a bargaining position, the company maintains relationship with several banks. Due to this bargaining power, the company has been able to receive loans at an attractive rates. So, the management of the company does not consider interest rate swing as a major risk.

b. Foreign Exchange Risks

Mir Akhter imports various construction materials and capital machineries from foreign countries and makes payments in foreign currency. Most of its foreign currency transactions are settled in US Dollars. Hence, any significant volatility in the exchange rate of Taka against US Dollar will increase the volatility of the company's cash flow and profitability.

Management Perception

From time to time, Mir Akhter imports various construction materials and capital machineries from foreign countries and makes payments in foreign currency. The company also receives part of its revenue in foreign currency. Hence, there is a natural hedge between this receipt and payment. For last few years the exchange rate between USD and BDT are in a stable condition and Bangladesh's Foreign Exchange Reserve is increasing significantly which is pivotal for this exchange rate stability. However, if the BDT appreciates or depreciates significantly, this will be a nationwide phenomenon experienced by the whole industry.

c. Non-Repayment Risks (Credit Risks)

Credit risk is the risk of loss that may occur from the failure of any counter party to make required payments in accordance with agreed terms and condition and/or deterioration of creditworthiness.


Management Perception

All projects of Mir Akhter are backed by contracts and majority of the projects are government projects. The company recognizes revenue based on these contracts. Thus, Mir Akhter does not foresee any significant credit risk.

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Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.


Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

d. Prepayment, Call or Refunding Risks

Prepayment, call or refunding risks are the risks associated with the principal amount of a bond.

Management Perception

Since this is a zero-coupon bond, prepayment risk is not applicable here.

e. Security Risks

Security risk pertains from the adverse changes in the value of collaterals securing the investment of the subscribers and it takes the worst turn in case of default situation.

Mitigation

Mir Akhter Hossain Limited is not going keep any asset as collateral. So the risk is not applicable for this bond issuance.

f. Liquidity Risks

Liquidity risk refers to any company's inability to meet its short term financial demand. If the company fails to generate cash from its short term assets to pay short term liabilities as the payment becomes due, liquidity risk arises.

Management Perception

As of June 30, 2021, Mir Akhter had BDT 7,673 million as current asset whereas the total current liabilities stood at BDT 5,031 million. Hence, the current ratio of the company is very high which provides evidence of strong liquidity position that should act as a safeguard against any potential liquidity issues.

g. Management Risks

Management risk refers to the chance that management's inefficiency or under performance which will finally affect the shareholders. The bondholders may suffer financial losses in such an event.

Management Perception

The management of Mir Akhter has significant experience in the construction industry. All the teams of Mir Akhter are composed of qualified professionals. Absence of any of the team head will not impact the business significantly as the other team members will take up the responsibility. Moreover, the directors of Mir Akhter look after the business on a regular basis. The managing director of the business provides overall guidance in regular business issues. Hence, the absence of any key management personnel may not impact the business significantly.

h. Operational Risks

Business operation of the Company may be affected by strikes, work stoppages or increase in wage demands by employees.

Management Perception

The Company always maintain a good relationship with all of its employees. The company believes that employees are their main strength and the Company's success immensely depends upon their performance. The benefits received by the employees are also in line with other companies in the industry. So, it is highly unlikely for the company to experience such event.



i. Business Risks

The successful implementation of the project depends on availability of funds, infrastructural facilities, weather conditions, labour and supply of raw materials within due time. Shortage of fund or any other micro or macro-economic obstacles may expose the projects to completion risk. Moreover, if the company fails to win projects, it may create obstacle for the existing business and the future business as well.

Management Perception

Mir Akhter is an effective 'One-stop Construction Management Service Provider' in the country. Majority of Mir Akhter's clients are government bodies and renowned corporate entities. Hence, the risk of not getting available funds and infrastructural facilities are very slim for Mir Akhter Hossain Limited. The company also receives fund from bank through work-order financing, by which loans are taken to finance specific construction projects. Besides, the company procures the raw material from various sources and maintains a strong liaison with the suppliers. Weather conditions sometimes affect the business of construction industry. During the rainy season, work is somewhat affected in the overall construction sector but through careful planning Mir Akhter performs a greater portion of work during the dry season to minimize seasonal impact.

j. Industry Risks

Companies operating in the construction services industry will be affected if there is any adverse changes in the industry.

Management Perception

As Bangladesh is progressing through phases of economic development, there is an increasing need for construction services. Hence, the management does not foresee any significant industry related risk over the short term period.

k. Market and Technology Related Risks

If there is any reduction of demand for construction services industry, businesses in the construction sector will get affected.

Management Perception

The market for construction services is growing rapidly. As the economy is developing, there is an increased demand for major construction projects. Existing construction services businesses will also be affected for any major swing in technology that these businesses use. Although investment in new technology might be costly, new technology may increase efficiency of the work.

l. Risks related to potential or existing Government Regulations

If there is any significant change in existing government regulation, construction industry will be affected.


Management Perception

Mir Akhter has a long history of working in the construction industry. As the economy of Bangladesh is growing, there is an increased demand for construction services. The government of Bangladesh has always been supportive to the industry. So, the management of Mir Akhter does not foresee any changes in regulation that will negatively impact the landscape of the construction industry.

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Mir Akhter Hossain Ltd.


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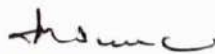

Md. Masbauds Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

m. Risks related to potential changes in Global or National Policies

Risk associated with any potential changes in global issues or a change in national policy may affect the business and industry as well.

Management Perception

Any changes in the global and national policy will affect the industry as a whole. Due to significant financial and operational strength of the company, Mir Akhter is in a better position to withstand any adverse changes in global or national policies.



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Chief Financial Officer
Mir Akhter Hossain Ltd.



Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.



SECTION II: DETAILED DESCRIPTION AND INFORMATION

Detailed description and information as per Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021; Schedule- A (Part I and Part II) is as follows –

A. Particulars of Issuer/ Originator:

(a)	Name	Mir Akhter Hossain Limited
(b)	Legal Status	Public Limited Company
(c)	Details of contact information	Red Crescent Borak Tower Level 7 & 10 71-72 Old Elephant Road Eskaton Garden, Dhaka 1000 Phone: +880-2-55138529, +880-2-55138533-35
(d)	Date of incorporation	July 18, 1980 (incorporated as a private limited company)
(e)	Date of commencement of business	July 18, 1980; initially the company commenced its business as partnership firm in 1968
(f)	Authorized capital (as on date)	BDT 2,000,000,000
(g)	Paid-up capital (as on date)	BDT 1,207,715,470
(h)	Total Equity (as on June 30, 2021)	BDT 5,555,652,136
(i)	Total Liabilities (as on June 30, 2021)	BDT 17,162,036,756
(j)	Total financial obligations (as on June 30, 2021)	BDT 17,162,036,756
(k)	Total Assets (as on June 30, 2021)	BDT 22,721,014,868
(l)	Total Tangible Assets (as on June 30, 2021)	BDT 22,721,014,868
(m)	Net worth (as on June 30, 2021)	BDT 5,555,652,136

2. Particulars of issue manager:

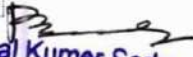
Not applicable as the issue will be private placed.


3. Particulars of the issue:

(a)	Name	Mir Akhter Zero Coupon Bond
(b)	Type of Instrument	Non-Convertible Zero Coupon Bond
(c)	Purpose of the issue	The proceeds of the Zero-Coupon Bonds shall be used for the following: <ul style="list-style-type: none"> Working Capital Investment Refinancing a portion of existing liabilities
(d)	Number of securities and total size of the issue	Number of Securities: 4,998 Face value of each Lot: BDT 3,000,000 Issue Price of each Lot: BDT 2,487,130.63 Total Issue Size (Face Value): BDT 2,499,000,000 Total Discounted Price: BDT 2,071,799,815
(e)	Face value and issue price of securities	Face value of each Bond: BDT 500,000

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 Managing Director
 Mir Akhter Hossain Ltd.


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 Mir Akhter Hossain Ltd.


Md. Masbaul Sunnah
 Company Secretary
 Mir Akhter Hossain Ltd.

		Issue Price of each Bond: Issue Price of each Bond is Variable as it is ZCB and mentioned in Features of Bond
(f)	Coupon rate/discount rate and YTM	7.00%* *the approval from BSEC to be taken in a range of 7% p.a. – 9% p.a. to adopt any market change and to be finalized based on market condition at the time of bond issuance
(g)	Tenor/Maturity	4 (four) years from the Issue Date
(h)	Details of conversion/exchange option features	No conversion feature
(i)	Mode of redemption	Structured in a way so the issue redeemed in 6 equal instalments starting from the end of the 18th month from the issue date and each 6-months thereafter
(j)	Mode of option (call or put)	Not Applicable
(k)	Rate of return	7.00%* *the approval from BSEC to be taken in a range of 7% p.a. – 9% p.a. to adopt any market change and to be finalized based on market condition at the time of bond issuance
(l)	Applicable tax rate	As applicable
(m)	Default protection mechanism	Mir Akhter Hossain Limited has structured the security as follows - Any/all of the following but not limited to: <ul style="list-style-type: none"> • Bank Guarantee by any reputed scheduled bank/s in Bangladesh; • Personal Guarantee of all the Directors of the Issuer; • Corporate Guarantee from one of the major sister concerns of the issuer
(n)	Type of collateral securities being offered	Mir Akhter Hossain Limited has structured the securities for the subscribers as follows - Any/all of the following but not limited to: <ul style="list-style-type: none"> • Bank Guarantee by any reputed scheduled bank/s in Bangladesh; • Personal Guarantee of all the Directors of the Issuer; • Corporate Guarantee from one of the major sister concerns of the issuer
(o)	Status of securities holders	Not applicable
(p)	Period within which securities to be issued	6 Months from the date of BSEC approval
(q)	Nature of tradability of listing in the stock exchange(s)	Expected to be private placement in demat form.
(r)	Others	N/A

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 Mir Akhter Hossain Ltd.


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 Chief Financial Officer
 Mir Akhter Hossain Ltd.

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Md. Masbaus Sunnah
 Company Secretary
 Mir Akhter Hossain Ltd.



4. Particulars of the trustee:

(a)	Name	UCB Investment Limited
(b)	Paid-up capital	BDT 250,000,000* as on December 31, 2020 <i>*Paid-up capital has been increased to BDT 1,000,000,000 as on 13 July 2021.</i>
(c)	Net worth	BDT 312,194,085 as on December 31, 2020
(d)	Name of the issue(s) performing as a trustee	1. BDT 3,000 million of NRBC Bank Subordinated Bond-1 2. BDT 5,000 million of Bank Asia Perpetual Bond 3. BDT 5,000 million of Mercantile Bank Perpetual Bond
(e)	Others	N/A

5. Particulars of the credit rating company:

(a)	Name	Credit Rating Information and Services Limited
(b)	Credit rating status of the issuer	AA-
(c)	Credit rating status of the issue	A+
(d)	Date and validity of rating along with surveillance rating for the issuer or originator and for the issue	Rating Date: 26.12.2021 Validity: 25.12.2022
(e)	Latest default rate	0.69%
(f)	Average time to default of the rated category	Not applicable
(g)	Rating trigger, if any	Not applicable
(h)	Others	Not applicable

6. Particulars of originators, if any:

Not Applicable

7. Particulars of other contractual parties:

Not Applicable


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


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Md. Masbaus Sunnah
Company Secretary
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SECTION III: DETAILS PLAN OF THE UTILIZATION OF PROCEEDS

Mir Akhter Hossain Limited has applied to Bangladesh Securities and Exchange Commission for issuance of zero coupon bond amounting to BDT 2,499 million in face value. The company is expected to raise BDT 2,071,779,815 at 7% discount rate through private placement.

Out of the total proceeds of BDT 2,071 million, the company will restructure a portion of short term liabilities amounting to BDT 1,657 million. The management of the company will restructure the high cost bearing liabilities considering the market scenario. The details of use of proceeds is as follows –

Sl. No.	Particulars	Estimated Amount (BDT)	% of Utilization
1.	Restructuring a portion of existing liabilities	1,657,423,852	80%
2.	Working capital	414,355,963	20%
	Total	2,071,779,815	100%

The abovementioned loan was taken at 9% interest rate per annum. The repayment of loan through proceeds of bond will (i) convert the loan into long term in nature, (ii) help the company to save 2% interest rate per annum, (iii) also help the company to match the liabilities with assets which are predominantly long term in nature.

Additionally, Mir Akhter Hossain Limited will use part of the funds as working capital to pay suppliers, where on average price discount of 5% can be received.


Mir Nasir Hossain
 Managing Director
 Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
 Chief Financial Officer
 Mir Akhter Hossain Ltd.


Md. Masbaus Sunnah
 Company Secretary
 Mir Akhter Hossain Ltd.



SECTION IV: FEATURES OF THE DEBT SECURITY TO BE ISSUED


Basic Features of the Instrument

Issuer:	Mir Akhter Hossain Limited (MAHL)
The Issue:	BDT 2,499 million Non-Convertible Zero Coupon Bond
Joint Lead Arranger:	IDLC Investments Limited ("IDLCIL") and Prime Bank Limited
Arrangement Basis:	Best Efforts / Strictly Non Underwritten
Purpose:	To meet the requirement for refinancing of the existing liabilities and working capital management through alternative financing solutions.
Investors:	Banks, Corporate Houses, Insurance Companies, NBFIs, Asset Management Firms, Mutual Funds, Merchant Banks and High Net Worth Individuals etc.
Currency:	Bangladeshi Taka (BDT)
Total Face Value:	BDT 2,499 million
Total Discounted Value:	BDT 2,072 million
Denomination of Each Bond:	BDT 500,000
Bond in Each Lot:	6
Denomination Per Lot:	BDT 3,000,000
Mode of Placement:	Private Placement
Discount Rate:	7.00%* *the approval from BSEC to be taken in a range of 7% p.a. – 9% p.a. to adopt any market change and to be finalized based on market condition at the time of bond issuance
Redemption:	Structured in a way so the issue redeemed in 6 equal instalments starting from the end of the 18th month from the issue date and each 6-months thereafter
ZCB Strips for Each Bond:	To be redeemed in 6 Instalments starting from end of 18 th month from the issue date and each 6 months from thereafter
Maturity:	4 (Four) years from the Issue Date
Transferability/ Liquidity:	A Subscriber shall have the right to freely transfer, novate or assign all or a portion of its rights and obligations under the Subscription Agreement.
Prepayment, Call, Refunding, Conversion Features:	The issue cannot be prepaid or refunded unless otherwise agreed by Issuer and investors. Also there is no conversion features in the bond
Call or put option, and premium or discount thereof	Not Applicable

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Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.

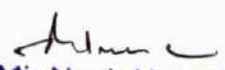

Parymal Kumer Sarker
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Md. Masbaous Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

Common Security provisions for the subscribers of the Bonds	<p>Any/all of the following but not limited to:</p> <ul style="list-style-type: none"> • Bank Guarantee by any reputed scheduled bank/s in Bangladesh; • Personal Guarantee of all the Directors of the Issuer; • Corporate Guarantee from one of the major sister concerns of the issuer 																																								
Form:	Registered																																								
Credit Rating of the Issuer	Long Term: AA-, Short Term: ST-3																																								
Credit Rating of the Issue:	A+																																								
Trustee, Transfer Agent, Paying Agent and Registrar	UCB Investment Limited																																								
Legal Counsel	Farooq & Associates																																								
Tentative Repayment Schedule:	<p>To be redeemed in 6 equal Instalments starting from end of 18th month from the Issue Date and each 6 months thereafter as depicted below for each lot of bond:</p> <table border="1"> <thead> <tr> <th>No. of Strips</th> <th>Maturity in Months</th> <th>Issue Price In BDT</th> <th>Face Value In BDT</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>6</td> <td>-</td> <td>-</td> </tr> <tr> <td>2</td> <td>12</td> <td>-</td> <td>-</td> </tr> <tr> <td>3</td> <td>18</td> <td>375,659,137</td> <td>416,500,000</td> </tr> <tr> <td>4</td> <td>24</td> <td>362,955,688</td> <td>416,500,000</td> </tr> <tr> <td>5</td> <td>30</td> <td>350,681,824</td> <td>416,500,000</td> </tr> <tr> <td>6</td> <td>36</td> <td>338,823,018</td> <td>416,500,000</td> </tr> <tr> <td>7</td> <td>42</td> <td>327,365,235</td> <td>416,500,000</td> </tr> <tr> <td>8</td> <td>48</td> <td>316,294,913</td> <td>416,500,000</td> </tr> <tr> <td></td> <td></td> <td>2,071,779,815</td> <td>2,499,000,000</td> </tr> </tbody> </table> <p>Calculated based on 7% p.a. The approval from BSEC to be taken in a range of 7% p.a. – 9% p.a. to adopt any market change and to be finalized based on market condition at the time of bond issuance.</p>	No. of Strips	Maturity in Months	Issue Price In BDT	Face Value In BDT	1	6	-	-	2	12	-	-	3	18	375,659,137	416,500,000	4	24	362,955,688	416,500,000	5	30	350,681,824	416,500,000	6	36	338,823,018	416,500,000	7	42	327,365,235	416,500,000	8	48	316,294,913	416,500,000			2,071,779,815	2,499,000,000
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		2,071,779,815	2,499,000,000																																						
Late Payment Penalty as per BSEC (Debt Securities) Rules 2021:	The Issuer shall pay a late payment penalty of 2% (two per cent) higher than the discount rate of the Zero Coupon Bond and be payable on the amount not paid on the due date up till the date of actual payment.																																								
Tax Features:	Taxable as per laws of the country																																								
Costs related to the Issue:	<p>Total of Arrangement fee, "Trustee, Paying Agent, Registrar, Transfer Agent fee" (for 4 years), Bond Rating fee, & Legal Counsel Fee: BDT 15 million (approx.)</p> <p>Application Fee of Bond to BSEC: BDT 10,000</p> <p>Consent Fee of Bond BSEC: 0.10% on the total face value</p> <p>Trustee Application Fee: BDT 50,000</p> <p>Trustee Consent Fee: BDT 100,000</p> <p>Annual Trustee Fee to BSEC (4 years): BDT 200,000</p>																																								
Documentation:	<ul style="list-style-type: none"> • Bond Subscription Agreement 																																								

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Mir Nasir Hossain
 Managing Director
 Mir Akhter Hossain Ltd.



Parymal Kumer Sarker
 Chief Financial Officer
 Mir Akhter Hossain Ltd.


Md. Masbaub Sunnah
 Company Secretary
 Mir Akhter Hossain Ltd.



	<ul style="list-style-type: none"> • Trust Deed • Agency Agreement • Any other instrument(s) relating to such transaction
Conditions Precedent:	In form and substance satisfactory to the MLA including without limitation: (i) due diligence having been conducted and completed, (ii) documentation for the Financing and appropriate business description disclosure in the offering circular, (iii) receipt by the MLA of appropriate legal opinions from external counsel, (iv) the Issuer having obtained all relevant approvals for the financing.
Governing Law:	The Laws of The People's Republic of Bangladesh
Credit Enhancement/Guarantee	<p>Mir Akhter Hossain Limited has structured the securities for the subscribers as follows -</p> <p>Any/all of the following but not limited to:</p> <ul style="list-style-type: none"> • Bank Guarantee by any reputed scheduled bank/s in Bangladesh; • Personal Guarantee of all the Directors of the Issuer; • Corporate Guarantee from one of the major sister concerns of the issuer
Enforcement of Charges over Securities:	At any time after the bonds have become due and repayable, the Trustee may, at its sole discretion and without further notice in writing, take such proceedings against the Issuer as it may think fit to enforce repayment of the bonds and to enforce the provision of the Trust Deed, but it will not be bound to take any such proceedings unless (a) it shall have been so requested in writing by the holders of not less than 66 ² / ₃ percent in principal amount of the bonds than outstanding or shall have been so directed by an Extraordinary Resolution of the Bondholders and (b) it shall have been indemnified and/or secured to its satisfaction. No bondholder will be entitled to proceed directly against the Issuer unless the Trustee, having become bound to do so, fails to do so within a reasonable period and such failure shall be continuing.
Listing Status	Unlisted


Mir Nasir Hossain
 Managing Director
 Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
 Chief Financial Officer
 Mir Akhter Hossain Ltd.


Md. Masbaus Sunnah
 Company Secretary
 Mir Akhter Hossain Ltd.



SECTION V: DESCRIPTION OF COLLATERAL SECURITY AND TYPE OF CHARGES TO BE CREATED AGAINST ISSUE

Mir Akhter Hossain Limited has structured the securities for the subscribers as follows -

Any/all of the following but not limited to:

- Bank Guarantee by any reputed scheduled bank/s in Bangladesh;
- Personal Guarantee of all the Directors of the Issuer;
- Corporate Guarantee from one of the major sister concerns of the issuer

The issuer only owes the bondholders an indebtedness which is secured by claims over all present and future assets of the issuer subsequent to all secured lenders/investors.

Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.

Parymal Kumer Sarker
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Mir Akhter Hossain Ltd.

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Company Secretary
Mir Akhter Hossain Ltd.



SECTION VI: RIGHTS & OBLIGATIONS OF THE ISSUER

General Covenants by the Issuer: The Bonds shall be issued in registered and unlisted form and Issuer shall comply with the provisions of the Trust Deed and shall be bound by it.

As long as any of the Bonds remains outstanding or any amount is outstanding to the Trustee or any Bondholder under any Bond Document, the Issuer undertakes to each of the Trustee and the Bondholders that it shall comply with the following conditions namely:

- To refrain from substantially changing its general nature of the business;
- To refrain from entering into any transaction, agreement or arrangement with any of its Affiliates other than on arm's length basis;
- To promptly obtain any Authorisation required under any law or regulation of its jurisdiction of incorporation to enable it to perform its obligations under the Bond Documents and comply with them fully as and when required by the Trustee;
- To comply with all applicable laws and regulations;
- To shall maintain insurances on and in relation to its business and assets with reputable underwriters or insurance companies;
- To be duly incorporated and validly existing under the laws of its jurisdiction;
- The Issuer shall duly and punctually follow the prevailing rules and regulations of taxation.
- To maintain books and records (with respect to itself and its business) in the manner described in the Trust Deed;
- To promptly do all such acts or execute all such documents as the Trustee may reasonably specify for the exercise of any rights powers and remedies of the Trustee provided by or pursuant to the Bond Documents or by law on a best efforts basis and to the extent permitted by applicable laws;
- To refrain from being a creditor in respect of any Financial Indebtedness except in ordinary course of business;
- To refrain from incurring or allowing to remain outstanding any guarantee or otherwise voluntarily assume any liability except for any guarantee under any Bond Document or any guarantee in the ordinary course of business consistent with its current practice;
- To provide such information and within such period of time as specified in the Trust Deed;

Corporate Covenant: The Issuer shall all times carry on and conduct its affairs in a proper and efficient manner in compliance with any requirement of law from time to time in force in Bangladesh and in compliance with its and in compliance with its Memorandum and Articles of Association save where failure to do so would not constitute a Materials Adverse Effect.

Consents: The Issuer shall obtain and comply with the terms of all authorisations, approvals, licences and consents necessary under any Law in connection with its business.


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Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
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Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

Authorised Signatories: The Issuer shall deliver to the Trustee upon execution of this Deed and thereafter upon any change of the same, a list of Authorised Signatories of the Issuer together with a specimen signature of each Authorised Signatory.

Financial Statements: The Issuer shall prepare in respect of each financial years, financial statements and provide the same to the Trustee in such form and manner as described in the Trust Deed.

General Negative Covenants: The Issuer shall not until after the final Maturity Date, save to the extent permitted by or contemplated by Applicable Law or with the prior written consent of the Trustee:

- grant, create or permit to exist any encumbrance over (including the grant of security or trust over or the occurrence of execution or diligence in respect of) its assets which shall reasonably be expected to have a Material Adverse Effect.
- Consolidate or merge with any other person.
- Permit the validity or effectiveness of the transaction documents to be impaired or to be amended, hypothecated, subordinated, terminated or discharged.

Dealing with Trustee: The Issuer shall upon reasonable notice, during normal business hours allow the Trustee and any persons appointed by the Trustee access to such books of account and other business records as relate to the assigned rights or the benefit of the assigned rights as the Trustee or any such persons may reasonably require.

Information to Trustee: So far as permitted by applicable law and subject to any binding confidentiality restrictions, the Issuer shall give to the Trustee such information, opinions, certificates and other evidence as the trustee and any persons appointed by the Trustee shall reasonably require for the purposes of the discharge of the duties, trusts, powers, authorities and discretions vested in the Trustee by or pursuant to the Trust Deed or any other Transaction Document.

Execution of Further Documents: The Issuer shall, so far as permitted by applicable law and regulatory requirements, execute all such further documents and do all such further acted and things as the Trustee (acting reasonably) may consider to be necessary at the time to give effect to the terms of the relevant Transaction Documents.

Notification of Event Default: The Issuer shall deliver notice to the Trustee forthwith upon becoming aware of any Event of Default without waiting for the Trustee to take any further action.

No Variation and Termination of Transaction Documents: The Issuer shall not until the final Maturity Date, save to the extent permitted by the Transaction Documents or with the prior written consent of the Trustee (a) terminate any Transaction Documents, (b) vary any provision of any Transaction Document (c) permit any person who has obligations under the Transaction Document to be released from such obligations other than in accordance with the terms of the applicable Transaction Document and any applicable requirement of law or regulatory direction.

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Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.



Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.



Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.



Filings: The Issuer shall effect all required filings in respect of the Issuer and file, record or enrol each Transaction Document required to be filed, recorded or enrolled with any court or other authority in Bangladesh and ensure that such required filings, recordings or enrolments are maintained in accordance with any applicable requirement of law or regulatory direction at all times.

Payments: The Issuer shall pay moneys payable by it to the Trustee under this Trust Deed without set off, counterclaim, deduction or withholding, unless otherwise compelled by law.

Notices to Bondholders: The Issuer shall send or procure to be sent (not less than three days prior to the date of publication) to the Trustee, for the Trustee's approval, one copy of each notice to be given to the Bondholders in accordance with the Trust Deed and not publish such notice without such approval and, upon publication, send to the Trustee two copies of such notice.

Notification of Non-Payments: The Issuer shall use reasonable endeavours to notify the Trustee forthwith in the event of non-payment of the full amount within due date.

Notification of Late Payment: The Issuer shall forthwith give notice to the Bondholders through the Trustee of payments of any sum due in respect of the Bonds, made after their due date to the Trustee.

Non-Listing of Bonds in the Stock Exchanges: The Issuer hereby covenants that the bonds will be issued in registered and unlisted form. It may be listed if required by BSEC.

Notification of Tax Deduction: The Issuer shall promptly give notice to the Trustee

- a) if it is required by law to effect a deduction or withholding of Tax in respect of any payment due in respect of any Bonds.
- b) and in such cases take such action as may be required by the Trustee acting reasonable in respect thereof.

Consolidation, Amalgamation or Merger: The Issuer will not consolidate with, merge or amalgamate into or transfer its assets substantially as an entirety to any company or convey or transfer its properties and assets substantially as an entirety to any person (the consummation of any such event, a "Merger").

Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.

Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.

Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

SECTION VII: RIGHTS & OBLIGATIONS OF THE TRUSTEE


Duties and Powers of the Trustee: The Trustee has the following duties and powers in connection with the Trust:

- to act on behalf and for the exclusive interest of the investors;
- to ensure compliance of the issuer as per the requirements of Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021;
- to monitor timely payment of all dues of the issuer to the investors in terms of the IM or other terms and conditions of the issue of securities under Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021;
- to ensure creation of charges by the issuer over collateral securities and obtaining other securities or guarantees in favor of the trustee;
- to enforce its rights, over the credit enhancement or collateral securities and other securities or guarantees when it is necessary to do;
- call the investors' meeting and enforce the decisions within such time of any default or any act of the issuer which may affect the interest of the investors as specified in the deed of trust and in the IM;
- delay in payment of any dues by the issuer, which is not approved by the trustee shall be treated as final default, in such a case the trustee shall enforce its rights over the credit enhancement or collateral securities and other securities or guarantees of the issuer observing due legal process and thereafter the trustee shall dispose-off the same to pay the proceeds proportionately to the investors after deduction of costs related thereto;
- in case the delay is approved by the trustee for a certain period upon any reasonable ground, the trustee shall ensure repayment of the dues within the approved delay period along with interest for the delay period at a rate of 2% (two percent) per annum above the usual rate of return of the debt instrument;
- in case a downgrade of credit rating (i.e. below the rating trigger) of the issue under surveillance rating, the trustee shall ensure the collection of risk premium from the issuer or originator for the investors as per declaration in the deed of trust or IM, aimed at securing the lender claims from the borrower's higher risk level;
- the trustee shall submit an annual compliance report to the Commission regarding the activities of the issuer including repayment of dues to the investors;
- the trustee shall take adequate steps for redress of grievances of the investors within one month of the date of receipt of the complaints and shall keep the Commission informed about the number, nature and other particulars of the complaints received and the manner in which such complaints have been redressed;
- the trustee shall be liable to sue or to be sued on behalf of the investors:
Provided that if any loss incurred due to negligence of trustee in case of litigation or recovery process, the trustee shall bear the loss;
- the trustee may, if required, inspect or call for books of accounts, records, registers of the issuers and the trust property to the extent necessary for discharging its obligation.

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Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.



Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.



Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.



Covenant to repay: The Trustee is entitled to have the Issuer unconditionally pay or procure to be paid to or to the order of the Trustee in Taka in freely transferable funds for value the relevant due date for payment of the principal amount of the Bonds or any of them becoming due for redemption or repayment on that date and shall until all such payments are duly made unconditionally pay or procure to be paid to or to the order of the Trustee as aforesaid on the dates provided for in the Trust Deed, or any of them outstanding from time to time as set out in the Trust Deed.

Reliance on information: The Trustee may in relation to the Trust Deed act on the opinion or advice of or a certificate or any information obtained from any lawyer or other experts and shall not be responsible for any Liability occasioned by so acting;

Certificate of directors or Authorised Signatories: The Trustee may call for a certificate signed by two Authorised Signatories of the Issuer or other person duly authorised as to any fact or matter prima facie within the knowledge of the Issuer as sufficient evidence thereof. The Trustee shall not be bound in any such case to call for further evidence or be responsible for any Liability that may be occasioned by its failing so to do;

Resolution or direction of Bondholders: If there was some defect in the constitution of the meeting or if the resolution or direction made by the meeting of the bondholders is not valid or binding for some defect, the Trustee will not be held responsible provided it has acted in good faith.

Bondholders as a class: In connection with the exercise by it of any of its trusts, powers, authorities and discretions, the Trustee shall have regard to the general interests of the Bondholders as a class.

No obligation to monitor or investigate: The Trustee is under no obligation to monitor or supervise the functions of any other person under the Bonds or any other agreement or document relating to the transactions herein. In the absence of actual knowledge of a breach of obligation the Trustee may assume that each such person is properly performing and complying with its obligations. Similarly, the Trustee is under no obligation to investigate Bonds or other agreement or documents to that effect.

Bonds held by the Issuer: In the absence of actual knowledge or express notice to the contrary, the Trustee may assume without enquiry (other than requesting a certificate of the Issuer), that no Bonds are for the time being held by or for the benefit of the Issuer or any of its Affiliates;

Events of Default: The Trustee shall not be bound to give notice to any person of the execution of the Trust Deed or to take any steps to ascertain whether any Default or Event of Default has happened and, until it shall have actual knowledge or express notice to the contrary.

Right to deduct or withhold for taxes: Deduction or withholding of tax will be as per prevailing law of the land.

Error of judgment: Trustee has no liability for error of judgment made in good faith.


Mir Nasir Hossain
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Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
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Md. Masbaus Sunnah
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Mir Akhter Hossain Ltd.

No responsibility for loss: The Trustee shall not be responsible for any loss incurred by bondholders subject to any applicable laws or regulations except for its Trustee's own gross negligence, wilful default or fraud.

Force Majeure: The Trustee shall not be liable for Force Majeure.

Immunities: The Trustee's immunities and protections from liability and its right to indemnification extend to its officers, directors and employees and its successors upon resignation and replacement. The Issuer will not be entitled to claim for itself or any of its assets immunity from suit, execution, attachment or other legal process.

Trustee's determination: The Trustee may determine whether or not a default in the performance by the Issuer of any obligation under the provisions is capable of remedy and/or materially prejudicial to the interests of the Bondholders. If the Trustee certifies that any such default is not capable of remedy and/or materially prejudicial to the interests of the Bondholders, such certificate shall be conclusive and binding upon the Issuer and the Bondholders subject to conditions as specified in the Trust Deed.

Application of proceeds: The Trustee shall not be responsible for the receipt or application by the Issuer of the proceeds of the issue of the Bonds or the delivery of any Bond Certificate to the persons entitled to it;

Delegation: The Trustee may, with the prior consent in writing of the Issuer, whether by power of attorney or otherwise, delegate to any person or persons or fluctuating body of persons all or any of the trusts, powers, authorities and discretions vested in it by the Trust Deed and any such delegation may be made upon such terms and conditions and subject to such regulations (including power to sub-delegate with the consent of the Trustee) as the Trustee may think fit in the interests of the Bondholder. The Trustee is required to exercise reasonable care in the selection of any such Appointee.

Agents: Subject to the provisions of the Trust Act 1882, the Trustee may, with the prior consent in writing of the Issuer, employ agents to conduct its duties in accordance with Trust Deed on its behalf.

Confidential information: The Trustee shall not (unless required by law or ordered so to do by a court of competent jurisdiction) be required to disclose to any Bondholder any confidential information (financial or otherwise) made available to the Trustee by the Issuer or any other person in connection with the Trust Deed.

Professional charges: Any trustee being a banker, lawyer, broker or other person engaged in any profession or business shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by him or his partner or firm on matters arising in connection with the trusts and also his incurred charges in addition to disbursements for all other work and business done and all time spent by him or his partner or firm on matters arising in connection with the Trust Deed, including matters which might or should have been attended to in person by a trustee not being a banker, lawyer, broker or other professional person.

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Nasir Hossain
Managing Director
Akhter Hossain Ltd.



Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.



Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.



Expenditure by the Trustee: The Trustee is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties if it has grounds for believing the repayment (if approved by the issuer) of such funds or adequate indemnity against, or security for, such risk or liability is not assured to it.

Restriction on financial transactions with the Issuer: The Trustee and its directors and officers shall be precluded from making any contracts or entering into any transactions ("Other Business) with the Issuer which would place its fiduciary duties towards the Bondholders in conflict with its rights and obligations in such Other Business.

Trustee liable for gross negligence: Trustee shall be liable for gross negligence in the performance of its duties under the Trust Deed.

Exercise of Discretion: Unless provided to the contrary in the Trust Deed, the Trustee shall not be obliged to exercise or consider exercising any discretion or consider making or make any determination or to consider taking or take any action whatsoever in connection with or under or pursuant to the Bonds unless directed to do so by the holders of not less than 66 2/3 percent in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution and the Trustee will not be responsible for any loss, expense, damage, claim, cost, charge or liability which may be suffered as a result thereof.


Trustee's Obligation for Requesting Compliance Certificates: The Trustee shall have no responsibility for requesting Compliance Certificates unless the Issuer has failed to deliver such certificates in accordance with (Terms of Appointment) or the Trustee is requested to do so by any Bondholder.

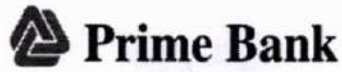
Modification and Waiver: The Trustee may agree, without the consent of the Bondholders, to (i) any modification (except as mentioned in Amendment Provisions of Trust Deed) to, or the waiver or authorisation of any breach or proposed breach of, any terms of the Trust Deed which is not materially prejudicial to the interests of the Bondholders or (ii) any modification to the Bonds or the Trust Deed which is of a formal, minor or technical nature or to correct a manifest error or to comply with mandatory provisions of law. Any such modification, waiver or authorisation will be binding on the Bondholders and, unless the Trustee agrees otherwise, any such modifications will be notified by the Trustee to the Bondholders as soon as practicable thereafter.

Interests of Bondholders: The Trustee shall have regard to the interests of the Bondholders as a class and not individuals in the exercise of its duties under this Deed.


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.


Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.



SECTION VIII: RIGHTS AND OBLIGATIONS OF THE ISSUE MANAGER, UNDERWRITER, OR ANY OTHER CONTRACTUAL PARTIES;

As the mode of placement is private placement, no issue manager/underwriter is applicable.


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


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Chief Financial Officer
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SECTION IX: RIGHTS, DUTIES AND OBLIGATIONS OF THE INVESTORS

Binding Obligation: Investors/bondholders are required to enter into a Subscription Agreement with the Issuer and be bound by the terms and conditions of that agreement.

Severability of Bondholder's Obligations: The failure to perform obligations of the Bondholders under the Subscription Agreement and other agreements with identical terms shall not affect the obligations of the Issuer towards any other Bondholder(s) under other identical agreements.

Individual Right: Each Bondholder will be entitled to protect and enforce its individual rights independently without the need for other Bondholder(s) to be joined as additional party in such proceedings for such purpose.

Powers: The Bondholders shall be able to hold meetings with such power and scope as provided for in the Trust Deed.

Issue Bond Certificates: Issuer shall duly execute and deliver bond certificates to the bondholders with conditions attached.

Subscription: The Investors will subscribe and pay the aggregate purchase price on the Closing Date for the allocation, in Bangladesh Taka for same day value to such account as the Issuer designates, subject to the provisions of the Subscription Agreement.

Compliance: The Bondholder(s) are obligated to comply with all applicable laws and regulations of Bangladesh.

Indemnity: The Issuer shall fully indemnify the Bondholder(s) from and against any expense, loss, damage or liability which any of them may incur as per provisions of this trust deed in connection with the enforcement, protection or preservation of any right or claim of the Bondholders under the Transaction Documents.

Payment: The Bondholders will execute and deliver a letter addressed to the Issuer in the form attached as (Form of Investor Representation Letter) of the Subscription Agreement on the date specified. They are further obligated to pay the purchase price of Bonds to the Issuer in Bangladesh Taka in the manner provided for on each closing date.

Termination: The Bondholders can give a termination notice to the Issuer at any time on or prior to the Closing Date if the Issuer fails to perform any of its obligations under the Subscription Agreement, if any of the conditions precedent is not satisfied or waived by the Bondholders on the Closing Date, or in the case of force majeure. Upon service of such notice Issuer will be discharged from its obligations except for its liability in relation to expenses related to the Bonds and except for any liability arising before or in relation to such termination and Bondholder would also be discharged from performance of their respective obligations under the subscription agreement.

Protection of Interest: The Bondholders are entitled to have their interests protected/preserved by the Trustee.


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.


Md. Masbaul Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

SECTION X: DESCRIPTION OF THE ISSUER: MIR AKHTER HOSSAIN LIMITED

Mir Akhter Hossain Limited is a Public Limited Company by shares. Initially, Mir Akhter was established and commenced its operation as partnership firm in 1968. Later on, it was incorporated as a Private Limited Company on July 18, 1980 vide registration no. C – 8196/35 of 1980-81. Subsequently the company was converted into a Public Limited Company on January 10, 2017. At present, the authorized and paid-up capital of the company stands at BDT 2,000 million and BDT 1,208 million respectively.

MIR AKHTER continues to hold a unique place in the country's engineering and constructions sector as a well-diversified and leading company with operations in projects including constructions of roads, bridges, highways, railway tracks, airports, 5-star luxury hotels, discharge channels, civil construction of power plants, functional buildings, factory buildings and complex infrastructural projects. The company is also actively engaged in river dredging, gas pad drilling using high-tech utility rigs, manufacturing of railway sleepers and poles, and soil stabilization.

MIR AKHTER is the only construction company in the country that has completed and is actively engaged in all of the following categories of projects –

- Roads and bridges
- Airports
- Railways tracks
- Power plants
- Buildings and factories

MIR AKHTER'S business is operated with a vision to fully participate in infrastructure development of Bangladesh with a view to providing high quality construction to its customers, and at the same time optimizing opportunities for all stakeholders including maximizing value for the shareholders.

MIR AKHTER, a leading brand name in the industry, an excellent conduit for investment into Bangladesh's sustained and impressive economic growth story which has a broad spectrum of capabilities including –

- a highly experienced and professional engineering team,
- tested and strong project management and execution skill set,
- culture of project innovation and adoption of cutting edge technology,
- state-of-the-art equipment portfolio,
- a great track record of contract wins,
- deep partnerships with international engineering companies.

MIR AKHTER has executed a considerable number of construction projects which has contributed to the infrastructural development of Bangladesh. Notable amongst them –

- 1,884 meter long flyover connecting Mirpur to the - Airport Road
- Shahid Ahasan Ullah Master Ural Setu (Tongi Flyover)
- Shahid Buddhijibi (3rd Buriganga) Bridge at Basila, Dhaka
- Construction of a new railway line from Majhgram to Dlarchar via Pabna

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Mir Nasir Hossain
Managing Director
Akhter Hossain Ltd.



Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.



Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.



- Construction of 8 km approach roads (4-lane) and structures under Third Karnaphuli Bridge Project
- Radisson Blu Water Garden Hotel, Dhaka
- Independent University Bangladesh Campus at Bashundhara, Dhaka
- The previous new block extension of Dhaka Sheraton Hotel, Dhaka
- 4 bridges and entire asphaltting of Hatirjheel Project
- Chevron Bangladesh South - South Drill Pad, JB New Drill Pad, West Pad Construction
- MTB Tower (Mutual Trust Bank Limited), Kazi Nazrul Islam Avenue, Dhaka
- Saiham Tower (14- storied building with 3 storied underground parking), Gulshan 1, Dhaka
- Liberation War Museum, Agargaon, Dhaka
- 500-bed hospital (13-storied) at Mugda, Dhaka
- Construction work of Gopalganj 100 MW power plant
- 810 meter long PC Box Girder Bridge at Gaforgaon, Mymensingh
- 520.6 meter long bridge over Dhaleshwari River


MIR AKHTER is working on 29 projects and the aggregate value of these on-going projects is around BDT 56,245 million. Notable amongst them –

- Development of Osmani International Airport, Sylhet
- Development of Shah Amanat International Airport, Chattogram
- Site Preparation and Earthworks for Hazrat Shahjalal International Airport Expansion Project (Sub-contract)
- Construction of 595m PC Box Girder Bridge Over Bakkhali River at Kusturi Ghat of Cox's Bazar District
- Rehabilitation of Road from Badarkhali Naval Police Station to Yunuskhali including new 680m Kohelia Bridge under Matarbari Ultra Super Critical Coal Fired Power Project
- Improvement of Road from Bangabandhu Bridge (West Side) to Hatikamrul (19.80 km) to a 4-Lane Highway
- 6 (six) 14-storied residential buildings in block A of Dhaka Elevated Expressway Project
- Improvement of road from Dulla Mari Road to Tangail (22.4 km) from 2-lane to 4-lane
- Construction of 7.35 km Road from Rajghat to Mohoriguna, in Moheshkali Upazila of Cox's Bazar under Matarbari Ultra Super Critical Coal Fired Power Project (RHD Part)
- Patenga Container Terminal (PCT) Project of Chittagong Port Authority
- Construction of 595m long PC Box Girder Bridge over Bakkhali River at Kusturi Ghat under Sadar Upazila of Cox's Bazar District.

MIR AKHTER's management is headed by Mir Nasir Hossain, a former president of FBCCI and a leading entrepreneur with an industry experience spanning more than 40 years.

Mir Akhter is an ISO 14001:2015, ISO 9001:2015, OHSAS 18001:2007, OHSAS 18001:2007 certified company.


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.


Md. Masbaug Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

a. CAPITAL STRUCTURE

- **Authorized Capital:**
Number of shares 200,000,000 at BDT 10 each – **BDT 2,000,000,000**
- **Paid-up Capital:**
Number of shares 120,772,000 at BDT 10 each – **BDT 1,207,720,000**

Shareholding Structure

Sl.	Shareholder Type	30-Nov-21	31-Oct-21
		Shareholding %	Shareholding %
1	Sponsor/Director	48.58%	48.58%
2	Institute	3.74%	3.96%
3	Public shareholders	47.68%	47.46%
Total		100.00%	100.00%

b. BUSINESS

Since its inception, Mir Akhter Hossain Limited is engaged in construction engineering business. Late Mir Akeb Hossain established the business of Mir Akhter with a view in mind that planned infrastructural development is a prerequisite for achieving overall national development. Mir Akhter Hossain Limited continues to hold a unique place in the country's engineering and constructions sector as a well-diversified and leading company with operations in projects including constructions of roads, bridges, highways, railway tracks, airports, discharge channels, 5-star luxury hotels, civil construction of power plants, functional buildings, factory buildings and complex infrastructural projects. The company is also actively engaged in gas pad drilling using high-tech utility rigs, river dredging, manufacturing of railway sleepers and poles, and soil stabilization.

Mir Akhter's diversified business includes broad category consultancy - from building architectural and engineering designs to the full construction of the intended structure. Thus Mir Akhter is an effective 'One-stop Construction Management Service Provider' in the country. Mir Akhter is already engaged in providing such construction management services in some of their ongoing projects and has plan to subcontract projects to others in near future where Mir Akhter would work as the consultant. Thereby, the company's strong business aptitude allows it to undertake high-margin project management activities. The company has a plan to invest in a newspaper subject to approval from Ministry of Information, Government of the People's Republic of Bangladesh. The company has made advance in this regard.

In addition to working under its own name, Mir Akhter also works under several joint venture agreements. The Company attaches profound importance to the co-operation of multinational companies and executed several projects of international standard by forming Joint Ventures with Internationally reputed Construction Companies namely Samwhan Corporation of Korea, Seokwang Development Company Limited of Korea, Halla Corporation of Korea, Ranken Railways Construction Group Company Limited of China, Sadeem Al Kuwait for General Trading and Contracting Company of Kuwait, Wuhan Municipal Construction Group of China, Komaihaltec Inc. of Japan.

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Mir Nasir Hossain
 Managing Director
 Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
 Chief Financial Officer
 Mir Akhter Hossain Ltd.


Md. Masbaus Sunnah
 Company Secretary
 Mir Akhter Hossain Ltd.



The legal status of the joint venture is a partnership at will because it is created only to carry out a particular construction projects as per contract, but in accordance with the provision of Section – 2 (20) BB of Income Tax Ordinance 1984, its status is a company though it does not have any consequential effect under this Ordinance.

Mir Akhter Hossain Limited does not have any subsidiary or holding company.

c. MANAGEMENT

Mir Akhter's management is headed by Mir Nasir Hossain, a former president of FBCCI and a leading entrepreneur with an industry experience spanning more than 40 years. List of senior management of Mir Akhter is as follows -

Name	Designation	Educational Qualification	Previous Employment
Mir Nasir Hossain	Managing Director	Master of Commerce (Accounting) Bachelor of Commerce (Hons.)	Started service life with Mir Akhter Hossain Limited
Shama-e Zaheer	Director & COO	MBA in Finance, Goizueta Business School, Emory University, USA MBA in Finance (IBA)	IBA, University of Dhaka 2003-2016
Azizul Haque	Senior Executive Director (Technical)	B.Sc. Engg. (Civil)	Started service life with Mir Akhter Hossain Limited
Syed Rasheduzzaman	Senior Executive Director (Engineering)	B.Sc. Engg. (Civil)	Started service life with Mir Akhter Hossain Limited
Md. Golam Mustafa	Senior Executive Director (Mechanical)	B. Sc. Engg. (Mech.)	Rural Electrification Board (REB)
Md. Momtazul Karim	Executive Director (Planning & Co-ordination)	B.Sc. Engg. (Civil)	Started service life with Mir Akhter Hossain Limited
Md. Ashraful Islam	Executive Director (Project)	B.Sc. Engg. (Civil)	Started service life with Mir Akhter Hossain Limited
Manik Kumar Biswas	Executive Director (Project)	B.Sc. Engineering (Civil)	Started service life with Mir Akhter Hossain Limited
Parymal Kumer Sarker, FCA	Chief Financial Officer	Chartered Accountant M.Com B. Com (Hon's)	Rangs Motors Limited


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.

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Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.


Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

d. DESCRIPTION OF ENCUMBERED AND UNENCUMBERED ASSETS WITH VALUE THEREOF

As on June 30, 2021, the company has total assets of BDT 22,731 million. All of its assets are unencumbered.

e. PROFILE OF BOARD OF DIRECTORS



Sohela Hossain
Chairman

Sohela Hossain is the Chairperson of the Board of Directors of Mir Akhter Hossain Limited. She has completed Bachelor of Arts (Hon's) and Master of Arts in Philosophy from University of Dhaka. She is a renowned social worker and an educationist. She is actively involved in cement, telecom, banking, real estate, concrete products, and power generation sector of our country.

Currently, she is the Vice Chairperson of the Board of Directors of National Credit and Commerce Bank Limited and a Director of Mir Group of Companies Limited, Mir Cement Limited, Mir Power Limited, Mir Real Estate Limited, Mir Telecom Limited among others.



Mir Nasir Hossain
Managing Director

Mir Nasir Hossain, the Managing Director of Mir Akhter Hossain Limited, is a prominent entrepreneur who has had significant impact in the construction, real estate, ceramic, banking, telecom and information technology sector of our country. He completed Bachelor of Commerce (Hon's) and Master of Commerce in Accounting from the University of Dhaka. He is leading Mir Akhter with an industry experience spanning more than 40 years.

He has led the apex trade organization of the country, Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), as its President. He also held the positions of Senior Vice President of South Asian Association of Regional Co-operation (SAARC) Chamber of Commerce and Industry (SCCI). He is also a Director of Eastern Bank Limited (EBL) and engaged in the management of Mir Ceramic Limited, Mir Telecom Limited, Mir Holdings Limited among others.

He is actively engaged in various social activities, most notable of which is his Life Membership of Bangladesh Red Crescent Society, Bangladesh Diabetic Association. He is working as the President of Faridpur Diabetic Association and the Chairman of the Governing Body of President of Faridpur Diabetic Association Medical College.

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Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.



Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.



Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.



Mahbuba Nasir

Director

Mahbuba Nasir, wife of Mir Nasir Hossain, is a Director of Mir Akhter Hossain Limited. She has completed Bachelor of Arts (Hon's). She is one of the best women entrepreneur in our country.

She has been recognized as a Commercially Important Person (CIP) by the Ministry of Industries, Bangladesh in 2015 for her contribution towards the economic growth of Bangladesh.

She is also engaged in businesses in ceramic, telecom, real estate and power generation sector of the country.



Shama-e Zaheer

Director

Shama-e Zaheer, Director of Mir Akhter Hossain Limited, is a prominent businessman with diverse range of business interests.

He has completed MBA in Finance, from Goizueta Business School, Emory University, Atlanta, Georgia, USA under the prestigious Junior Fulbright Program as well as the Institute of Business Administration (IBA), University of Dhaka.

He sits on the Board of a number of companies, whose businesses span from cement, construction, real estate to information technology.



Md. Farid Uddin

Independent Director

Md. Farid Uddin was appointed as Independent Director of Mir Akhter Hossain Limited in 2018. He is the chairman of the audit committee of the board.

He has completed Bachelor of Arts (Hon's) in History and Master of Arts in Modern History. Later on, he also completed LLB. He secured first position in Customs and Excise cadre of Bangladesh Civil Service (BCS) exam in 1982.

Before retirement, he served as Member (Grade-I) of National Board of Revenue (NBR). During his illustrious career as a government official, he acted as a Director of Padma Oil Company Limited and Sadharan Bima Corporation.



Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.



Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.



Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.



A.K.M. Faizur Rahman
Independent Director

A.K.M. Faizur Rahman was appointed as Independent Director of Mir Akhter Hossain Limited in 2018. He attained his Bachelor of Science (B.Sc.) in Civil Engineering from Bangladesh University of Engineering and Technology (BUET). In 1982, he completed Masters in Bridge Engineering from Japan. He is a fellow of Institute of Engineers Bangladesh (IEB). He retired as the Chief Engineer of Roads and Highways Division of Bangladesh.



Prof. Dr. Muhammad Shariat Ullah
Independent Director

A renowned teacher, Prof. Dr. Muhammad Shariat Ullah, did his Ph.D in economics from Ritsumeikan University, Japan and obtained his BBA degree in Management and MBA in Strategic and International management from University of Dhaka. Currently he has been serving as a professor of department of organization strategy & leadership in University of Dhaka.

He has 16 years of teaching Experience including 13 years in University of Dhaka. Mr. Shariat Ullah is a life Member of Bangladesh Society for Total Quality Management.



Prof. Nausheen Rahman
Independent Director

A renowned teacher, Prof. Nausheen Rahman completed her Honors and Masters in Finance from University of Dhaka. After that, she obtained her MBA (Major in Finance) degree from educational institute University of Canberra. Currently she has been serving as a professor of finance department in University of Dhaka.



Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.



Maryam Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.



Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.



f. DESCRIPTION OF ASSETS AND LIABILITIES

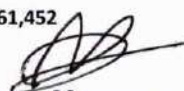
Statement of Financial Position

	Amount in BDT			
	2021		2020	2019
	Consolidated	Standalone	Standalone	Standalone
Assets				
Non-current assets	15,047,411,526	15,127,211,526	14,684,267,206	11,328,777,764
Property, plant and equipment	4,075,655,901	4,075,655,901	3,840,446,370	3,970,622,784
Investment in Joint Venture	10,403,929,520	10,403,929,520	10,315,894,731	6,781,866,183
Investments in Mir Securities Limited	-	79,800,000	-	-
Investment in Projects	567,826,105	567,826,105	527,926,105	576,288,797
Current assets	7,673,603,342	7,603,975,416	5,735,813,591	5,659,383,688
Security Deposits (Retention Money)	806,068,568	806,068,568	732,929,403	784,415,102
Advance and Prepayments	970,370,307	940,641,976	951,889,504	1,088,889,958
Accounts Receivable	-	-	-	-
FDR	-	-	-	754,972,500
Advance income tax net of tax provision	49,772,694	49,772,694	48,134,478	48,806,217
Inventories	4,252,811,374	4,252,811,374	3,525,944,685	2,484,794,553
Cash and cash equivalents	1,594,580,400	1,554,680,805	476,915,521	497,505,358
Total assets	22,721,014,868	22,731,186,942	20,420,080,797	16,988,161,452
Equity and liabilities				
Shareholders' equity	5,555,652,136	5,565,858,710	3,846,005,599	3,470,998,601
Share capital	1,207,715,470	1,207,715,470	1,000,000,000	1,000,000,000
Share premium	1,042,284,530	1,042,284,530	-	-
Revaluation Reserve	107,539,881	107,539,881	107,539,881	107,539,881
Non-Controlling Interest	173,984	-	-	-
Retained earnings	3,197,938,271	3,208,318,829	2,738,465,717	2,363,458,720
Non-current liabilities	12,134,690,053	12,134,690,053	13,473,817,325	10,001,644,802
Deferred tax liability	3,325,976	3,325,976	3,325,976	3,325,976
Long term loan	12,131,364,077	12,131,364,077	13,470,491,349	9,998,318,827
Current liabilities and provisions	5,030,672,679	5,030,638,179	3,100,257,873	3,515,518,048
Short term loan (Current portion of long-term loan)	4,873,468,063	4,873,468,063	2,612,089,755	2,712,213,393
Deferred LC	101,927,962	101,927,962	349,455,672	696,166,257
Liabilities for expenses	55,276,654	55,242,154	138,712,446	107,138,398
Total liability	17,165,362,732	17,165,328,232	16,574,075,198	13,517,162,850
Total equity and liabilities	22,721,014,868	22,731,186,942	20,420,080,796	16,988,161,452

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Mir Nasir Hossain
 Managing Director
 Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
 Chief Financial Officer
 Mir Akhter Hossain Ltd.


Md. Masbaus Sunnah
 Company Secretary
 Mir Akhter Hossain Ltd.

g. DESCRIPTION OF PREVIOUSLY ISSUED DEBT OR SECURITIES

Mir Akhter Hossain Limited has not issued any debt securities earlier.

On November 23, 2020, MAHL received consent from Bangladesh Securities and Exchange Commission (BSEC) vide letter no. BSEC/CI/BB-18/2018/269 dated November 23, 2020 to raise BDT 1,250 Million under book building method through IPO. The company has raised the fund from general shareholders in the subscription period dated December 24-30, 2020. Trading of the shares of the company commenced in the exchanges on February 02, 2021. Trading Code of the company is "MIRAKHTER" in both the exchanges.



Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.



Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.




Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.



SECTION XI: AUDITED FINANCIAL STATEMENTS OF THE ISSUER, MIR AKHTER HOSSAIN LIMITED

For the detailed Audited Financials as at 30 June 2021, please see Annexure – 1


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.


Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

SECTION XII: BRIEF OVERVIEW AND COMPARATIVE FINANCIAL STATEMENTS

Comparative financial performance of MAHL over the last three years has been presented below:


Statement of Financial Position

	Amount in BDT			
				As on June 30
	2021		2020	2019
	Consolidated	Standalone	Standalone	Standalone
Assets				
Non-current assets	15,047,411,526	15,127,211,526	14,684,267,206	11,328,777,764
Property, plant and equipment	4,075,655,901	4,075,655,901	3,840,446,370	3,970,622,784
Investment in Joint Venture	10,403,929,520	10,403,929,520	10,315,894,731	6,781,866,183
Investments in Mir Securities Limited	-	79,800,000	-	-
Investment in Projects	567,826,105	567,826,105	527,926,105	576,288,797
Current assets	7,673,603,342	7,603,975,416	5,735,813,591	5,659,383,688
Security Deposits (Retention Money)	806,068,568	806,068,568	732,929,403	784,415,102
Advance and Prepayments	970,370,307	940,641,976	951,889,504	1,088,889,958
Accounts Receivable	-	-	-	-
FDR	-	-	-	754,972,500
Advance income tax net of tax provision	49,772,694	49,772,694	48,134,478	48,806,217
Inventories	4,252,811,374	4,252,811,374	3,525,944,685	2,484,794,553
Cash and cash equivalents	1,594,580,400	1,554,680,805	476,915,521	497,505,358
Total assets	22,721,014,868	22,731,186,942	20,420,080,797	16,988,161,452
Equity and liabilities				
Shareholders' equity	5,555,652,136	5,565,858,710	3,846,005,599	3,470,998,601
Share capital	1,207,715,470	1,207,715,470	1,000,000,000	1,000,000,000
Share premium	1,042,284,530	1,042,284,530	-	-
Revaluation Reserve	107,539,881	107,539,881	107,539,881	107,539,881
Non-Controlling Interest	173,984	-	-	-
Retained earnings	3,197,938,271	3,208,318,829	2,738,465,717	2,363,458,720
Non-current liabilities	12,134,690,053	12,134,690,053	13,473,817,325	10,001,644,802
Deferred tax liability	3,325,976	3,325,976	3,325,976	3,325,976
Long term loan	12,131,364,077	12,131,364,077	13,470,491,349	9,998,318,827
Current liabilities and provisions	5,030,672,679	5,030,638,179	3,100,257,873	3,515,518,048
Short term loan (Current portion of long-term loan)	4,873,468,063	4,873,468,063	2,612,089,755	2,712,213,393
Deferred LC	101,927,962	101,927,962	349,455,672	696,166,257
Liabilities for expenses	55,276,654	55,242,154	138,712,446	107,138,398

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Mir Nasir Hossain
 Managing Director
 Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
 Chief Financial Officer
 Mir Akhter Hossain Ltd.

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Md. Masbaus Sunnah
 Company Secretary
 Mir Akhter Hossain Ltd.



Total liability	17,165,362,732	17,165,328,232	16,574,075,198	13,517,162,850
Total equity and liabilities	22,721,014,868	22,731,186,942	20,420,080,796	16,988,161,452

Statement of Profit or Loss or Other Comprehensive Income

	2021		2020	Amount in BDT
	Consolidated	Standalone	Standalone	2019 Standalone
Revenue	3,242,277,000	3,242,277,000	2,694,959,701	4,267,036,996
Cost of execution of the contract	(2,306,555,858)	(2,306,555,858)	(1,928,782,658)	(3,134,809,245)
Gross profit	935,721,142	935,721,142	766,177,043	1,132,227,751
General and administration expenses	(198,461,469)	(188,054,895)	(144,650,336)	(245,251,801)
Profit from operations	737,259,673	747,666,247	621,526,707	886,975,950
Non-operating income	16,382,166	16,382,166	13,328,379	22,599,281
Financial expenses	(425,921,011)	(425,921,011)	(379,093,795)	(361,407,703)
Profit before tax and WPPF	327,720,828	338,127,402	255,761,291	548,167,528
Contribution to WPPF	(16,101,305)	(16,101,305)	(12,179,109)	(26,103,216)
Profit before tax from own construction business	311,619,523	322,026,097	243,582,182	522,064,312
Tax expense				
Current	(220,057,635)	(220,057,635)	(168,613,886)	(321,559,939)
Deferred	-	-	-	-
Total Tax expense	(220,057,635)	(220,057,635)	(168,613,886)	(321,559,939)
Profit after tax from own construction business	91,561,888	101,968,462	74,968,296	200,504,373
Profit after tax from Joint Venture	367,884,649	367,884,649	300,038,702	431,989,484
Total net profit after tax for the year	459,446,537	469,853,111	375,006,997	632,493,857
Other comprehensive income	-	-	-	-
Revaluation reserve				
Less: Deferred tax liabilities on revaluation reserve				
Total comprehensive income for the year	459,446,537	469,853,111	375,006,997	632,493,857

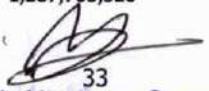
Statement of Cash Flow

	2021		2020	Amount in BDT
	Consolidated	Standalone	Standalone	2019 Standalone
Cash flows from operating activities				
Cash receipts from customers	3,610,161,649	3,610,161,649	2,994,998,403	5,180,944,468
Cash paid to suppliers and employees	(3,184,895,427)	(3,144,795,022)	(2,764,246,834)	(3,573,827,409)
Cash generated from operation	425,266,222	465,366,627	230,751,569	1,607,117,059
Income tax deducted at source and paid	(221,695,851)	(221,695,851)	(167,942,147)	(319,353,740)
Net cash generated from operating activities	203,570,371	243,670,776	62,809,422	1,287,763,320

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Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.


Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

Cash flows from investing activities

Purchase of property, plant and equipment	(704,500,728)	(704,500,728)	(345,660,992)	(942,913,037)
Investment in Joint Venture	(88,034,789)	(88,034,789)	(3,534,028,548)	(3,057,116,410)
Investment in Mir Securities Limited		(79,800,000)	-	
Investment in FDR	-	-	754,972,500	(468,985,961)
Investment in Projects	(39,900,000)	(39,900,000)	48,362,692	32,460,198
Net cash used in investing activities	(832,435,517)	(912,235,517)	(3,076,354,348)	(4,436,555,210)

Cash flows from financing activities

Total Loan net of repayment	922,251,036	922,251,036	3,372,048,884	3,596,605,071
Cash inflow for MSL Shares (NCI Portion)	200,000			
Issuance of new shares through IPO	207,715,470	207,715,470	-	
Share Premium	1,042,284,530	1,042,284,530	-	
Interest Paid	(425,926,163)	(425,926,163)	(379,093,795)	(361,407,703)
Net cash (used in)/from financing activities	1,746,524,873	1,746,324,873	2,992,955,089	3,235,197,368
Net increase/(decrease) in cash and cash equivalents (A+B+C)	1,117,659,728	1,077,760,132	(20,589,836)	86,405,478
Unrealized FX Gain/(loss) related to Foreign Currency held	5,152	5,152	-	
Opening cash and cash equivalents	476,915,521	476,915,521	497,505,358	411,099,881
Closing cash and cash equivalents (D+E)	1,594,580,400	1,554,680,805	476,915,521	497,505,358

Mir Akhter Hossain Limited has a subsidiary company namely Mir Securities Limited. Paid-up capital of Mir Securities Limited is BDT 80 million and Mir Akhter Hossain Limited holds 99.75% shares of the company. The financial statements of Mir Securities Limited has been fully consolidated as Mir Akhter Hossain Limited directly controls more than 50% of voting rights of Mir Securities Limited. The accounting policies of Mir Securities Limited have been aligned with the policies as adopted by Mir Akhter Hossain Limited.


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Maryam Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.


Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.



SECTION XIII: RATIOS FOR THE LAST FIVE ACCOUNTING YEARS

Key ratios of Mir Akhter Hossain Limited for last three years is presented below:

Sl.	Ratio	Formula	2021		2020	2019
			Consolidated	Standalone	Standalone	Standalone
1	Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	1.53	1.51	1.85	1.61
2	Quick Ratio	$\frac{\text{Current Assets - Inventories}}{\text{Current Liabilities}}$	0.68	0.67	0.71	0.90
3	Break-Even Point	$\frac{\text{Fixed Cost}}{\text{Total Sales Revenue - Cost to make products}}$	N/A	N/A	N/A	N/A
4	Debt to Equity Ratio	$\frac{\text{Total Debt}}{\text{Total Equity}}$	3.08	3.07	4.27	3.86
5	Debt to Total Assets Ratio	$\frac{\text{Total Debt}}{\text{Total Assets}}$	0.75	0.75	0.80	0.79
6	Accounts Receivable Turnover Ratio*	$\frac{\text{Net Sales}}{\text{Average Accounts Receivables}}$	N/A	N/A	N/A	N/A
7	Gross Margin Ratio	$\frac{\text{Gross Profit}}{\text{Net Sales}}$	28.86%	28.86%	28.43%	26.53%
8	Operating Income ratio	$\frac{\text{Operating Profit}}{\text{Net Sales}}$	22.74%	23.06%	23.06%	20.79%
9	Net Income ratio	$\frac{\text{Net Profit after Tax}}{\text{Sales}}$	14.17%	14.49%	13.92%	14.82%
10	Return on Assets	$\frac{\text{Net Profit after Tax}}{\text{Total Assets}}$	2.02%	2.07%	1.84%	3.72%
11	Return on Equity	$\frac{\text{Net Profit after Tax}}{\text{Shareholder's Equity}}$	8.27%	8.44%	9.75%	18.22%
12	Earnings-Per-Share (EPS)	$\frac{\text{Net Profit after Tax}}{\text{Weighted Average number of shares}}$	4.21	4.30	3.75	6.32

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Mir Nasir Hossain
 Managing Director
 Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
 Chief Financial Officer
 Mir Akhter Hossain Ltd.


Md. Masbous Sunnah
 Company Secretary
 Mir Akhter Hossain Ltd.

13	Net Asset Value (NAV) per share	$\frac{\text{Net Asset}}{\text{Number of shares}}$	46.00	46.09	38.46	34.71
14	Net operating cash flow to Net Income	$\frac{\text{Net Operating cash flow}}{\text{Net Income}}$	0.44	0.52	0.17	2.04
15	Total Debt to tangible assets ratio	$\frac{\text{Total debt}}{\text{Total Tangible assets}}$	1.33	1.33	1.24	1.27

*There is no accounts receivable from 2019.


Mir Nasir Hossain
 Managing Director
 Mir Akhter Hossain Ltd.


Arjyal Kumer Sarker
 Chief Financial Officer
 Mir Akhter Hossain Ltd.


Md. Masbaus Sunnah
 Company Secretary
 Mir Akhter Hossain Ltd.



SECTION XIV: CREDIT RATING REPORT OF THE ISSUE

Credit Rating of Issuer: Mir Akhter Hossain Limited

Date of Declaration	Valid Till	Long Term	Short Term	Rated By
26.12.2021	25.12.2022	AA-	ST-3	Credit Rating and Information Services Limited

Credit Rating of the Issue:

Date of Declaration	Valid Till	Long Term	Rated By
26.12.2021	25.12.2022	A+	Credit Rating and Information Services Limited

For detailed credit rating report, please see Annexure 3 & Annexure 4.


Mir Nasir Hossain
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Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
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Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

SECTION XV: LATEST DEFAULT MATRIX AND TRANSITION STATISTICS OF CRC

CRISL three years CDR for corporate under investment grade (AAA to BBB) stood at 1.44% with no default at AAA and AA rating notch.

The CDR at single A and BBB notch stood at 0.69% and 2.23% respectively which signifies that CRISL investment grade default is quite low against the backdrop of increasing default loan in the industry.

Calculation of 3-years Cumulative Default Rate (CDR3) for 2014, 2015, 2016	
	CDR3
AAA	0.00%
AA	0.00%
A	0.69%
BBB	2.23%
Investment Grade (AAA-BBB)	1.444%
BB	9.01%
B	0.00%
CCC	0.00%
CC	0.00%
C	100.00%

CRISL Corporate Rating Transition Matrix (2016-2020)

	AAA	AA	A	BBB	BB	B	CCC	CC	C	D
AAA	100%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
AA	0.00%	91.86%	8.14%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
A	0.00%	8.98%	%	4.19%	0.30%	0.00%	0.00%	0.00%	0.00%	0.00%
BBB	0.00%	0.00%	12.93%	85.36%	1.71%	0.00%	0.00%	0.00%	0.00%	0.00%
BB	0.00%	0.00%	0.00%	14.29%	80.95%	0.00%	4.76%	0.00%	0.00%	0.00%
B	0.00%	0.00%	0.00%	0.00%	0.00%	80%	20.00%	0.00%	0.00%	0.00%
CCC	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CC	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
C	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
D	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%

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 Managing Director
 Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
 Chief Financial Officer
 Mir Akhter Hossain Ltd.

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Md. Masbaus Sunnah
 Company Secretary
 Mir Akhter Hossain Ltd.



SECTION XVI: DESCRIPTION OF THE TRUSTEE: UCB INVESTMENT LIMITED

UCB Investment Limited is acting as Trustee for Mir Akhter Hossain Limited Zero Coupon Bond subject to regulatory approval.

UCB Investment Limited (UCBIL) is a fully owned subsidiary of United Commercial Bank PLC. – One of the leading private commercial bank in Bangladesh. It was incorporated in Bangladesh with the Registrar of Joint Stock Companies & Firms (RJSCF), vide registration number: C-94654/11 dated 3rd August, 2011 as a private limited company under the Companies Act (Act XVIII) of 1994. It obtained full-fledged Merchant Banker & Portfolio Management license (Reg No: MB- 97/2020) from Bangladesh Securities and Exchange Commission on 5th October, 2020.

The head office of UCB Investment Limited is located at BULUS Center, Plot- CWS (A)-1 Road: 34, Gulshan Avenue Dhaka- 1212, Bangladesh.

- Authorized capital as of 31 Dec 2020: BDT 1,000,000,000 (Taka one thousand million)
- Paid-up capital as of 31 Dec 2020: 250,000,000/- (Taka two hundred fifty million)
- ***Paid-up capital has been increased to BDT 1,000,000,000 (Taka One thousand million) as on 13 July 2021.*
- Net worth as of 31 Dec 2020: BDT 312,194,085 (Taka three hundred twelve million one hundred ninety four thousand eighty five)

• Shareholding Details:

Share Holding Position		
Shareholders	% of Share Holdings	No. of Shares
United Commercial Bank Limited	99.999996%	9,99,99,999
Mohammed Habibur Rahman	0.000004%	1
	100%	1,00,000,000

Brief on Board of Directors:

Mr. Mohammed Habibur Rahman: Chairman

Mr. Habibur Rahman is acting as the Chairman of UCB Investment Limited. He has recently joined United Commercial Bank PLC. (UCB) as the Deputy Managing Director. Prior to joining UCB, he was Senior Executive Vice President at Corporate Banking division of Eastern Bank Limited.

Mr. Rahman having vast experience in home and abroad in diverse sectors of banking for over 24 years worked in different financial institutions like Bank Indosuez, ANZ Grindlays, Standard Chartered, Toronto Dominion (TD), HSBC, City and EBL. He played a very important role in Corporate Banking division of EBL and was also the Head of Credit Risk management division.


Mir Nasir Hossain
 Managing Director
 Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
 Chief Financial Officer
 Mir Akhter Hossain Ltd.


Md. Masbous Sunnah
 Company Secretary
 Mir Akhter Hossain Ltd.

Mr. Md. Shah Alam Bhuiyan:
Director

Mr. Md. Shah Alam Bhuiyan is acting as a Director of UCB Investment Limited and Deputy Managing Director of United Commercial Bank PLC.

Mr. Alam has a wide experience in the field of Cost and Management Accounting. As a qualified Cost and Management Accountant he is associated with numerous reputed group of Companies including Aramit Group. Prior to joining this group, he was associated with Birds Bangladesh Agencies Limited Chittagong for a period of nearly 26 years.

Mr. Nurul Mustafa Tarek:
Director

Mr. N. Mustafa Tarek is acting as a Director of UCB Investment Limited and has been serving as Deputy Managing Director of United Commercial Bank PLC.

Mr. Tarek, having 26 years of professional experiences in Government, Multinational, Telecommunication, Local Conglomerate and financial institution, joined United Commercial Bank PLC. on 5th January, 2012 as Executive Vice President. He has a long professional track record in Human Resource and Industrial Relations, Administration, Project Management, Supply Chain and Safety, Health and Environment.

Mr. Md. Abdullah Al Mamoon:
Director

Mr. Md. Abdullah Al Mamoon is acting as a Director of UCB Investment Limited and is the Deputy Managing Director and Chief Operating Officer (COO) of United Commercial Bank PLC.

Mr. Mamoon joined UCB on 01/03/2017 as Senior Executive Vice President with over 27 years of multi-disciplinary experiences in diversified professional domains with Government and Financial Institutions.

Prior to joining in UCB, Mr. Mamoon served in AB Bank and BRAC Bank Ltd in different capacities that include Head of Core Business Team, Head of Operational Risk Management, Head of Program Management etc. He also served in bKash Limited, Kayfin Consultants Limited and Bangladesh Army, Government of Bangladesh. He served in the United Nations 'Peace Keeping' mission in United Nations Mission in Sierra Leone (UNAMSIL).

Mr. Touhid Shipar Rafiqzaman:
Independent Director

Mr. Touhid Shipar Rafiqzaman is the Independent Director of UCB Investment Limited and one of the Independent Directors of United Commercial Bank PLC. He is also a member of Audit Committee.

Mr. Rafiqzaman is a highly experienced international banker with 36 years of professional experience in the entire gamut of banking, having worked in two multi-national banks across four geographies. He is a certified risk professional and has extensive experience of working in emerging markets.

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Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.



Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.



Md. Masbaub Sunnah
Company Secretary
Mir Akhter Hossain Ltd.



**Tanzim Alamgir:
Managing Director and CEO**

Mr. Alamgir is the founding Chief Executive Officer (CEO) and Managing Director of UCB Investment Limited. Mr. Alamgir has a special focus on fund raising for large, local and multinational corporate houses of the country. He is a seasoned professional having diversified exposure in finance, operations and strategy for more than 13 years. Previously, he was the Chief Operating Officer (COO) of City Bank Capital. He has completed numerous first of its kind deals in Bangladesh during his tenure in CBC like perpetual bonds, bank guarantee backed bonds, preference share of first private LNG terminal in Bangladesh, first subordinated bond for a state-owned bank (Agrani Bank Limited) etc. He has also completed numerous other deals like subordinated bonds, zero coupon bonds for a number of commercial banks and corporates in different industries.

Business Activities of UCBIL:

With its group of versatile financial consultants, UCBIL aims at delivering top-class, customized investment solutions to its clients to cater to their specific needs and be their long-term growth partner. The services UCBIL provide are:

Investment Banking Services:

- ✓ Bond Issuance
- ✓ Corporate Advisory
- ✓ Mergers and Acquisitions

Primary Market Services:

- ✓ Issue Management Services
- ✓ Underwriting
- ✓ Capital Raising and Private Placement

Secondary Market Services:

- ✓ Portfolio Management


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.


Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

Status of Debt Securities issued under trusteeship of UCB Investment Limited

Present status of issued debt securities in which UCB Investment Limited is acting as Trustee is as follows -

SL	Name of the Issue	Maturity Period	IM Issue Date	Date of Completion of subscription	Value of debt (BDT Million)	Repayment Amount (BDT Million)	Outstanding as on Dec 20, 2021 (BDT Million)	Default (If Any)	Remarks
1	NRBC Bank Subordinated Bond-1	07 years	November 23, 2021	Subscription Ongoing	3,000		3,000	Nil	
2	Bank Asia Perpetual Bond	Perpetual	-	N/A	5,000	-	5,000	Nil	
3	Mercantile Bank Perpetual Bond	Perpetual	-	N/A	5,000	-	5,000	Nil	


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 Chief Financial Officer
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Md. Masbaus Sunnah
 Company Secretary
 Mir Akhter Hossain Ltd.



SECTION XVII: MODUS OPERANDI OF THE ISSUE

a. Application Procedure

The Bonds shall be distributed through private placement.

Each investor (Bondholder) shall enter into a separate Subscription Agreement with the Issuer and shall be bound by the terms and conditions contained in such Subscription Agreement containing in details the rights and obligations of the investors.

Undertaking to Issue

The Issuer will, subject to and in accordance with the provisions of the Subscription Agreement, on the Closing Date, duly execute and deliver to the Bondholder a Bond Certificate attached with the Conditions, representing the allocation amount of Bonds subscribed.

Undertaking to Subscribe

The Investor will, subject to and in accordance with the provisions of the Subscription Agreement, on the Closing Date, subscribe and pay the aggregate purchase price for the allocation, in Bangladesh Taka for same day value to such account as the Issuer designates.

Closing

Subject to the conditions precedent contained in the Subscription Agreement, the closing of the issue of the Bonds shall take place on the Closing Date.

Investor Representation Letter: On the date indicated in the Subscription Agreement, the Bondholders will execute and deliver a letter addressed to the Issuer.

Payment of net issue proceeds: On each Closing Date, of the Bondholders shall pay the purchase price of Bonds to the Issuer in Bangladesh Taka.

Bond Certificates

Registration: On each Closing Date, the Issuer shall procure that the principal amount of Bonds subscribed for by the Bondholders for which payment has been received in accordance with the Subscription Agreement and are registered in name of the Bondholders (with a notation on the Register and on each Bond Certificate identifying the Issue Date of such Bond Certificate).


Issue: On the Closing Date, the Issuer shall duly execute and deliver the Bond Certificates to the Trustee for authentication. Promptly following the Closing Date, the Issuer will deliver to each Bondholder Bond Certificates, duly authenticated by the Trustee and representing such Investor's entire holding of Bonds.

b. Allotment

On the closing date, to be determined, the issuer shall allot and issue the bonds, in registered form in a minimum denomination of BDT 500,000 and integral multiples thereof. A bond certificate (each a "Bond Certificate") will be issued to each bondholder in respect of its registered holding of each series of Bonds. Each Bond and each Bond Certificate will be numbered serially with an identifying number which will be recorded on the relevant Bond Certificate and in the register of Bondholders (the "Register"), which will be kept by Registrar on behalf of the Issuer.

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Company Secretary
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Each of the issuer, the Trustee and any Agent may deem and treat the registered holder of a Bond as the absolute owner of such Bond, free of any equity, set-off or counterclaim on the part of the Issuer against the original or any intermediate Holder of such Bond (whether or not the Bond shall be overdue and notwithstanding any notation of ownership or other writing thereon or any notice of previous loss or theft of the Bond Certificate issued in respect of that Bond) for all purposes and, except as ordered by a court of competent jurisdiction or as required by applicable law, the Issuer, the Trustee and the Agents shall not be affected by any notice to the contrary.

c. Refund:

Not Applicable.

d. Transfer:

Subject to the terms and condition as to be implemented in the Trust Deed, a Bond may be transferred to another person in Bangladesh (a "Transferee") upon surrender of the Bond Certificate issued in respect of that Bond, together with a duly completed and executed instrument of transfer (a "Instrument of Transfer") by the registered holder of the Bond, as transferor (the "Transferor") or the proposed Transferee.

A valid instrument of Transfer shall be duly stamped, completed and executed by both the Transferor and the Transferee. If the Transferor or the Transferee is a corporate body, such Instrument of transfer shall be executed by the authorized persons of the Transferor or the Transferee, as the case may be.

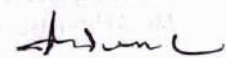
Upon receipt of the Bond Certificate issued in respect of the Bond to be transferred along with the duly completed and executed Instrument of Transfer at the specified office of the Transfer Agent, together with such evidence as such Transfer Agent may reasonably require to prove (i) the title of the Transferor and (ii) the signature and authority of each of the individuals who have executed the Instrument of Transfer on behalf of the Transferor and the Transferee.

Upon receipt of the Bond Certificate, the Instrument of Transfer and the other supporting documents named above, the Transfer Agent, as the duly authorized delegate of the Issuer's Board of Directors, shall approve and certify the transfer on behalf of the Board of Directors of the Issuer. If the Transfer Agent refuses to register the transfer of any Bond it shall immediately provide notice of such refusal to the Issuer. If the Issuer does not agree with the Transfer Agent's refusal to approve and certify such transfer, it shall within 3 (three) Business Days of receipt of such notice from the Transfer Agent, direct the Transfer Agent to approve and certify the transfer as requested in the relevant Instrument of Transfer. If the Issuer agrees with Transfer Agent that the requested transfer should be refused, the Issuer shall, within 30 (thirty) days from the date on which the relevant Instrument of Transfer was lodged with the Transfer Agent, send or cause to be sent notice of such refusal to both the Transferor and the Transferee.


Where it is proved to the satisfaction of the Issuer that a duly completed and executed Instrument of Transfer has been lost, the Issuer may, in its direction, on application in writing made by the Transferee and bearing such stamp as is required by an Instrument of Transfer, register such transfer on such terms as to indemnity as the Issuer may think fit. Where not all the Bonds represented by the surrendered Bond Certificate are the subject of the transfer, a new Bond Certificate in respect of the balance of the Bonds will be issued to the transferor.

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Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.



Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.



Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.



e. Trading or Listing:

The bonds will be privately placed. However, if instructed by BSEC, it may on a later date be traded on the alternative trading board.

f. Repayment:

Scheduled Redemption: Unless previously redeemed, or purchased and cancelled as specified, each Bond shall be redeemed in the amount of each Redemption Instalment as specified below on the following Redemption Dates on a pro rata basis to the Bondholders whose name will appear in the register at Record Date.

The redemption of the Bonds will start from the end of the 18th month from the issuance of the Bonds and each 6 (Six) months thereafter in equal instalment and the redemption value shall be paid by the Issuer on scheduled redemption date.

No. of Strips	Maturity in Months	Issue Price In BDT	Face Value In BDT
1	6	-	-
2	12	-	-
3	18	375,659,137	416,500,000
4	24	362,955,688	416,500,000
5	30	350,681,824	416,500,000
6	36	338,823,018	416,500,000
7	42	327,365,235	416,500,000
8	48	316,294,913	416,500,000
		2,071,779,815	2,499,000,000

Calculated based on 7% p.a. The approval from BSEC to be taken in a range of 7% p.a. – 9% p.a. to adopt any market change and to be finalized based on market condition at the time of bond issuance.

Incremental charge at the rate of 2% per annum payable by the Issuer to the Bondholders above the amount to be paid by the Issuer to the Bondholders on the redemption Date for failure of the Issuer to make payment to the Bondholders on the Redemption Date.

g. Redemption or conversion or exchange:

This Bond is not early redeemable and has no conversion feature. It will be redeemed as per the Repayment Schedule mentioned in the earlier point.

h. Details of conversion or exchange option, if applicable:

This is not applicable for this issuance.


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.


Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

SECTION XVIII: DETAILS OF FEES STRUCTURE AND EXPENSES

Particulars	Basis	Amount
Application Fee of BSEC (Issuer)	BDT 10,000	10,000
Consent Fee of BSEC (Issuer)	0.10% of the total Face Value	2,499,000
Trustee Application Fee	BDT 50,000	50,000
Registration Fee of Trustee	BDT 100,000	100,000
Trust Deed Registration Fee	0.1% of total face value, Max BDT 1 million	1,000,000
Credit Rating for Bond (4 years)	Approximately	400,000
Trustee Fee to BSEC (4 years)	BDT 50,000 for each year	200,000
Trustee, Paying Agent, Registrar and Transfer Agent Fee	At actual (For total tenure of the Bond)	1,200,000
Arrangement Fee	0.55% of the total face value	13,744,500
Counsel Fee	At actual	350,000
Total Cost Excluding VAT		19,553,500



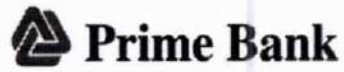
Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.



Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.




Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.



**ANNEXURE 1: AUDITED FINANCIAL STATEMENTS OF MIR AKHTER HOSSAIN
LIMITED FOR THE YEAR ENDED ON JUNE 30, 2021**


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.

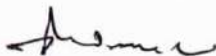

Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

MIR AKHTER HOSSAIN LIMITED

Red Crescent Borak Tower, Level # 7 & 10, 37/3/A,
Eskaton Garden, Dhaka

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Financial Statements & Auditor's Report For the year ended June 30, 2021



Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.



Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.



Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.



Independent Auditor's Report To the Shareholders of MIR AKHTER HOSSAIN LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of MIR AKHTER HOSSAIN LIMITED and its subsidiaries (the 'Group') as well as the separate financial statements of MIR AKHTER HOSSAIN LIMITED (the 'Company'), which comprise the consolidated and separate statement of financial position as at 30 June 2021, and the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company and Group as at June 30, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

KEY AUDIT MATTER	How our audit addresses the Key Audit Matter
Investment in Subsidiary – Consolidation and Stand-Alone The Company has recognized a new asset worth BDT 79,800,000 in subsidiary Mir Securities Limited as at 30 June 2021. This investment represents 99.75% ownership in the subsidiary as at 30 June 2021. This is the first year of consolidated financial statements and there are intercompany transactions taking place between the two entities. Considering these factors, the overall risk profile of this item was considered high and was considered as a key audit matter.	Our audit procedures to mitigate the risk include: <ul style="list-style-type: none"> ▶ We performed discussions with management to understand their procedures and processes to prepare consolidated financial statements as well as performing restatement of prior year financial information. ▶ We reviewed supporting documentation to ensure the subsidiary met the criteria for consolidation and management has applied the appropriate accounting standards. ▶ We reviewed the consolidation procedures performed by Management. We reviewed management's elimination of intercompany balances to ensure accuracy and appropriateness. We also reviewed the stand-alone financial numbers used to prepare the consolidated statements to ensure clerical accuracy of consolidated financial statements. ▶ We reviewed Management's calculation of Non-Controlling Interest for all financial years presented on the statement of financial position and ensured there were no clerical errors and IFRS 10 was applied appropriately. ▶ We reviewed management disclosures and notes to the financial statements to ensure they were accurate and adequate in regards to the requirements of IFRS 10 and IAS 8.
Management has presented separate consolidated financial statements as well audited financial statements.	



Property, Plant & Equipment	
<p>The Company's consolidated PPE balance as at 30 June 2021 was BDT 4.076 (BDT 3.840 Billion as at 30 June 2020). This represents 18% of Total Assets of the Company (19% of the Company as at 30 June 2020). There is estimation performed by management in regards to Asset useful life. Based on the requirement of estimates and the fact that this is a major asset category, this was determine to be a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> ▶ Obtain an understanding of Company's internal controls, systems and processes around PPE. ▶ Performed discussions with management to understand their process of determining asset useful life. ▶ We performed PPE additions procedures by obtaining supporting documentation, invoices, and delivery information as well payments support. ▶ We performed reasonability of depreciation expenses charged by management to ensure accuracy and occurrence. ▶ We performed discussions with management and performed other corroborating procedures to ensure management's assumptions around impairment were reasonable. ▶ For disposals of assets, we obtained supporting documentation to determine the cost and fair market value of the asset and then reviewed management's calculations to ensure no clerical errors took place to calculate any related gains or losses.
<p>Detailed notes regarding Property, Plant & Equipment has been included in Note 5.00 and Note 5.00A in the Financial Statements</p>	
Revenue Recognition	
<p>Revenue of BDT 3.242 billion (2.694 billion for the year 30 June 2020) is recognized in the income statement of Mir Akhter Hossain Limited for the current year.</p> <p>This material item is subject to high inherent risk due to the complexity of the systems and the presence of individual customer contracts which are necessary for proper recording and identification of revenue.</p> <p>Against this background, the proper application of the accounting standards is considered to be complex and to a certain extent based on estimates and assumptions made by management.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> ▶ Obtain an understanding of Company's internal controls specifically geared towards adoption and implementation of IFRS 15. ▶ Examine customer contracts to determine key arrangements between the Customer and Company to understand when control of the goods manufactured transfer from Company to Customer. ▶ Reviewing Invoices, Shipping Documents and other supporting documentation to ensure revenue recognition is occurring appropriately ▶ Examine Payment documentation to ensure completion of revenue cycle is documented appropriately
<p>Details of Revenue Recognition are included in Note 27.00 and Accounts Receivable are included in Note 10.00 to the Financial Statements</p>	

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for information other than financial statements and auditor's report. The other information comprises of the Director's Report, Corporate Governance Compliance Report and Management Discussion and Analysis. We expect to receive this other information after the date of our auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of the auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard..

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

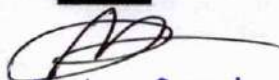
Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or Group or to cease operations, or has no realistic alternative but to do so.

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

Ref: GKC/21-22/A/30 - Page ii


Mir Nasir Hossain
 Managing Director
 Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
 Chief Financial Officer
 Mir Akhter Hossain Ltd.


Md. Masbaus Sunnah
 Company Secretary
 Mir Akhter Hossain Ltd.



Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

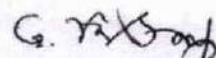
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

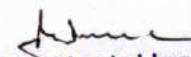
In accordance with the Companies Act 1994, the Securities and Exchange Rules 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report that:

- ▶ 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;
- ▶ In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Group and Company so far as it appeared from our examinations of those books;
- ▶ Financial statements for the year ended 30 June 2021 of subsidiary namely, Mir Securities Limited have been audited by us and have been properly reflected in the consolidated financial statements. We have expressed an unqualified opinion for the company;
- ▶ The consolidated and the separate statements of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns; and
- ▶ The expenditures incurred were for the purpose of the Group's and the Company's business.

Date: 26 October, 2021
Dhaka, Bangladesh
DVC: 2110280392AS948568




A.K. Gulam Kibria, FCA (#392)
Engagement Partner
G. KIBRIA & CO.
Chartered Accountants


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarkar
Chief Financial Officer
Mir Akhter Hossain Ltd.




Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

MIR AKHTER HOSSAIN LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

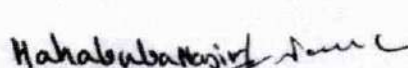
As at 30 June 2021

	Notes	30 JUNE 2021 Taka	30 JUNE 2020 Taka
Assets			
Non-current assets			
Property, plant and equipment	4	4,075,655,901	3,840,446,370
Investment in Joint Venture	5	10,403,929,520	10,315,894,731
Investment in Projects	6	567,826,105	527,926,105
		15,047,411,526	14,684,267,206
Current assets			
Security Deposits (Retention Money)	7	806,068,568	732,929,403
Advance and Prepayments	8A	970,370,307	951,889,504
Advance income tax net of tax provision	9	49,772,694	48,134,478
Inventories	10	4,252,811,374	3,525,944,685
Cash and cash equivalents	11A	1,594,580,400	478,915,521
		7,673,603,342	5,735,813,591
Total assets		22,721,014,868	20,420,080,797
Equity and liabilities			
Shareholders' equity			
Share capital	12	1,207,715,470	1,000,000,000
Share premium		1,042,284,530	-
Revaluation Reserve	13	107,539,881	107,539,881
Non Controlling Interest	14B	173,984	-
Retained earnings	14A	3,197,938,271	2,738,465,717
		5,555,652,136	3,846,005,599
Non-current liabilities			
Deferred tax liability	15	3,325,976	3,325,976
Long term loan	16	12,131,364,077	13,470,491,349
		12,134,690,053	13,473,817,325
Current liabilities and provisions			
Short term loan (Current portion of long-term loan)	16	4,873,468,063	2,812,089,755
Deferred LC	17	101,927,962	349,455,672
Liabilities for expenses	18A	55,276,654	138,712,446
		5,030,672,679	3,100,257,873
Total liability		17,165,362,732	16,574,075,198
Total equity and liabilities		22,721,014,868	20,420,080,797
Net Assets Value per Share	26.2A	50.86	35.21

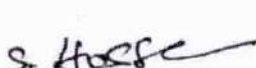
The accompanying notes form an integral part of these financial statements and are to be read in conjunction therewith.


Chief Financial Officer


Company Secretary

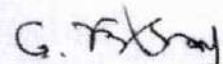

Director


Managing Director


Chairperson

Signed in terms of our report of even date annexed.

Dhaka, 26th October 2021
DVC: 2110280392AS948568



A.K. Gulam Kibria FCA, Partner (#392)
G. KIBRIA & CO.
Chartered Accountants


GKC/A/21-22/30

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Mir Akhter Hossain Limited


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.


Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.


MIR AKHTER HOSSAIN LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2021

	Notes	30 JUNE 2021 Taka	30 JUNE 2020 Taka
Revenue	19	3,242,277,000	2,694,959,701
Cost of execution of the contract	20	(2,306,555,858)	(1,928,782,658)
Gross profit		935,721,142	766,177,043
General and administration expenses	21A	(198,461,469)	(144,650,336)
Profit from operations		737,259,673	621,526,707
Non-operating income	22	16,382,166	13,328,379
Financial expenses	23	(425,921,011)	(379,093,795)
Profit before tax and WPPF		327,720,828	255,761,291
Contribution to WPPF		(16,101,305)	(12,179,109)
Profit before tax from own construction business		311,619,523	243,582,182
Tax expense			
Current	24.1	(220,057,635)	(168,613,886)
Deferred	24.2	-	-
Total Tax expense		(220,057,635)	(168,613,886)
Profit after tax from own construction business		91,561,888	74,968,296
Profit after tax from Joint Venture	25	367,884,649	300,038,702
Total net profit after tax for the year		459,446,537	375,006,997
Other comprehensive income		-	-
Total comprehensive income for the year		459,446,537	375,006,997
Total comprehensive income attributable to:		462,914,886	375,006,997
Mir Akhtar Hossain Limited		462,940,902	375,006,997
Non-Controlling Interest		(26,016)	-
Basic and Dilutive Earnings per Share	26.1A	4.21	3.43

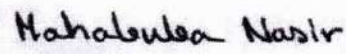
The accompanying notes form an integral part of these financial statements and are to be read in conjunction therewith.


Chief Financial Officer


Managing Director


Chairperson


Company Secretary


Director

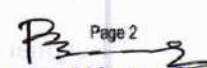
Signed in terms of our report of even date annexed.

Dhaka, 26th October 2021
DVC: 2110280392AS948568



A.K. Gulam Kibria FCA, Partner (#392)
G. KIBRIA & CO.
Chartered Accountants

GKCI/A/21-22/30


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.

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Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.

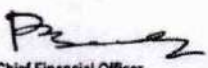

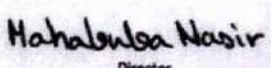
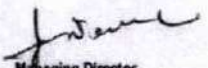
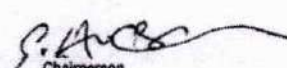



Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

MIR AKHTER HOSSAIN LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 For the year ended 30 June 2021

Particulars	Share capital	Share Premium	Retained	Revaluation	Non-Controlling	Total	Total
			Earnings	Reserve	Interest	Reserve and Surplus	
	Taka		Taka			Taka	Taka
Balance as at 01 July 2019	1,000,000,000	-	2,363,458,720	107,539,881	-	2,470,998,601	3,470,998,601
Profit after tax for the year 30 June 2020	-	-	74,968,295	-	-	74,968,295	74,968,295
Profit after tax from Joint Venture	-	-	300,038,702	-	-	300,038,702	300,038,702
Balance as at 30 June 2020	1,000,000,000	-	2,738,465,717	107,539,881	-	2,846,005,598	3,846,005,598
Balance as at 01 July 2020	1,000,000,000	-	2,738,465,717	107,539,881	-	2,846,005,598	3,846,005,598
Issue of new shares	207,715,470	1,042,284,530	-	-	-	-	1,250,000,000
Profit after tax for the year 30 June 2021	-	-	91,561,888	-	-	91,561,888	91,561,888
Profit after tax from Joint Venture	-	-	367,884,649	-	-	367,884,649	367,884,649
NCI Portion of Loss in Subsidiary	-	-	26,016	-	(26,016)	-	-
NCI Portion of Equity in Subsidiary	-	-	-	-	200,000	200,000	200,000
Balance as at 30 June 2021	1,207,715,470	1,042,284,530	3,197,938,270	107,539,881	173,984	3,305,652,136	5,555,652,136

The accompanying notes form an integral part of these financial statements and are to be read in conjunction therewith.


 Chief Financial Officer
 Company Secretary
 Mahabulba Nasir Director
 Managing Director
 Chairperson

Signed in terms of our report of even date annexed.

Dhaka, 26th October 2021
 DVC: 2110280392AS948568


 A.K. Gulam Kibria FCA, Partner (R392)
 G. KIBRIA & CO.
 Chartered Accountants




 Mir Nasir Hossain
 Managing Director
 Mir Akhter Hossain Ltd.


 Parymal Kumer Sarker
 Chief Financial Officer
 Mir Akhter Hossain Ltd.


 Md. Masbaus Sunnah
 Company Secretary
 Mir Akhter Hossain Ltd.

Mir Akhter Hossain Limited

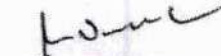
Consolidated Statement of cash flows

For the year ended 30 June 2021

	Notes	30 JUNE 2021 Taka	30 JUNE 2020 Taka
A. Cash flows from operating activities			
Cash receipts from customers		3,610,161,649	2,994,998,403
Cash paid to suppliers and employees		(3,184,895,427)	(2,764,246,834)
Cash generated from operation		425,266,222	230,751,569
Income tax deducted at source and paid		(221,695,851)	(167,942,147)
Net cash generated from operating activities		203,570,371	62,809,422
B. Cash flows from investing activities			
Purchase of property, plant and equipment	4	(704,500,728)	(345,660,992)
Investment in Joint Venture	5	(88,034,789)	(3,534,028,548)
Investment in FDR		-	754,972,500
Investment in Projects	6	(39,900,000)	48,382,892
Net cash used in investing activities		(832,435,517)	(3,076,354,348)
C. Cash flows from financing activities			
Total Loan net of repayment		922,251,036	3,372,048,884
Cash inflow for MSL Shares (NCI Portion)		200,000	-
Issuance of new shares through IPO		207,715,470	-
Share Premium		1,042,284,530	-
Interest Paid	23	(425,926,163)	(379,093,795)
Net cash (used in)/from financing activities		1,746,524,873	2,992,955,089
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)		1,117,659,728	(20,589,836)
Unrealized FX Gain/(loss) related to Foreign Currency held		5,152	-
E. Opening cash and cash equivalents		476,915,521	497,505,358
F. Closing cash and cash equivalents (D+E)		1,594,580,400	476,915,521
Net Operating Cashflow per share (Note 26.3A)		1.86	0.58


The accompanying notes form an integral part of these financial statements and are to be read in conjunction therewith.


Chief Financial Officer


Managing Director

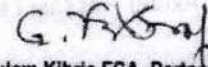

Chairperson


Company Secretary


Director

Signed in terms of our report of even date annexed.

Dhaka, 26th October 2021
DVC: 2110280392AS948568


A.K. Gulam Kibria FCA, Partner (#392)
G. KIBRIA & CO
Chartered Accountants

GKC/A/21-22/30

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Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
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Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.



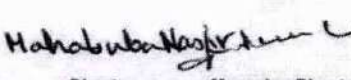
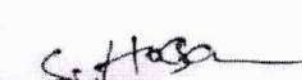
MIR AKHTER HOSSAIN LIMITED

STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	Notes	30 JUNE 2021 Taka	30 JUNE 2020 Taka
Assets			
Non-current assets			
Property, plant and equipment	4	4,075,655,901	3,840,446,370
Investment in Joint Venture	5	10,403,929,520	10,315,894,731
Investments in Mir Securities Limited		79,800,000	-
Investment in Projects	6	567,826,105	527,926,105
		15,127,211,526	14,684,267,206
Current assets			
Security Deposits (Retention Money)	7	806,068,568	732,929,403
Advance and Prepayments	8	940,641,976	951,889,504
Advance income tax net of tax provision	9	49,772,694	48,134,478
Inventories	10	4,252,811,374	3,525,944,685
Cash and cash equivalents	11	1,554,680,805	476,915,521
		7,603,975,416	5,735,813,591
Total assets		22,731,186,942	20,420,080,797
Equity and liabilities			
Shareholders' equity			
Share capital	12	1,207,715,470	1,000,000,000
Share premium		1,042,284,530	-
Revaluation Reserve	13	107,539,881	107,539,881
Retained earnings	14	3,208,318,829	2,738,465,717
		5,565,858,710	3,846,005,599
Non-current liabilities			
Deferred tax liability	15	3,325,976	3,325,976
Long term loan	16	12,131,364,077	13,470,491,349
		12,134,690,053	13,473,817,325
Current liabilities and provisions			
Short term loan (Current portion of long-term loan)	16	4,873,468,063	2,612,089,755
Deferred LC	17	101,927,962	349,455,672
Liabilities for expenses	18	55,242,154	138,712,446
		5,030,638,179	3,100,257,873
Total liability		17,165,328,232	16,574,075,198
Total equity and liabilities		22,731,186,942	20,420,080,797
Net Assets Value per Share	26.2	50.95	35.21

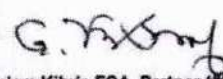
The accompanying notes form an integral part of these financial statements and are to be read in conjunction therewith.

Chief Financial Officer Company Secretary Director Managing Director Chairperson


Signed in terms of our report of even date annexed.

Dhaka, 26th October 2021
DVC: 2110280392AS948568


 A.K. Gulam Kibria FCA, Partner (#392)
 G. KIBRIA & CO.
 Chartered Accountants




 Mir Nasir Hossain
 Managing Director
 Mir Akhter Hossain Ltd.


 Parymal Kumer Sarker
 Chief Financial Officer
 Mir Akhter Hossain Ltd.


 Md. Masbaus Sunnah
 Company Secretary
 Mir Akhter Hossain Ltd.

MIR AKHTER HOSSAIN LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2021

	Notes	30 JUNE 2021 Taka	30 JUNE 2020 Taka
Revenue	19	3,242,277,000	2,694,959,701
Cost of execution of the contract	20	(2,306,555,858)	(1,928,782,658)
Gross profit		935,721,142	766,177,043
General and administration expenses	21	(188,054,895)	(144,650,336)
Profit from operations		747,666,247	621,526,707
Non-operating income	22	16,382,166	13,328,379
Financial expenses	23	(425,921,011)	(379,093,795)
Profit before tax and WPPF		338,127,402	255,761,291
Contribution to WPPF		(16,101,305)	(12,179,109)
Profit before tax from own construction business		322,026,097	243,582,182
Tax expense			
Current	24.1	(220,057,635)	(168,613,886)
Deferred	24.2	-	-
Total Tax expense		(220,057,635)	(168,613,886)
Profit after tax from own construction business		101,968,462	74,968,296
Profit after tax from Joint Venture	25	367,884,649	300,038,702
Total net profit after tax for the year		469,853,111	375,006,997
Other comprehensive income		-	-
Total comprehensive income for the year		469,853,111	375,006,997
Basic and Dilutive Earnings per Share	26.1	4.30	3.43

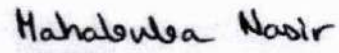
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Chief Financial Officer


Managing Director

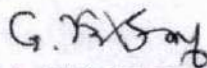

Chairperson


Company Secretary


Director

Signed in terms of our report of even date annexed.

Dhaka, 26th October 2021
DVC: 2110280392AS948568


A.K. Gulam Kibria FCA, Partner (#392)
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Chartered Accountants


GKC/A/21-22/30


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.

Page 6

Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.




Md. Masbaul Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

MIR AKHTER HOSSAIN LIMITED
STATEMENT OF CHANGES IN EQUITY

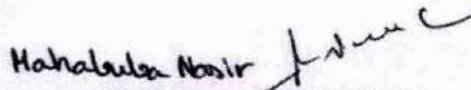
For the year ended 30 June 2021

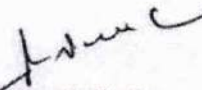
Particulars	Share capital	Share Premium	Retained Earnings	Revaluation Reserve	Total Reserve and Surplus	Total
	Taka		Taka		Taka	Taka
Balance as at 01 July 2019	1,000,000,000	-	2,363,458,720	107,539,881	2,470,998,601	3,470,998,601
Profit after tax for the year 30 June 2020	-	-	74,968,295	-	74,968,295	74,968,295
Profit after tax from Joint Venture	-	-	300,038,702	-	300,038,702	300,038,702
Balance as at 30 June 2020	1,000,000,000	-	2,738,465,717	107,539,881	2,846,005,598	3,846,005,598
Balance as at 01 July 2020	1,000,000,000	-	2,738,465,717	107,539,881	2,846,005,598	3,846,005,598
Issue of new shares	207,715,470	1,042,284,530	-	-	-	1,250,000,000
Profit after tax for the year 30 June 2021	-	-	101,968,462	-	101,968,462	101,968,462
Profit after tax from Joint Venture	-	-	367,884,649	-	367,884,649	367,884,649
Balance as at 30 June 2021	1,207,715,470	1,042,284,530	3,208,318,828	107,539,881	3,315,858,710	5,565,858,710

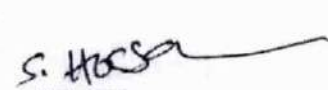
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 Chief Financial Officer


 Company Secretary


 Director


 Managing Director

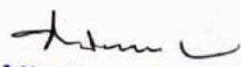

 Chairperson


Signed in terms of our report of even date annexed.

Dhaka, 26th October 2021
 DVC: 2110280392AS948568


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Mir Akhter Hossain Limited

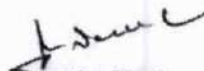
Statement of cash flows

For the year ended 30 June 2021

	30 JUNE 2021 Taka	30 JUNE 2020 Taka
A. Cash flows from operating activities		
Cash receipts from customers	3,610,161,649	2,994,998,403
Cash paid to suppliers and employees	(3,144,795,022)	(2,764,246,834)
Cash generated from operation	465,366,627	230,751,569
Income tax deducted at source and paid	(221,695,851)	(167,942,147)
Net cash generated from operating activities	243,670,776	62,809,422
B. Cash flows from investing activities		
Purchase of property, plant and equipment	(704,500,728)	(345,660,992)
Investment in Joint Venture	(88,034,789)	(3,534,028,548)
Investment in Mir Securities Limited	(79,800,000)	-
Investment in FDR	-	754,972,500
Investment in Projects	(39,900,000)	48,362,692
Net cash used in investing activities	(912,235,517)	(3,076,354,348)
C. Cash flows from financing activities		
Total Loan net of repayment	922,251,036	3,372,048,884
Issuance of new shares through IPO	207,715,470	-
Share Premium	1,042,284,530	-
Interest Paid	(425,926,163)	(379,093,795)
Net cash (used in)/from financing activities	1,746,324,873	2,992,955,089
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)	1,077,760,133	(20,589,836)
Unrealized FX Gain/(loss) related to Foreign Currency held	5,152	-
E. Opening cash and cash equivalents	476,915,521	497,505,358
F. Closing cash and cash equivalents (D+E)	1,554,680,805	476,915,521
Net Operating Cashflow per share (Note 26.3)	2.23	0.58

The accompanying notes form an integral part of these financial statements and are to be read in conjunction therewith.


Chief Financial Officer


Managing Director

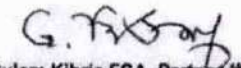

Chairperson


Company Secretary


Director

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MIR AKHTER HOSSAIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS

As at and for the period ended 30 June 2021

1. Legal Status and Nature of the Company

1.1

Mir Akhter Hossain Limited ["MAHL"] was incorporated as Private Company Limited by shares on July 18, 1980 vide registration # C-8196/35 with Registrar of Joint Stock Companies & Firm under the Companies act, 1913.

The company in its extra ordinary general meeting held on 3rd and 10th January, 2017 made some amendments to the Memorandum and Articles of Association of the company with a view to converting it into a Public Limited company, increasing its authorized capital, decreasing the denomination of face value of shares, complying with the Companies Act 1994, which were approved by the Registrar of Joint Stock Companies and Firms, Dhaka. On January 26, 2021, the Company was listed on the Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) through Initial Public Offering (IPO).

1.2 The address of the corporate office of the company is at Red Crescent Borak Tower, Level 7 & 10, 71-72 Old Elephant road, Eskaton Garden, Dhaka-1000.

1.3

The company owns and operates a construction business. In addition to working under its own name, MAHL also executes several construction work under Joint Venture agreements. The company was also involved in trading of cigarettes. However from July 01, 2017 the company has discontinued its cigarettes business as per decision of its Board Meeting dated September 20, 2017 with retrospective effect from 01 July 2017. All inventory held for the cigarette business were disposed in the year at book market value resulting in no gain or loss on disposal.

1.4 Description of subsidiaries and associates

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases

Mir Securities Limited

Mir Securities Limited ("MSL") was incorporated in Bangladesh on 2 March 2021 vide registration # C-169341/2021 as a private company limited by shares under the Companies Act, 1994. The registered office of the Company is situated at Red Crescent Borak Tower, Level # 7 & 10, 37/3/A, Eskaton Garden, Dhaka. It is a subsidiary Company of Mir Akhter Hossain Ltd that holds 99.75% ownership of the Company.

The main objective of Mir Securities Limited is to act as a member of stock exchanges, the central depository system (CDS) companies and to carry on the business of broker, jobbers or dealers in stocks, shares, securities, bonds, debentures. The Company is currently in the process of obtaining their Trading Right Entitlement Certificate (TREC) from Bangladesh Securities and Exchange Commission (BSEC)

2. Basis of preparation

2.1 Statement of compliance

These financial statements are individual financial statements of MAHL, and have been prepared in accordance with International Financial Reporting Standards (IFRS), the Companies Act, 1994, the Securities and Exchange Rules, 1987, relevant guidelines issued by the Bangladesh Securities and Exchange Commission (BSEC), Income Tax Ordinance 1984, VAT and Supplementary duty Act 2012, Regulations of Dhaka and Chittagong Stock Exchange, Bangladesh Labour Act 2006 (Amendment in 2013) and Bangladesh Labour Rules 2015, Financial Reporting Act 2015 and other applicable laws in Bangladesh. These individual financial statements present the financial position and performance of MAHL and its investment in Joint Ventures with multiple entities.

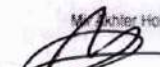
GKCI/A/21-22/30


Mir Nasir Hossain
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Page 9


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These financial statements have been prepared on going concern basis. Unless otherwise specifically mentioned, historical cost principle has been followed for the purpose of the financial statements.

2.2 Structure, content and presentation of financial statements

Being the general purpose financial statements, the presentation of these financial statements is in accordance with the guidelines provided by IAS 1: "Presentation of Financial Statements". A complete set of financial statements comprises:

- i) Consolidated and Separate Statement of Financial Position;
- ii) Consolidated and Separate Statement of Profit or Loss and Other Comprehensive Income;
- iii) Consolidated and Separate Statement of Changes in Equity;
- iv) Consolidated and Separate Statement of Cash Flows;
- v) Notes to the Consolidated and Separate Financial Statements, comprising a summary of significant accounting policies and other explanatory information to the financial statements.

2.3 Basis of consolidation

(i) Subsidiaries

The financial statements of subsidiary, Mir Securities Limited ('MSL') has been fully consolidated as Mir Akhter Hossain Limited ('MAHL') directly controls more than 50% of the voting rights of MSL. The accounting policies of MSL have been aligned with the policies adopted by Mir Akhter Hossain Limited.

(ii) Non-controlling interests

Non-controlling interest (NCI) is the equity interest in MSL not attributable to MAHL. NCI is calculated at MSL's proportionate share of identifiable net assets at the date of acquisition as per para 19 of IFRS 3: *Business Combinations*. NCI is presented in the consolidated statement of financial position, separately from the equity of the shareholders of MAHL as per paragraph 22 of IFRS 10: *Consolidated Financial Statements*.

In accordance with paragraph B94 of IFRS 10: Consolidated Financial Statements, the Group attributes the profit or loss and each component of the other comprehensive income to the owners of the parent and to the non-controlling interests even if the results in the non-controlling interest having a deficit balance.

(iii) Loss of control

When MAHL loses control over its subsidiary, it derecognises the assets and liabilities of the subsidiary and any related NCI and other components of the equity. Any resulting gain or loss is recognised in the profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(iv) Intragroup transactions

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of MAHL's interest in the investee. Unrealised losses, if any, are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

2.3 Investment in Joint Ventures


In addition to the Company's own construction business, the Company will form joint ventures with other organizations to execute customer contracts. The investment in these joint ventures are accounted for using the equity method. Under the equity method, the investment in the joint ventures are initially recognised at cost. The carrying amount of the investments are adjusted to recognise changes in the company's share of net assets of the joint venture since the acquisition date.

2.4 Basis of measurement

Under the historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire them at the time of acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation, or in some circumstances (for example, income taxes), at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.


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2.5 Functional and presentational currency

These financial statements are prepared in Bangladeshi Taka (Taka/BDT), which is both the company's functional and presentational currency. All financial information has been rounded off to the nearest integer.

2.6 Use of estimates and judgments

The preparation of financial statements, in conformity with IFRS, requires management to make judgment, estimates and assumptions that affect the reported amount of revenue, expense, asset and liabilities and the accompanying disclosures including disclosures on contingent liabilities. Uncertainties about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amounts of assets and liabilities in future periods.

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

In particular, information about significant areas of assumptions, estimations and judgments in applying accounting policies that have the most significant effect on the amount recognised in the consolidated financial statements are described in the following notes

Note - 2.2	Basis of consolidation
Note - 2.3 and 5	Basis for using Equity Method
Note - 2.7	Going Concern
Note - 3.2	IFRS 16: Leases
Note - 3.4.3	Depreciation and useful life duration of assets
Note - 3.5	Impairment of Assets
Note - 3.9.2 and 15	Deferred tax asset/liability
Note - 3.9.1 and 24	Provision for corporate tax
Note - 3.13 and 35	Contingent Liabilities

Measurement of Fair Value

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

Level 1:	quoted prices (unadjusted) in an active market for identical assets or liabilities
Level 2:	inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3:	inputs for the asset or liability that are not based on observable market data.

2.7 Going concern

As per IAS-1 para 25, a company is required to make assessment at the end of each year to assess its capability to continue as a going concern. These financial statements have been prepared on going concern basis. The company has adequate resources to continue its operation for the foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the financial statements. The current resources and credit facilities of the company are sufficient to meet the present requirements of its existing business.

Impact of Covid-19 Pandemic

Similar to all other organizations, MAHL was also not immune to the impact of Covid-19. There were significant delays in the completion of several on-going projects during the current year and prior year. As a result, there was a significant reduction in revenue recognized the Company for the year ended 30 June 2020 (which was the first year of the pandemic). With the partial improvement of the pandemic in the country and vaccination roll-outs, the overall economy has started to recover. This impact can also be seen in the financial performance of the Company with 20% increase in revenue for the Company compared to the prior year. The Company has managed to earn a positive Operating Cash Flow which shows that the overall liquidity position of the Company is still sound. The Company is always monitoring the market, industry partners and the overall economy for any potential future impact of this pandemic.



2.8 Statement of cash flows

Statement of cash flows has been prepared in accordance with as per IAS 7: "Statement of cash flows" under direct method as prescribed by the Bangladesh Securities and Exchange (BSEC) rule 1987. A reconciliation of Net operating cashflow from operating activities under the indirect method has also been prepared in accordance with Clause No. 5(2)(e) of Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 Dated 20th June, 2018 (Gazette publication date: August 8, 2018).

2.9 Materiality, aggregation and off setting

Each material item as considered by management significant, has been presented separately in the financial statements. The Company reports separately both assets and liabilities, and income and expenses unless required by an applicable accounting standard or offsetting reflects substance of the transaction and such offsetting is permitted by applicable accounting standard. No amount has been set off unless the Company has legal right to set off the amounts and intends to settle on net basis

2.10 Reporting period

This financial period of the company covers one (1) year from 01 July 2020 to 30 June 2021.

2.11 Compliance with Financial Reporting standards as applicable in Bangladesh for the Company

The following IAS/IFRS are applicable for the preparations of financial statements for the period under review

IAS 1	Presentation of financial statements
IAS 2	Inventories
IAS 7	Statement of cash flows
IAS 8	Accounting policies, changes in accounting estimates and errors
IAS 10	Events after the reporting period
IAS 12	Income taxes
IAS 16	Property, plant & Equipment
IAS 17	Leases
IAS 19	Employee benefits
IAS 21	The effects of changes in foreign exchange rates
IAS 23	Borrowing costs
IAS 24	Related party disclosures
IAS 28	Investment in associates and Joint Ventures
IAS 33	Earnings per share
IAS 37	Provisions, contingent liabilities and contingent assets
IFRS 9	Financial Instruments
IFRS 7	Financial Instruments, disclosures
IFRS 8	Operating Segments
IFRS 15	Revenue from contracts with customers
IFRS 16	Leases

2.12 Accrual Basis


Mir Akhter Hossain Limited prepares its financial statements, except for cash flow information, using the accrual basis of accounting. Since the accrual basis of accounting is used, the Company recognizes items as assets, liabilities, equity, income and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the IFRS conceptual Framework.

2.13 Comparative Information

Comparative information has been disclosed in respect of 01 July 2019 to 30 June 2020 in accordance with IAS 1: Presentation of Financial Statements for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current periods of financial statements.


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Company Secretary
Mir Akhter Hossain Ltd.

2.14 **Current versus non-current classification**

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. Assets and liabilities are classified as current when they are expected to be realized, settled, sold or consumed in a normal accounting cycle or within twelve months after the reporting period. Assets and liabilities that are held primarily for trading are also considered current.

2.15 **Standards issued but not yet effective in Bangladesh**

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below.

IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) that was issued in 2005. IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. This standard is not applicable to the Company and will not be adopted.

IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of liabilities

As part of its 2018-2020 annual improvements to IFRS standards process the IAASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The Company will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendments are not expected to have a material impact on the Company.

Definition of Accounting Estimates - Amendments to IAS 8

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed. The amendments are not expected to have a material impact on the Company.

3. **Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 **Shareholders' capital - paid-up capital**

Paid-up capital represents the total amount of shareholders capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time.

3.2 **Lease transactions (IFRS 16)**

Starting 1st July 2019, IFRS 16 has been adopted and all leasing arrangements except those having less than 12 months of useful life and underlying asset values considered low value when new, have been capitalized as "right to use" assets with a corresponding financial liability on the balance sheet



Leased assets are capitalized from the start date of the lease agreement at the present value of the future leased payments, based on the rate of interest entered in the asset master data. Low value and short term leases (<12months) have been excluded from the recognition requirements and expensed in operating profit as rental costs. Lease reassessment and lease modification to increase/decrease the value of an asset depending on a change in scope of lease agreement can be made if necessary.

The asset is written off on a straight-line basis over the tenure of the lease agreements. Hence, the useful life of any lease assets depends on the number of periods the assets can be used. The useful life of such assets are dependent on individual agreement and can vary from one agreement to another

For the Current Year, the Company entered into (or had already existing) two (2) lease agreements. These lease agreements were rental leases for the Company's two office premises. For both of these leases, both the lessee and lessor have the right to terminate the lease without permission from the other party and also without any penalty being imposed by the other party. Therefore in line with Paragraph B34 of IFRS 16, both of these leases are not considered to be enforceable.

Since these agreements are not considered enforceable, they do not meet the definition of a contract under IFRS 16 and thus does not create a right-of-use Asset. Hence, MAHL has recognized the rent paid for their premises in line with their previous practice under IAS 17 which is recognizing a rental expense in the statement of profit or loss.

Since MAHL's rental agreements did not meet the definition of IFRS 16 right-of-use asset, there was no impact on the financial statements due to the adoption of this accounting standard.

3.3 Employee benefits: Provident Fund

Provident Fund

MAHL maintains a defined contribution plan (Employee Provident Fund) for its eligible permanent employees. The eligibility is determined by according to the terms and conditions set forth in the trust deed and rules. The company subscribes to a contributory provident fund for its permanent employees which is administered by a Board of Trustees. As per IAS 19, in a defined contribution plan, the entity pays fixed contributions into a fund but has no legal or constructive obligation to make further payments. Obligations for contribution to defined contribution plans are recognised as an employee benefit expense in profit or loss in the period during which related services are rendered by employees

Workers' Profit Participation Fund (WPPF)

In accordance with IAS 19, an entity shall recognize the expected cost of profit-sharing and bonus payments if the entity has a present legal or constructive obligation to make such payments and reliable measurement of the obligation can be made. The company makes the provision of WPPF @ 5% of its net profit before tax after charging such expense as WPPF in accordance with Bangladesh Labour Act 2006 as amended in 2013.

The Company does not have any policy to provide Defined Benefit Employment Benefits and therefore the Company does not maintain a Gratuity Fund. Consequently there is no provision or gratuity expenses recognized by the Company.

3.4 Property, plant and equipment


3.4.1 Recognition and measurement

Property, plant and equipment (PPE) is recognised as an asset if it is probable that future economic benefits associated with the asset will flow to the entity and the cost of the item can be measured reliably.

Property, plant and equipment are stated at cost or valuation less accumulated depreciation and impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the assets, bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management.


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
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Md. Masbaus Sunnah
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Mir Akhter Hossain Ltd.

3.4.2 Subsequent costs

The costs of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its costs can be measured reliably. The costs of the day to day servicing of property, plant and equipment are recognised in the statement of profit or loss and other comprehensive income as incurred.

3.4.3 Depreciation

Depreciation is recognised in the statement of profit or loss and other comprehensive income on a reducing balance method over the estimated useful lives of each item of property, plant and equipment. Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with IFRS 5 and the date that the asset is derecognised or sold. No depreciation is charged on leasehold land and capital work-in-progress. Depreciation is calculated and charged on all other property, plant and equipment at the following rates on cost or valuation, considering the estimated useful lives of the assets:

	30-Jun-21	30-Jun-20
Land	0%	0%
Plant and machinery	15.00%	15.00%
Spare parts Office equipment	10.00%	10.00%
Furniture fixtures and fittings	10.00%	10.00%
Shuttering Material	20.00%	20.00%
Motor Vehicle	20.00%	20.00%

Gain or loss on sale of property, plant and equipment is recognised in the statement of profit or loss and other comprehensive income as per provision of IAS 16: "Property, plant and equipment".

Depreciation has been allocated to the different projects on the basis of uses of the assets.

MAHL recognizes two kinds of spare parts: parts which are considered long-term assets and parts which are considered inventory. In addition, there are some spare parts which are used over multiple years and they are used on the field to service other capital equipment. These parts are used over multiple years, are of very high value and are held for use in the production of goods or service. Since these items are large, high value and used over multiple years, they meet the definition of property, plant and equipment, as per paragraph 6 of IAS 16 and thus are presented as fixed assets and not inventory.

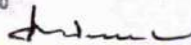
3.4.4 Revaluation of Property Plant and Equipment

When using the revaluation model, as per IAS 16: Property, Plant and Equipment paragraph 31, after recognition as an asset, an item of property, plant and equipment whose fair value shall be measured reliably can be carried at a revalued amount. If PPE and revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The company revalued its land by an independent professional firm namely Nurul Faruk Hasan & Co., Chartered Accountants, creating a revaluation surplus of Taka 11,08,65,857. The valuation report has been prepared and treated in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) and other applicable laws, rules, regulations and guidelines. The revaluation report was prepared based on the financial position of June 30, 2017.


The increase in the carrying amount of revalued assets is recognized in the separate component of equity under the head of revaluation surplus. However, the increase is recognized in profit or loss account to the extent that it reverses a revaluation decrease of the same assets previously recognized in profit or loss account. There were no income recognized for the current for any such reversals. Since the asset which was revalued (Land & Land Developments) is not depreciated, there is no transfer of revaluation surplus to equity done by the Company.

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Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.




Md. Masbaub Sunnah
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3.5 Impairment

3.5.1 Recognition

The carrying value of the company's assets, other than inventories, are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of the asset or its cash-generating unit exceeds its recoverable amount. Impairment losses, if any, are recognised in the statement of profit or loss and other comprehensive income. For the assets that have indefinite useful life, the recoverable amount is estimated at each statement of financial position date.

No indication of impairment was observed in the period ended 30 June 2021.

3.5.2 Calculation of recoverable amount

The recoverable amount of an asset is the greater of net selling price and value in use. The estimated future cash flows are discounted to their present value using discount rate that reflects the current market assessment of the time value of money and the risk specific to the asset. For an asset that does not generate significantly independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

3.5.3 Reversal of impairment

An impairment loss recognised in prior periods for an asset shall be reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, had no impairment loss been recognised for the asset in prior years.

There was no reversal of impairment in the period ended 30 June 2021.

3.6 Capital work-in-progress

Capital work-in-progress represents the cost incurred for acquisition and/or construction of items of property, plant and equipment that were not ready for use at the year end and these are stated at cost.

3.7 Financial Instruments

As per IFRS-7 "Financial Instruments: Disclosure" all financial instruments are presented in a way so that users are enabled to evaluate the significance of financial instruments for the Company and nature and extent of risks arising from financial instruments to which the entity is exposed during the period and how the entity manages those risks.

Investments in fixed deposits

Investments in fixed deposits are shown in the financial statements at its cost and interest income is recognised as they become due.

Cash and cash equivalents


Cash and cash equivalents include cash in hand, balances and deposits with licensed financial institutions that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Advances

Advances with no stated interest are measured at the original amount if the effect of discounting is immaterial


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


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MAHL has adopted IFRS 9 for the current period as this standard has become effective. In previous periods, the entity used IAS/BAS 39 to account for their financial instruments. The adoption of IFRS 9 did not have any impact on the Company's financial statements as there were no changes in the Company's classification of the existing financial instruments (all remained measured at cost). As per IFRS 9, a financial instrument is measured at cost if they are held with a business model whose objective is hold assets and collect contractual cashflows and the contractual terms give rise to cash flows on specific dates which are only payments of principle and interest on the outstanding principle. These two criterias are met by all three instruments above.

3.8 Borrowing costs

As per requirement of IAS 23 Borrowing Costs, directly attributable borrowing costs are capitalised during construction period for all qualifying assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are those borrowing costs that would have been avoided if the expenditure on the qualifying asset had not been made. All other borrowing costs are recognised in profit and loss in the period in which they are incurred.

3.9 Taxation

Tax on the statement of comprehensive income for the year comprises current and deferred tax. Income tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

3.9.1 Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

3.9.2 Deferred tax

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are offset if there is a legal enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

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

3.10 Inventories

3.10.1 Stocks

Inventories represents construction material and supplies i.e., rod, cement, sand, stone, tiles, bricks, pipes, electrical goods etc. awaiting use in the production process. Therefore, the company complies with the principles of IAS-2 "Inventories" and recognise inventories at cost using weighted average cost formula and measure the same at reporting date at lower of cost and net realisable value.

3.10.2 Stores


Spare parts and miscellaneous items are valued at the lower of cost and net realizable value.

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Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.




Md. Masbaus Sunnah
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Mir Akhter Hossain Ltd.

3.10.3 Contract Asset - Work in Progress & Contract Liabilities

Contract Asset: Work-in-process represents performance obligation completed by MAHL but for which consideration is not yet due (since the customer has not been billed). In accordance with paragraph 107 of IFRS 15, this is recorded as an asset. IFRS 15 allows a Company to use alternative description to represent Contract Asset in the statement of financial position (paragraph 109). Therefore contract asset is presented as "Work in Progress" in the statement of financial position.

MAHL does not operate or use sales agents who receive compensation in the form of commission from the Company. Rather than agents, the Company has human resources engaged in business development. The compensation of these employees are not directly related to acquisition of any single contracts but rather incurred periodically in the form salary and wages. Therefore the Company does not record any contract assets in related to customer contracts regarding costs incurred to obtain contracts which is in line with IFRS 15 Paragraph 91.

Contract liabilities represent payments received for consideration not yet completed. The Company only bills their clients for work completed after a survey is completed by the Customer to confirm the stage of work completion. The Company only recognizes revenue after this process is completed and only then will the Company bill their customers. Consequently, no payment is ever received before an obligation is completed and hence there is no Contract Liabilities on the financial statements

3.11 Trade and other receivables

Contracts receivable represent the amounts billed on completed construction contracts. In accordance with IFRS 15, the receivable amount represents MAHL's right to consideration that is unconditional. The consideration is unconditional due to the fact that the service has been completed and the customer has been billed for the services provided. Contract receivable asset should be distinguished from Work in Process which represents contracts assets where MAHL has completed their performance obligation but payment is not yet due (since the customer has not been billed yet). There are further details in Contract Asset: Work in progress is Note 3.10.3

3.12 Foreign currency transactions

The financial statements are presented in BDT which is company's functional currency. Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies at the date of statements of financial position are translated into taka at the exchange rate prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined. Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss as per IAS-21 the Effects of Changes in Foreign Exchange Rates.

3.13 Provisions, contingent liabilities and contingent assets

Provisions


A provision is recognised in the statement of financial position when the company has a legal or constructive obligation as a result of past events, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities

Contingent liabilities is a possible obligation that arises from the past events and whose existence will be confirmed only by the occurrence or non-occurrence of more uncertain future events not wholly within the control of the entity; or a present obligation that arises from past events but is not recognised because:


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.


Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

- a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- b) the amount of the obligation cannot be measured reliably.

Contingent Assets

A Contingent asset is a possible asset that arises from the past events and whose existence will be confirmed only by the occurrence or non-occurrence of more uncertain future events not wholly within the control of the entity.

Contingent liabilities and assets are not recognised in the statement of financial position of the Company. They are disclosed in the notes to the financial statements.

3.14 Revenue recognition

Under IFRS 15, revenue is measured under a 5 step process. The 5 step process includes:

- 1. Identification of contract
- 2. Identification of performance obligation
- 3. Determination of transaction price
- 4. Allocation of transaction price to performance obligation
- 5. Satisfaction of performance obligation

Through a 5 step process, the Company identifies a contract with a customer and the contract details the consideration amount that is to be received from the customer in return for distinct performance obligations that is to be performed by the Company. The performance of these obligations are fulfilled through the transfer of goods and services to the customer.

As MAHL operates in the construction business, fulfilment of their contracts involve providing goods and services of varied nature in a given contract. However the nature of these services is such that they are not distinct individually but rather cumulatively makes up one single distinct deliverable (since the customer cannot enjoy the benefits from those goods or services on their own). Therefore the consideration to has been agreed in the contract is attributed to the that one deliverable rather than allocating them to individual goods or services since they are not distinct from one another.

The performance obligation related to MAHL's construction contracts are satisfied over-time. MAHL uses the output method to determine the entity's progress towards complete satisfaction of a performance obligation over time. MAHL uses the output method because it provides a true and fair presentation of the value to the customer of the goods and services transferred to date relative to the remaining goods and services promised under the contract.

As described above, the Company adopted IFRS 15 using the full retrospective method. Adoption of IFRS 15 did not lead to any changes in the revenue recorded in previous periods. Revenue was recognized in line with the Company's progress of completion in prior years and the consideration to be received did not involve variable elements or multiple performance obligations.

3.15 Contract Cost


Contract costs are costs that are incremental to obtaining a contract with a customer or costs that are directly related to fulfilling a specified customer (Fulfilmen cost). Contract cost is capitalised as an asset and amortised in a way that is consistent with the transfer of the related goods and service.


3.16 Interest expenses

Interest expense comprises interest expense on overdraft, import loan, demand loan, finance lease and term loan. All interest expenses are recognised in the statement of profit or loss and other comprehensive income when it accrues. Interest expenses is allocated to the different projects and joint ventures on the basis of loan used.

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Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.


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Mir Akhter Hossain Ltd.



3.17 Earnings per share

Basic earnings per share

The company presents basic earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the company by the weighted average number of ordinary shares outstanding at the year end as per IAS-33 "earnings per share".

Diluted earnings 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.

3.18 Related party transaction

Parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the party in making financial and operating decisions. The company carried out transactions in the ordinary course of business on an arms length basis at commercial rates with its related parties.

3.19 Events after the reporting date


Events after the reporting date that provide additional information about the company's position at the reporting date are reflected in the financial statements. Events after the reporting date that are not adjusting events are disclosed in the notes when material.

3.20 General

Previous year's numerical information, narratives and descriptive information in the financial statements and accompanying notes have been disclosed and rearranged/reclassified wherever considered necessary to conform to current year's presentation.


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.




Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.


Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

4. Property, plant and equipment

Particulars	Land	Plant and machinery	Spare parts & Office equipment	Furniture fixtures and fittings	Shuttering Material	Motor vehicles	Warehouse & Workshop (CWIP)	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
AS AT 30 June 2021								
Cost or valuation								
As at 01 July 2020	344,864,500	1,120,090,920	3,347,737,510	74,683,805	717,430,074	613,911,309	-	6,218,718,118
Addition during the year	112,464,933	113,983,276	27,078,560	5,103,365	265,275,484	44,013,352	136,581,758	704,500,728
Revaluation surplus	-	-	-	-	-	-	-	-
Adjustment/disposal	-	-	-	-	-	-	-	-
As at 30 June 2021	457,329,433	1,234,074,196	3,374,816,070	79,787,170	982,705,558	657,924,661	136,581,758	6,923,218,846
Accumulated depreciation								
As at 01 July 2020	-	528,684,845	1,079,710,871	22,621,767	413,146,054	334,108,212	-	2,378,271,748
Charge during the year	-	91,902,201	228,601,309	5,534,730	84,101,048	59,161,909	-	469,291,198
Adjustment/disposal	-	-	-	-	-	-	-	-
As at 30 June 2021	-	620,587,046	1,308,312,180	28,156,496	497,247,102	393,260,121	-	2,847,562,946
Net book value								
As at 30 June 2021	457,329,433	613,487,150	2,066,503,890	51,630,674	485,458,456	264,664,540	136,581,758	4,075,655,901
AS AT 30 June 2020								
Cost or valuation								
As at 01 July 2019	344,864,500	954,595,729	3,277,030,647	67,404,037	687,755,498	541,406,715	-	5,873,057,126
Addition during the year	-	165,495,191	70,706,863	7,279,768	29,674,576	72,504,594	-	345,660,992
Revaluation surplus	-	-	-	-	-	-	-	-
Adjustment/disposal	-	-	-	-	-	-	-	-
As at 30 June 2020	344,864,500	1,120,090,920	3,347,737,510	74,683,805	717,430,074	613,911,309	-	6,218,718,118
Accumulated depreciation								
As at 01 July 2019	-	443,974,579	830,389,973	17,115,460	339,608,867	271,345,464	-	1,902,434,342
Charge during the year	-	84,710,266	249,320,898	5,506,307	73,537,187	62,762,748	-	475,837,406
Adjustment/disposal	-	-	-	-	-	-	-	-
As at 30 June 2020	-	528,684,845	1,079,710,871	22,621,767	413,146,054	334,108,212	-	2,378,271,748
Net book value								
As at 30 June 2020	344,864,500	591,406,075	2,268,026,639	52,062,038	304,284,020	279,803,097	-	3,840,446,370



Nasir Hossain
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 Managing Director
 Mir Akhter Hossain Ltd.

Pr
Praymal Kumar Sarker
 Chief Financial Officer
 Mir Akhter Hossain Ltd.

AS
Md. Masbaus Sunnah
 Mir Akhter Hossain Limited
 Company Secretary
 Mir Akhter Hossain Ltd.

Allocation of Depreciation:

	2021	2020
Mir Akhter Hossain Ltd.	166,829,408	171,832,611
Halla-MAH-Seokwang Joint Venture	4,458,455	-
Samwhan-Mir Akhter Joint Venture	74,428,734	125,032,952
Mir Akhter-Komahallec Joint Venture	5,504,220	26,568,441
Mir Akhter-WMCG Joint Venture	33,111,118	15,827,765
Halla-Mir Akhter Joint Venture	114,073,961	126,402,406
Hego-Mir Akhter Joint Venture	27,930,569	10,173,229
Mir Akhter-CAMCE Joint Venture	16,312,653	-
CRCC-MAHL Joint Venture	22,552,584	-
	469,291,198	475,837,406

Depreciation has been allocated to the different projects on the basis of uses of the assets.

Mir Nasir Hossain
Mir Nasir Hossain
 Managing Director
 Mir Akhter Hossain Ltd.



Md. Masbaus Sunnah
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 Company Secretary
 Mir Akhter Hossain Ltd.

As at
30 JUNE 2021

As at
30 JUNE 2020

5. Investment in Joint Venture

This amount represents the company's investment in the project with foreign collaboration

10,403,929,520	10,315,894,731
10,403,929,520	10,315,894,731

<u>Name of the Joint Venture</u>	<u>Nature of Business</u>		
HALLA-MAH-SEOKWANG JV	Construction	796,016,542	859,971,559
Samwhan-Mir Akhter JV	Construction	3,004,590,686	3,235,381,400
Mir Akhter-Komaihaltec JV	Construction	429,336,740	1,484,985,595
Mir Akhter-WMCG JV	Construction	871,928,159	924,137,347
Hego-Mir Akhter JV	Construction	1,047,597,383	1,055,626,581
Halla-Mir Akhter JV	Construction	2,993,132,828	2,755,792,249
Mir Akhter-CAMCE JV	Construction	715,862,328	-
CRCC-MAHL JV	Construction	545,464,854	-
		10,403,929,520	10,315,894,731

HALLA-MAH-SEOKWANG:

Three entities viz, Halla Corporation, Korea, Mir Akhter Hossain Ltd., Bangladesh and Seokwang Development Co. Ltd. formed a Joint Venture Undertaking (Partnership at will) based on a contract to perform the construction work of Cox's Bazar Airport under the Civil Aviation Authority of Bangladesh.

Samwhan-Mir Akhter JV:

Two entities viz, Samwhan Corporation and Mir Akhter Hossain Ltd., Bangladesh formed a Joint Venture Undertaking (Partnership at will) based on a contract for improvement of road from Dulla Mari road to Tangail (22.4 Km.) from 2-Lane to 4-lane including structures and performance based maintenance works on improved 4-lane road from Dulla Mari Road to Tangail (22.4 Km.) and Construction of 6 (Six) Nos (G-14) Storied Residential Building (100 Sft. Each unit) including civil, Internal & external sanitary & water supply and electrical works, supply & Installation of lift, Generator, electric substation and fire fighting system etc in Block-A of Dhaka Elevated Express way (DEE) project.


Mir Akhter-Komaihaltec JV:

Two entities viz, Komaihaltec Ltd. and Mir Akhter Hossain Ltd. formed a Joint Venture Undertaking (Partnership at will) based on a contract No. PW-02 for Construction of 16(Sixteen) Nos. Bridge at Rajshahi Zone of Western Bangladesh Bridge improvement project.

Mir Akhter-WMCG JV

Two entities viz, Mir Akhter Hossain Ltd. And Wuhan Municipal Construction Group (WMCG) formed a Joint Venture undertaking (Partnership at will) based on a contract for the construction of 7.35 km road from Rajghat to Mohoriguna in Moheshkhali upazilla of Coxsbazar.


Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
Chief Financial Officer
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Company Secretary
Mir Akhter Hossain Ltd.

As at
30 JUNE 2021

As at
30 JUNE 2020

Hego-Mir Akhter JV

Two entities viz; Henan Highway Engineering Group Co. Ltd., Republic of China and Mir Akhter Hossain Ltd. formed a Joint Venture Undertaking (Partnership at will) based on a contract for part-1: Improvement of road from west side of Bangabandhu Bridge to Hatikumrul intersection (19.80 km) to a 4-Lane highway alongwith slow moving vehicular traffic (SMVT) lane on both sides & structures and part-2: performance based maintaince works on improved 4-lane highway from west side of Bangabandhu Bridge to Hatikumrul intersection (19.80 km) to a 4-Lane highway alongwith slow moving vehicular traffic (SMVT) lane on both sides & structures under the SASEC road connectivity project-II: Improvement of Elenga-Hatikumrul-Rangpur road to a 4-lane highway, ICB No.: SASEC-II/ICB/MP-1/WP 06 (LOT 2).

Halla-Mir Akhter JV

Two entities viz; HALLA Corporation , Republic of Korea and Mir Akhter Hossain Ltd., Bangladesh formed a Joint Venture Undertaking (Partnership at will) based on a contract for rehabilitation of road from Badarkhali naval police station to Yunuskhali (Ch. 30+ 339 to Ch. 36+123) including new 680 m kohelia bridge, strengthening of existing runway and taxiway at OSMANI INTERNATIOANL AIRPORT , SYLHET and construction of 595m long PC box grider bridge box over Bakkhali river at Kusturi Ghat under sadar upazila of Cox'sbazar District.

CRCC-MAHL JV

Two entities viz; Mir Akhter Hossain Ltd. And China Railway Construction Bridge Engineering Bureau Group Co. Ltd. formed a Joint Venture undertaking (Partnership at will) based on a contract for the construction of Construction of Broad Gauge Rail Line from Madhukhali to Magura Via Kamarkhali.

MIR AKHTER-CAMCE JV

Two entities viz; Mir Akhter Hossain Ltd. And China CAMC Engineering Co. Ltd. formed a Joint Venture undertaking (Partnership at will) based on a contract for the Strengthening of Existing Runway and Taxiway at Shah Amanat International Airport, Chittagang.

Legal Status of all Joint Ventures:

The legal status of the joint venture is a Partnership at will because it was created only to carry out a particular construction projects as per contract, but in accordance with the provision of Section - 2 (20) BB of Income Tax Ordinance 1984 its status is a Company though it does not have any consequential effect under this Ordinance.

6. Investment in Projects


Balance as at 01 July
Add: Addition during the year

Less: Refund during the year
Balance as at 30 June

527,926,105	576,288,797
39,900,000	-
567,826,105	576,288,797
-	(48,362,692)
567,826,105	527,926,105


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7. Security Deposits (Retention Money)

Security Deposits

	As at 30 JUNE 2021	As at 30 JUNE 2020
Balance as at 01 July	713,959,073	743,670,554
Add: Security deposits retained by the employer	149,673,865	115,923,418
Less: Refund during the period	(76,534,700)	(145,634,899)
Balance as at 30 June	<u>787,098,238</u>	<u>713,959,073</u>

Prepayments

	As at 30 JUNE 2021	As at 30 JUNE 2020
VAT refund:		
Opening	18,970,330	40,744,548
Add: Additions during the year	-	-
Less: Refund during the year:	-	(21,774,218)
	<u>18,970,330</u>	<u>18,970,330</u>
	<u>806,068,568</u>	<u>732,929,403</u>

8. Advance & Prepayments

	As at 30 JUNE 2021	As at 30 JUNE 2020
Advances to employees against salary	2,226,787	2,855,630
Advances to suppliers	938,415,189	949,033,874
	<u>940,641,976</u>	<u>951,889,504</u>

8A. Consolidated Advance & Prepayments

	As at 30 JUNE 2021	As at 30 JUNE 2020
Advance & Prepayments - MAHL	940,641,976	951,889,504
Advance & Prepayments - MSL	30,000,000	-
Less: Intercompany Elimination	(271,669)	-
	<u>970,370,307</u>	<u>951,889,504</u>

9. Advance income tax

	As at 30 JUNE 2021	As at 30 JUNE 2020
Balance as at 01 July	48,134,478	48,806,217
AIT on Import	26,696,435	41,930,415
AIT on Contract revenue	186,201,958	122,020,389
AIT on IPO & STD accounts	1,638,216	1,204,843
AIT on the registration of Car and Vehicle	7,159,242	2,786,500
	<u>269,830,329</u>	<u>216,748,364</u>
Less: Provision for tax	(220,057,635)	(168,613,886)
Balance as at 30 June	<u>49,772,694</u>	<u>48,134,478</u>

10. Inventories


Stocks

	As at 30 JUNE 2021	As at 30 JUNE 2020
Work-in-process	1,740,101,845	1,557,132,876
Raw materials (Note-13.1)	1,995,339,200	1,832,486,556
Goods-in-transit	517,370,329	136,325,253
	<u>4,252,811,374</u>	<u>3,525,944,685</u>


Mir Nasir Hossain
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Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
Chief Financial Officer
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Md. Masbaus Sunnah
Company Secretary
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10.1 Details break-down of Raw materials:

	As at 30 JUNE 2021	As at 30 JUNE 2020
Cement	221,541,230	210,007,899
M.S.Rod	239,233,520	212,896,819
Stone Chips/Boulder	451,247,800	403,463,499
Sand	482,714,570	433,374,149
Bricks	5,833,690	61,245,780
Sanitary Material	3,821,200	4,123,580
Wood & Plastic Door	566,910	678,900
Tiles	328,180	212,340
PVC pipe,RCC pipe & S.S.Pipe	3,823,690	3,640,800
Bitumen	45,521,450	54,125,730
Chemical	6,322,590	8,823,690
Hardware Material	1,477,820	16,823,470
Electrical Material	8,962,540	9,817,460
GP Sheet	5,922,360	8,715,400
Holo Block	477,850	1,645,210
Thai Aluminium	655,240	879,250
Others	516,888,560	402,212,580
Total	1,995,339,200	1,832,486,556

Due to large volume number of items of stocks, it is difficult to quantify each items in a separate and distinct category. Therefore, it is grouped under the suitable head.

11. Cash and cash equivalents

Cash in hand (Note- 11.3)	14,430,642	33,513,150
Cash at banks		
Cash at bank (Note-11.1)	1,170,208,269	105,405,975
Cheque in hand (Note-11.2)	370,041,894	337,996,396
	1,540,250,163	443,402,371
	1,554,680,805	476,915,521

11.1 Cash at bank

Cash at bank MAHL	401,869,703	105,405,975
Cash at bank IPO account (BDT account)	767,713,712	-
Cash at bank IPO account (USD converted to BDT)	624,854	-
	1,170,208,269	105,405,975

11.2 Cheque in hand

Project Name		
Rajshahi New Road(RNR)	159,341,312	41,196,320
Reliance Insurance Limited	37,779,354	-
Nator Baghatipara Bridge, NBB	-	5,920,373
Patenga Container Terminal-Ground Improvement-(PCT)	-	41,887,991
Residential Model Town (3rd Phase) Rajuk Dhaka	-	13,050,100
RHD Sylhet Road Project, SRP	32,774,867	25,534,151
Dhaka Airport (DAP)	-	11,819,723
Chitagang Development Authority,BAKALIA	-	59,965,275
Kanchpur Meghna Gumti Bridge, (OSJI JV)	-	138,622,463
Jamuna River Dredging Works, JRDW	61,749,164	-
Munshiganj Bridge, MSBP	78,397,197	-
	370,041,894	337,996,396

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Mir Akhter Hossain
Mir Akhter Hossain
 Masbaus Sunnah
 Company Secretary
 Mir Akhter Hossain Ltd.

As at
30 JUNE 2021

As at
30 JUNE 2020

11.3 Cash in hand

Project

Head Office	1,468,103	-
RAJUK, Uttara Dev. Project, DHAKA	-	1,356,200
Uttara Residential Apartment Project	623,540	1,535,420
OSJI JOINT VENTURE	578,410	1,012,500
Reliance Insurance Limited	859,632	1,478,600
Chittagang Development Authority, BAKALIA	-	185,680
Matarbari Power Plant	-	184,000
RHD, Shylhet Road Project(SRP)	2,655,820	3,955,400
Dredging Work Madaripur, DWM	-	1,457,900
Nator Baghatipara Bridge, NBB	-	2,783,290
Jamuna River Dredging Works, JRDW	3,655,120	-
Munshiganj Bridge, MSBP	825,630	-
Kushtia Shilpakala Academy (KSA)	531,470	2,520,100
Dhaka Airport (DAP)	2,920,417	8,644,200
Bangabandhu Bridge,RHD (BBTL)	312,500	3,720,360
Dawlatdia Basantapur Road, RHD (DBR)	-	4,679,500
	14,430,642	33,513,150

11A Consolidated Cash and cash equivalents

Cash at bank MAHL (Note-11.1)	1,170,208,269	105,405,975
Cheque in hand (Note-11.2)	370,041,894	337,996,396
Cash in hand (Note- 11.3)	14,430,642	33,513,150
Cash at bank - MSL	39,899,595	-
	1,594,580,400	476,915,521


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12. Share capital

Authorised

200,000,000 Ordinary shares of Tk 10 each

As at
30 JUNE 2021

As at
30 JUNE 2020

2,000,000,000 2,000,000,000

Issued, subscribed and paid-up

120,771,547 Ordinary shares of Tk 10 each

1,207,715,470 1,000,000,000

1,207,715,470 1,000,000,000

Shareholding position of the company

	Nominal value (Taka)		Percentage of holding (%)	
	30-06-2021	30-06-2020	30-06-2021	30-06-2020
Sponsors/Directors	586,670,000	586,670,000	48.58%	58.67%
Institutions	47,106,540	-	3.90%	0.00%
General Public	573,938,930	413,330,000	47.52%	41.33%
	<u>1,207,715,470</u>	<u>1,000,000,000</u>	<u>100.00%</u>	<u>100.00%</u>

On 26 January 2021, the Company raised total proceeds of BDT 1,250,000,000 through Initial Public Offering (IPO). Overall the Company issued 20,771,547 shares with nominal value of BDT 10.00 per share. The Company recognized an increase in Share Capital of BDT 207,715,470 and share premium of BDT 1,042,284,530.

13. Revaluation Reserve

Revaluation reserve

110,865,857 110,865,857

Less: Deferred tax liabilities on revaluation reserve

(3,325,976) (3,325,976)

107,539,881 107,539,881

14. Retained earnings

Balance as at 01 July

2,738,465,717 2,363,458,720

Profit transferred from statement of comprehensive income

101,968,462 74,968,295

Transferred from joint venture business

367,884,649 300,038,702

Balance as at 30 June

3,208,318,829 2,738,465,717

14.A Consolidated Retained earnings

Balance as at 01 July

2,738,465,717 2,363,458,720

Profit transferred from MAHL Business (MAHL)

101,968,462 74,968,295

Less: Loss in MSL attributed to MAHL

(10,380,558) -

91,587,905 -

Transferred from joint venture business

367,884,649 300,038,702

Balance as at 30 June

3,197,938,271 2,738,465,717

14.B Non-Controlling Interest in MSL

Balance as at 01 July

200,000

NCI Portion of MSL Common Share Equity

(26,016)


NCI Portion of MSL loss for the year

173,984


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As at
30 JUNE 2021

As at
30 JUNE 2020

15 Deferred tax liabilities

The company has recognised deferred tax liabilities on revaluation surplus complying with the International Accounting Standard (IAS-12).

There are no other sources of deductible/taxable temporary differences for MAHL. Historically, the Company's depreciation expense for accounting purposes have been in line with depreciation expense recorded for tax purposes leading to no temporary differences. MAHL's joint ventures which are recorded using the equity method also does not lead to any taxable/deductible temporary difference since the Joint Ventures are taxed as a separate entity. All distribution of profits paid to MAHL are done on an after-tax basis and therefore there is no instance where a temporary difference can arise

Revaluation surplus	110,865,857	110,865,857
Tax rate, as per Section 53H of the Income Tax Ordinance 1984 read with Rule 17H	3%	3%
Defferd tax liabilities	3,325,976	3,325,976

16. Loan from Financial Institutions

Social Islami Bank Ltd.	1,510,777,891	1,501,630,959
Shahjalal Islami Bank Ltd.	1,581,546,494	2,024,448,656
Dhaka Bank Ltd.	1,926,868,864	1,783,006,413
United Commercial Bank Limited	2,276,685,362	2,125,424,679
Jamuna Bank Limited	865,740,893	1,476,498,356
Uttara Bank Limited	627,218,368	503,751,240
BRAC Bank Limited	805,606,087	631,055,279
Pubali Bank Limited	-	7,453,159
Standard Bank Limited	931,984,568	1,277,437,585
Al-Arafah Islami Bank Ltd.	1,204,325,190	740,395,869
Midland Bank Ltd.	368,700,492	338,135,494
Modhumoti Bank Ltd.	719,819,347	889,157,899
Mutual Trust Bank Ltd.	1,581,827,928	1,303,714,975
NRB Commercial Bank Ltd.	941,630,556	589,490,649
Dutch Bangla Bank Limited	1,862,100,300	910,979,893
	17,004,832,140	16,082,581,104
Less: Short term Loan	(4,873,468,063)	(2,612,089,755)
Long term loan	12,131,364,077	13,470,491,349

16.1 Social Islami Bank Ltd.

This represents the amount outstanding against term loans taken from The Social Islami Bank Limited on various dates for executing the projects and improting the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.

16.2 Shahjalal Islami Bank Ltd.

This represents the amount outstanding against term loans taken from The Shahjalal Islami Bank Limited on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.


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Mir Akhter Hossain Ltd.

As at
30 JUNE 2021

As at
30 JUNE 2020

16.3 Dhaka Bank Ltd.

This represents the amount outstanding against term loans taken from The Dhaka Bank Limited on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.

16.4 United Commercial Bank Limited

This represents the amount outstanding against term loans taken from The United Commercial Bank Limited on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.

16.5 Jamuna Bank Limited

This represents the amount outstanding against term loans taken from Jamuna Bank Limited on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.

16.6 Uttara Bank Limited

This represents the amount outstanding against term loans taken from Uttara Bank Limited on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at 7.00%-9.00% p.a.

16.7 BRAC Bank Limited

This represents the amount outstanding against term loans taken from BRAC Bank Limited on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.

16.8 Pubali Bank Limited

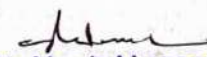
This represents the amount outstanding against term loans taken from Pubali Bank Limited on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.

16.9 Standard Bank Limited

This represents the amount outstanding against term loans taken from Standard Bank Limited on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.


16.10 Al-Arafah Islami Bank Limited

This represents the amount outstanding against term loans taken from Al-Arafah Islami Bank Limited on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.


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Mir Akhter Hossain
Secretary
Mir Akhter Hossain Ltd.

As at
30 JUNE 2021

As at
30 JUNE 2020

16.11 Midland Bank Ltd.

This represents the amount outstanding against term loans taken from Midland Bank Ltd. on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.

16.12 Shimanto Bank Ltd.

This represents the amount outstanding against term loans taken from Shimanto Bank Ltd. on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.

16.13 Modhumoti Bank Ltd.

This represents the amount outstanding against term loans taken from Modhumoti Bank Ltd. on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.

16.14 Mutual Trust Bank Ltd.

This represents the amount outstanding against term loans taken from Mutual Trust Bank Ltd. on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.

16.15 NRB Commercial Bank Ltd.

This represents the amount outstanding against term loans taken from NRB Commercial Bank Ltd. on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.

16.16 Dutch Bangla Bank Ltd.

This represents the amount outstanding against term loans taken from Dutch Bangla Bank Ltd. on various dates for executing the projects and importing the equipments and others. These loans are repayable with interest at the range of 7.00%-9.00% p.a.

16.17 Security


- (a) Personal guarantee of all the Directors including Managing Director of the company.
- (b) Existing charge on immoveable property, moveable property, book debts and floating assets (present and future) of the company duly registered with RJSC&F.
- (c) Mode wise post dated MICR cheques for each limit separately in favor of the bank to be obtained through an undertaking to the effect that these have been provided by you for repayment purpose.
- (d) Fresh usual charge documents (mode wise) duly stamped and filled in.


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
Chief Financial Officer
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Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

As at
30 JUNE 2021

As at
30 JUNE 2020

17. Deferred LC

SL	Item Name	BDT Value
1	Stone	36,443,550
2	Motor Grader	6,796,000
3	Stone	3,277,711
4	Stone	2,823,160
5	Stone	1,771,208
6	Stone	3,298,693
7	Lab Equipment	1,468,600
8	Stone	2,360,153
9	Motor Grader Parts	2,913,700
10	Stone	887,235
11	Stone	2,815,787
12	Stone	3,313,050
13	Woven Geotextile	8,634,573
14	Geogrid	3,287,565
15	Stone	3,311,504
16	Bentonite powder	2,534,483
17	Stone	3,313,050
18	Stone	3,297,258
19	Stone	2,775,529
20	Stone	3,299,503
21	Stone	3,305,651
Total		101,927,962

18. Liabilities for expenses

Salary & Allowances	13,345,900	28,184,180
Audit fees	350,000	350,000
Legal Fees	140,000	100,000
Director's Remuneration	560,000	160,000
Telephone & Fax Bill	12,380	42,690
Electrical Bill	101,600	63,057
Repair & Maintenance (Machinery)	65,700	103,000
Repair & Maintenance (CAR)	63,000	90,100
Repair & Maintenance (Equipment)	16,320	17,530
Office Rent	1,835,177	1,835,178
GAS & WASA Bill	37,200	39,220
Payable to Suppliers	10,065,713	15,000,000
Stationery	15,200	14,860
Newspaper & Postage	1,040	4,050
Office Maintenance Charges	27,190	26,790
Fuel & Lubricant	15,120	130,500
PF Contribution	310,200	252,033
Contribution to WPPF	28,280,414	92,299,258
	55,242,154	138,712,446

18A. Consolidated Liabilities for expenses

Liabilities for expenses - MAHL
Liabilities for expenses - MSL
Less: Intercompany Elimination

55,242,154	138,712,446
306,169	-
(271,669)	-
55,276,654	138,712,446



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Paymal Kumer Sarker
Paymal Kumer Sarker
Chief Financial Officer
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Md. Masbaub Sunnah
Md. Masbaub Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

For the year ended
30 JUNE 2021

For the year ended
30 JUNE 2020

19. Revenue

#	Project Name (Details of Revenue is shown in Annexure - 1)	For the year ended 30 JUNE 2021	For the year ended 30 JUNE 2020
1	RHD Sylhet Road Project(SRP)	1,057,260,712	333,788,187
2	Chevron Bangladesh (BD)Block Twelve Ltd.	75,109,472	20,818,400
3	Kushia Shilpakala Academy (KSA)	52,608,262	35,301,493
4	Maizkandi-Boalmari Gopalganj Road(MBG)	-	3,784,254
5	Matarbari Power Plant(MPP)	-	68,126,465
6	Kanchpur Bridge Narayongong (KMG)/OSJI	165,267,024	1,047,095,692
7	Patengha Container Terminal Ground Improvement (PCT)	311,907,918	188,299,985
8	Rajshahi New Road(RNR)	241,277,132	242,060,753
9	Uttara Construction Building Project(UTTARA)	163,615	4,887,025
10	Residential Model Town (3rd Phase) Rajuk Dhaka	-	15,819,090
11	Nator Baghatipara Bridge, NBB	-	20,092,949
12	Chitagang Development Authority,BAKALIA	65,564,000	78,181,000
13	Relaince Insurance Ltd.	135,821,135	63,533,136
14	Dawlatdia Basantapur Road,RHD (DBR)	-	237,882,095
15	Dredging Work Madaripur, DWM	1,245,526	14,891,467
16	Bangabandhu Bridge,RHD (BBTL)	141,628,399	132,160,002
17	Dhaka Airport (DAP)	359,525,326	188,237,708
18	LGED, Gopalganj, BAPARD (Kotalipara)	64,046,421	-
19	Multarpur Bridge, AMBP	89,821,505	-
20	Jamuna River Dredging Works, JRDW	337,821,160	-
21	Jamuna Rail Bridge Project, JRBP	48,182,487	-
22	Munshiganj Bridge, MSBP	95,026,905	-
Total Revenue		3,242,277,000	2,694,959,701


20. Cost of execution of the contract

Opening stock of construction material	1,832,486,556	1,635,458,010
Development and material expense (Note 23.1)	1,711,977,572	1,951,084,708
Cost of construction material available during the period	3,544,464,128	3,586,542,718
Closing stock of construction material	1,995,339,200	1,832,486,556
Cost of construction material consumed during the period	1,549,124,928	1,754,056,162
Direct expenses (Note 23.2)	940,399,898	890,605,172
Total cost of construction in process	2,489,524,827	2,644,661,334
Opening Work in Process	1,557,132,876	841,254,200
Closing Work in Process	1,740,101,845	1,557,132,876
Total Cost of execution of the contract	2,306,555,858	1,928,782,658

20.1 Development and material expense

Earth filling and development work	3,852,400	64,821,560
Material cost	1,708,125,172	1,886,263,148
Less: Vat Refundable	-	-
Total Development and material expenses	1,711,977,572	1,951,084,708

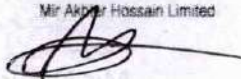

Mir Nasir Hossain
Managing Director
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Parymal Kumer Sarker
Chief Financial Officer
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Mir Akhter Hossain Limited


Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

20.2 Direct expenses

Project Expenses
Carriage Inward
Fuel and Lubricant
Bank charge/Others charge by the Employer
Salary & Wages
VAT (Note-23.2.1)
Depreciation (Note-04)
Total Direct Expenses

For the year ended	For the year ended
30 JUNE 2021	30 JUNE 2020

1,744,820	1,812,560
626,320	1,236,980
93,675,719	88,766,520
5,138,739	9,951,936
420,428,480	404,127,820
251,756,412	212,876,745
166,829,408	171,832,611
940,399,898	890,605,172

20.2.1. VAT

VAT Deducted from Construction Business
VAT Deducted from Import Stage
Total VAT

178,196,533	99,426,960
73,559,879	113,449,785
251,756,412	212,876,745

21. General and administration expenses


Staff Salary & Allowance
Board Meeting Fee
Directors Remuneraton
Advertisement
Printing & Stationery
Tender, Prequalification/Enlistment
Office Rent
Fees & Chgarges
Traveling & Tour
Telephone & Fax Charge
Postage & Telegram
Fuel & Lubricant
Repair & Maintenance (Machinery)
Repair & Maintenance (CAR)
Newspaper & Periodicals
Electrical Charge
Conveyance
Entertainment
Uniform & Liveries
Security Services
Insurance & Premium
Donation & Subscription/Zakat
Business Promotion
Head Office mainteance
Medical expenses
Repair & Maintenance (Equipment)
GAS & WASA Bill
Site Office Maintenance
Audit fee
Legal Fee
Total General and administration expenses

142,485,915	103,252,763
92,000	-
9,240,000	1,680,000
88,720	145,200
182,400	178,320
369,230	482,100
21,848,579	21,772,358
478,350	465,200
148,570	320,550
389,230	512,300
28,110	32,150
1,672,600	1,565,480
789,254	1,236,930
756,220	1,080,710
12,480	48,570
1,219,466	756,685
218,150	268,500
255,680	488,790
55,470	78,950
212,590	155,400
3,614,118	6,235,000
141,200	126,500
71,420	65,230
228,570	302,380
433,690	492,500
220,100	210,420
446,463	475,880
326,320	321,470
350,000	700,000
1,680,000	1,200,000
188,054,895	144,650,336


Mir Nasir Hossain
 Managing Director
 Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
 Chief Financial Officer
 Mir Akhter Hossain Ltd.




Md. Masbaus Sunnah
 Company Secretary
 Mir Akhter Hossain Ltd.

	For the year ended 30 JUNE 2021	For the year ended 30 JUNE 2020
21A. Consolidated General and administration expenses		
General & administration expense - MAHL	188,054,895	144,650,336
General & administration expense - MSL	10,406,574	-
Total Consolidated General and administration expenses	198,461,469	144,650,336
22. Non-operating income		
Interest Income (STD Bank Interest)	153,953	74,012
Interest Income (IPO Bank Interest)	16,228,213	-
FDR Interest Income	-	13,254,367
	16,382,166	13,328,379
23. Financial expenses		
Interest Expense	1,476,762,418	1,316,659,987
Foreign Exchange (gain)/loss - Realized	431,904	7,832,838
Foreign Exchange (gain)/loss - Unrealized	102,970	(344,434)
Bank Charges	756,488	855,361
	1,478,053,781	1,325,003,752
Less: Interest charged to Joint Venture Partners:		
a) HALLA - MAH - SEOKWANG JOINT VENTURE	16,325,189	-
b) SAMWHAN-MIR AKHTER JOINT VENTURE	271,269,195	396,136,744
c) MIR AKHTER-KOMAIHALTEC JV	10,428,677	75,676,036
d) Mir Akhter-WMCG JV	115,109,101	45,082,906
e) Hego-Mir Akhter JV	98,663,782	28,976,846
f) Halla-Mir Akhter JV	392,120,371	400,037,425
g) CRCC-MAHL JV	81,432,994	-
h) MIR AKHTER-CAMCE JV	66,783,461	-
	1,052,132,770	945,909,957
Financial expenses charged	425,921,011	379,093,795
24. Income tax expense		
Current tax (note-25.1)	220,057,635	168,613,886
Deferred tax (note 25.2)	-	-
	220,057,635	168,613,886
24.1 Current tax		
1) Construction business income (as per 82C income)	212,898,393	163,950,804
2) Interest income on FDR	-	4,639,028
3) Interest income on STD account	34,639	24,054
4) Interest income on IPO account	3,651,348	-
5) Excess taxes related to vehicle registration	3,473,255	-
Total current tax expense	220,057,635	168,613,886

The current tax expense is calculated as per Section 82C of the Income Tax Ordinance 1984 which described the minimum tax to be paid by the Company. Therefore no further effective tax rate reconciliation is necessary.

As per Paragraph B1(C) of IAS 12 Income Taxes an explanation of the relationship between tax expense (income) and accounting profit is provided below:

Net Profit before tax	322,026,097	243,582,182
Income Tax Rate - 22.5% [A]	72,455,872	79,164,209
Income Tax deducted at Source [B]	212,898,393	163,950,804
Minimum tax U/S 82C of IT Ordinance 1984 - 0.6% of Revenue [C]	19,453,662	16,249,728
Income Tax Provision for the year: Higher of [A, B & C]	212,898,393	163,950,804



Mir Nasir Hossain
 Managing Director
 Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
 Chief Financial Officer
 Mir Akhter Hossain Ltd.

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Mir Akhter Hossain Limited


Md. Masbaus Sunnah
 Company Secretary
 Mir Akhter Hossain Ltd.

For the year ended 30 JUNE 2021	For the year ended 30 JUNE 2020
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24.2 Deferred tax

There were no temporary differences between carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Therefore the company did not record any deferred tax liabilities or assets apart from the revaluation reserve that is described in Note no-17.

Details of the carrying value of fixed assets (both tax and accounting value) are provided below:

Depreciation for tax (as per 3rd Schedule)	166,829,408	171,832,611
Depreciation as per Accounting	166,829,408	171,832,611
Temporary difference:	-	-

Since there is no temporary difference between the depreciation charged for tax and accounting purposes, there is no taxable temporary difference in the carrying value of the fixed assets for tax and accounting purposes. There is one source of temporary difference which is caused by the revaluation of land which has already been recognized by the Company (BDT 3,325,976). Since there is no change in the value of land (both tax and accounting), there is deferred tax expense recognized for land in the current year.

25. Profit after tax from Joint Venture

Name of the Joint Venture	Revenue	Share of MAHL in JV's profit 30 June 2021	Share of MAHL in JV's profit 30 June 2020
HALLA-MAH-SEOKWANG JV	107,354,215	3,486,473	-
Samwhan-Mir Akhter JV	1,823,000,488	113,882,829	124,520,190
Mir Akhter-Kornaihaltec JV	763,715,026	5,635,225	16,164,399
Mir Akhter-WMCG JV	808,634,829	46,568,319	16,981,161
Hego-Mir Akhter JV	671,786,863	35,281,127	3,614,158
Halla-Mir Akhter JV	2,766,381,517	134,008,865	138,758,794
Mir Akhter-CAMCE JV	397,544,014	8,503,616	-
CRCC-MAHL JV	540,332,000	20,518,195	-
	7,878,748,952	367,884,649	300,038,702

26. Price Sensitive Information:

26.1 Earnings Per Share:

Net profit for the year	469,853,111	375,006,997
Number of shares	109,231,799	109,231,799
Basic earnings per share (EPS)	4.30	3.43


Weighted Average Number of shares outstanding


Particulars	No. of shares	Days	Weighted average number of shares
Opening Balance	100,000,000	360	100,000,000
Issuance of new shares	20,771,547	160	9,231,798.67
	120,771,547		109,231,799

*The EPS of the previous corresponding period has been recalculated with the current total number of shares after considering issuance of new shares.


Diluted earnings per share :

No diluted EPS is calculated for the period as there was no scope for dilution during this period.



Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.

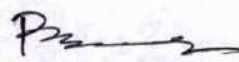

Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.




Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

	For the year ended 30 JUNE 2021	For the year ended 30 JUNE 2020
26.1A Consolidated Earnings Per Share:		
Consolidated Net profit for the year	459,446,537	375,006,997
Number of shares	109,231,799	109,231,799
Consolidated Basic earnings per share (EPS)	4.21	3.43
26.2 Net Assets Value per Share		
Net Assets (with revaluation)	5,565,858,710	3,846,005,599
Number of shares	109,231,799	109,231,799
Net Asset value per share (NAVPS)	50.95	35.21
Net Assets (without revaluation)	5,458,318,829	3,738,465,717
Number of shares	109,231,799	109,231,799
Net Asset value per share (NAVPS)	49.97	34.23
26.2A Consolidated Net Assets Value per Share		
Net Assets (with revaluation)	5,555,652,136	3,846,005,599
Number of shares	109,231,799	109,231,799
Consolidated Net Asset value per share (NAVPS)	50.86	35.21
Net Assets (without revaluation)	5,448,112,255	3,846,005,599
Number of shares	109,231,799	109,231,799
Consolidated Net Asset value per share (NAVPS)	49.88	35.21
26.3 Net Operating Cashflow per share		
Net Operating Cashflow	243,670,776	62,809,422
Number of shares	109,231,799	109,231,799
Net Operating Cashflow per share (NOCFPS)	2.23	0.58
26.3A Consolidated Net Operating Cashflow per share		
Net Operating Cashflow	203,570,371	62,809,422
Number of shares	109,231,799	109,231,799
Consolidated Net Operating Cashflow per share (NOCFPS)	1.86	0.58
26.4 Reconciliation of net operating cash flow:		
Net profit before tax	322,026,097	243,582,182
Adjustment for:		
Profit after tax from Joint venture	367,884,649	360,038,702
Interest expenses	425,921,011	379,093,795
Income tax paid	(221,895,851)	(167,942,147)
Depreciation	469,291,198	475,837,406
Changes in:		
Inventories	(726,866,688)	(1,041,150,132)
Security Deposits	(73,139,165)	51,485,699
Advances and prepayments	11,247,528	137,000,454
Deferred LC	(247,527,710)	(346,710,585)
Liabilities for expenses	(83,470,292)	31,574,048
	243,670,776	62,809,422


Mir Nasir Hossain
 Managing Director
 Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
 Chief Financial Officer
 Mir Akhter Hossain Ltd.




Md. Masbaus Sunnah
 Company Secretary
 Mir Akhter Hossain Ltd.

For the year ended	For the year ended
30 JUNE 2021	30 JUNE 2020

26.4A Reconciliation of net operating consolidated cash flow:

		311,619,523	243,582,182
Net profit before tax		367,884,649	300,038,702
Adjustment for:	Profit after tax from Joint venture	425,921,011	379,093,795
	Interest expenses	(221,695,851)	(167,942,147)
	Income tax paid	469,291,198	475,837,406
	Depreciation	(726,866,688)	(1,041,150,132)
Changes in:	Inventories	(73,139,165)	51,485,699
	Security Deposits	(18,480,803)	137,000,454
	Advances and prepayments	(247,527,710)	(346,710,585)
	Deferred LC	(83,435,793)	31,574,048
	Liabilities for expenses	203,570,370	62,809,422

27. Capital Expenditure Commitment

There was no credit facility available to the company under any contract, other than trade credit available in the ordinary course of business and not availed of as on 30.06.2021.

28. Payment of Foreign Currency

The company incurs foreign currency expenses through Import of Machinery & spare parts of the machinery and import of Raw Materials.

No other expense included consultancy fee, royalty, technical expert and professional advisory fee, interest, etc. was incurred or paid in foreign currencies except as stated above.

29. Foreign Exchange Earned

Company has no foreign currency income during the year except turnover of Joint Venture Partnership which has been disclosed in their respective separate accounts.

No other income including consultancy fee, royalty, technical expert and professional advisory fee, interest, etc. was incurred or paid in foreign currencies except as stated above.

30. Commission, Brokerage or Discount against sales

No commission was incurred or paid to distributors, agents nor any brokerage or discounts were incurred or paid against sales.

31. Segment Reporting

The Company operates under one single business and geographic segment. As a result, separate segment reporting is not necessary.

32. Related party transactions (as per IAS-24)

Name of parties	Relationship	Purpose	Balance	Balance
Directors Remuneraton	Director	Salary and Festival Bonus	560,000	160,000
Mir Telecom Ltd.	Common	Rental Expenses	560,059	-

Details of Transactions:

Name of parties	Opening Balance	Addition	Adjustments	Closing Balance
Directors Remuneraton	560,000	7,840,000	(7,840,000)	560,000
Mir Telecom Ltd.	560,059	6,720,710	(6,720,710)	560,059

Disclosure as per requirements of schedule XI, part-II, para-4 of the companies act, -1994

Name of the Directors	Position	Remuneration	Bonus	Total
Mir Nasir Hossain	Managing Director	4,800,000	800,000	5,600,000
Mr. Shama-e-zaher	Director & COO	1,920,000	320,000	2,240,000

Mir Nasir Hossain
Mir Nasir Hossain
 Managing Director
 Mir Akhter Hossain Ltd.

ymal Kumer Sarker
 Chief Financial Officer
 Akhter Hossain Ltd.



Md. Masbaus Sunnah
Md. Masbaus Sunnah
 Company Secretary
 Mir Akhter Hossain Ltd.

For the year ended
30 JUNE 2021

For the year ended
30 JUNE 2020

Total	7,840,000
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In addition, as per requirements of Paragraph 17 of IAS 24, the Company provided compensation to key management personnel which includes Chief Financial Officer

	31-June 2021	31-June 2020
Key Management Compensation (excluding Directors)	14,739,710	16,536,528

Period of payments to Directors from 01 July 2020 to 30 June 2021. The above directors of the company were not paid other than the above remuneration.

- Expenses reimbursed to the managing agent- Nil
- Commission or other remuneration payable separately to a managing agent or his associates- Nil
- Commission received or receivable by the managing agent or his associates of buying agent of other concerns in respect of contracts entered into such with the company - Nil
- The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associates during the financial year- Nil.
- Any other perquisites or benefits in cash or in kind stating -Nil
- Other allowances and commission including commission- Nil

33 Attendance status of Board Meeting of Directors

During the period from 01.07.20 to 30.06.2021 there were 4 (four) Board meeting were held. The attendance status of all the meeting is as follows:

Sl No.	Name of Directors	Position	Meeting Held	Attended
1	Mir Nasir Hossain	Managing Director	4	4
2	Mrs. Sohela Hossain	Director	4	4
3	Mrs. Mahbuba Hossain	Director	4	4
4	Mr. Shama-e-zaheer	Director and COO	4	4
5	Mid Farid Uddin	Independent Director	4	4
6	AKM Faizur Rahman	Independent Director	4	4
7	Prof. Dr. Muhammad Shariat Ullah	Independent Director	4	2
8	Prof. Nausheen Rahman	Independent Director	4	2

34 Status of income tax assessment

Income year	Assessment year	Present status
2019-20	2020-21	Assessment is under process
2018-19	2019-20	Assessment completed and settled.
2017-18	2018-19	Assessment completed and settled.
2016-17	2017-18	Assessment completed and settled.
2015-16	2016-17	Assessment completed and settled.

35. Contingent liabilities and contingent assets

There is a contingent liability of Tk. 77,90,736 in respect of tax claim in the assessment year 2012-13. This matter has been appealed to the honourable High Court and is still pending.


36. Number of employees engaged

Total number of employees having annual salary of BDT 36,000 or above each was 1967 as at 30 June 2021 and 1690 as at 30 June 2020.

37. Events after reporting date

There is no adjusting and non-adjusting post balance sheet event of such importance, non disclosure or recognition of which would affect the ability to the users of the financial statements to make proper evaluation and decisions.


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.

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Mir Akhter Hossain Limited

Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

For the year ended
30 JUNE 2021

For the year ended
30 JUNE 2020

38. Details of Lease Agreement:

The company does not have any assets or liabilities under finance lease agreements. The company's operations rent their facilities under a non-controlling operating lease. The total lease expense for the year ended June 30, 2021 was TK. 21,848,579 (also included in Note 21).

39. Operating Debt

(I) Debt considered good in respect of which the company is fully secured :

The debtors occurred in the ordinary course of business are considered good and secured.

(II) Debt considered good for which the company hold no security other than the debtors personal security

There is no such debt in this respect as on 30 June' 2021.

(III) Debt considered doubtful or bad

The company does not make any provision for doubtful debts as on 30 June'2021, because of the fact that sales/export are being made on regular basis with fixed maturity dates.

(IV) Debt due by directors or other officers of the company

There is no such debt in this respect as on 30 June 2021.

(V) Debt due by/from Common Management

The company has no receivable from sister companies under common management. For more details related to this receivable, refer to Note 32 "Related Party Transactions".

40. Financial Risk Management

The Company is exposed to risks of varying degrees of significance that could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management process are to ensure that risks are properly identified and the capital base is adequate in relation to these risks.

The Company is exposed through its operations to the following financial risks:

- A. Interest rate Risk
- B. Currency Risk

A. Interest Rate Risk

The Company's exposure to the risk of changes in interest rates relates primarily to the Company's loans payable. An increase of 1% in the average interest rate for the Company would result in approximately additional expenses of BDT 10,874,664 in the current year.

B. Currency Risk

The Company's cash flows are impacted by currency movements as a significant portion of the Company's raw materials are purchased in US dollars. An increase of BDT 1 and BDT 2 in the US dollar to BDT exchange rate would have resulted in an estimated decrease to net income of approximately BDT 6,752,162 and BDT 13,504,324 respectively in the current year.

41. Date of Authorization:

The Board of Directors have authorized these financial statements on 26.10.2021.


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.



Parymal Kumar Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.


Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

Anexure-1

Details of Revenue for the year ended June 30, 2021

Sl. No	Name of Works & Authorities	Security Refund	Gross bill	Tax deducted Tk.	VAT Deducted	SD Retained	Others/Bank Charge	Net Cheque Amount
1	RHD Sylhet Road Project(SRP)		1,057,260,712	68,664,235	57,473,631	20,066,332	-	911,066,513
2	Chevron Bangladesh (BD)Block Twelve Ltd		75,109,472	3,755,474	-	-	-	71,353,998
3	Kushia Shipakala Academy (KSA)		52,608,262	3,290,782	4,936,178	3,290,783	-	41,090,519
4	Marikandi-Boamari Gopalganj Road(MBG)		-	-	-	-	-	-
5	Madarban Power Plant(MPP)		-	-	-	-	-	-
6	Kanchipur Bridge Narayongong (KMG)JOSJI	18,894,539	165,267,024	12,250,575	-	14,433,416	-	157,477,572
7	RHD, Madanpur Road Project (DSR)		-	-	-	-	-	-
8	Patengha Container Terminal Ground Improvement (PCT)		311,907,918	15,862,026	19,715,517	13,816,522	-	262,513,863
9	Rajshahi New Road (RNR)	8,581,931	241,277,132	11,784,349	18,014,369	11,784,349	2,262,300	206,023,696
10	CBM		-	-	-	-	-	-
11	Ashugonj Power plant, Ashugonj		-	-	-	-	-	-
12	Uttara Construction Building Project(UTTARA)		163,616	8,185	12,271	8,185	-	134,974
13	Residential Model Town (3rd Phase) Rajuk Dhaka		-	-	-	-	-	-
14	Nator Baghatipara Bridge, NIBB		65,564,000	3,278,200	4,917,300	7,181,400	-	50,187,100
15	Chitlaong Development Authority,BAKALIA		135,821,135	8,012,441	12,018,662	12,890,285	-	102,899,747
16	Reliance Insurance Ltd.		-	-	-	-	-	-
17	Dawladia Basantiapur Road,RHD (DBR)		1,245,525	62,276	93,414	62,276	-	1,027,559
18	Bangladesh IWT Authority (DWM)		141,628,399	7,081,420	10,622,130	7,081,420	10	116,843,419
19	Bangabandhu Bridge,RHD (BBTL)		359,526,325	10,718,931	29,165,480	29,165,480	2,238,129	317,412,785
20	Dhaka Airport (DAP)		64,046,421	12,983,876	7,776,872	1,501,888	648,300	90,194,115
21	LGED, Gopaliganj, BAPARD (Kotalipara)	49,058,230	89,821,505	4,491,077	6,736,514	4,491,077	-	74,102,737
22	Muklarpur Bridge (AMBP)		337,821,161	16,797,840	25,138,870	16,760,181	-	279,124,270
23	Jamuna River Dredging Works, JROW		48,182,487	2,409,124	3,613,687	2,409,124	-	39,760,562
24	Munshiganj Bridge Project, JRBP		95,026,905	4,751,345	7,127,918	4,751,345	-	76,397,197
25	Munshiganj Bridge (MSEP)		-	-	-	-	-	-
	Total	76,554,700	3,242,277,900	185,201,958	178,196,533	149,673,865	5,138,739	2,793,600,606



Mir Nasir Hossain
Mir Nasir Hossain
 Managing Director
 Mir Akhter Hossain Ltd.

Mir Akhter Hossain
Mir Akhter Hossain
 Chief Financial Officer
 Mir Akhter Hossain Ltd.

Md. Masbaus Sunnah
Md. Masbaus Sunnah
 Company Secretary
 Mir Akhter Hossain Ltd.



ANNEXURE 2: DUE DILIGENCE CERTIFICATE OF TRUSTEE

Mir Akhter Hossain Ltd.
Company Secretary
Mir Akhter Hossain Ltd.

Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.

Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.

Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

DUE DILIGENCE CERTIFICATE OF THE TRUSTEE

The Chairman
Bangladesh Securities and Exchange Commission

SUBJECT: ISSUANCE OF ZERO COUPON BOND OF MIR AKHTER HOSSAIN LIMITED WORTH BDT 2,499 MILLION.

We, the under-noted trustee to the above-mentioned forthcoming issue, state as follows:

1. We, while act as trustee to the above mentioned issue on behalf of the eligible investors, have examined the draft Information Memorandum, legal and other documents and materials as relevant to our decision; and
2. on the basis of such examination and the discussions with the issuer, it's 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;

WE CONFIRM THAT:

- a) All information and documents as are relevant to the issue have been received and examined by us and the draft IM, draft Deed of Trust and draft Subscription Agreement forwarded to the Commission has been approved by us;
- b) We have also examined all documents of the assets to be charged with the Trust and are satisfied that the assets bear the value, title and charge status as disclosed in the IM;
- c) While examining the above documents, we find that all the requirements of the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 have been complied with;
- d) We shall act as trustee to the issue as mentioned above as per provisions of the Deed of Trust to be executed with the issuer and shall assume the duties and responsibilities as described in the Deed of Trust and in the IM;
- e) We shall also abide by the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 and conditions imposed by the Commission as regards of the issue; and
- f) The above declarations as unequivocal and irrevocable.

For Trustee-



Tanzim Alamgir
Managing Director and CEO
UCB Investment Limited


Date: December 23, 2021
Place: Dhaka

Bulus Center (17th Floor), Plot-CWS-(A)-1 Road No-34, Gulshan Avenue, Dhaka-1212
E-mail: support@ucb-investment.com, Web: www.ucb-investment.com




Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.

Strictly Private & Confidential



Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.

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Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.



ANNEXURE 3: CREDIT RATING REPORT OF THE ISSUE


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.


Md Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

CREDIT RATING REPORT
On
ZERO COUPON BOND OF TK. 2,499.00 MILLION
OF MIR AKHTER HOSSAIN LIMITED

REPORT: RR/49175/21

This is a credit rating report as per the provisions of the Credit Rating Companies Rules 1996. The rating will be valid for one year from the date of declaration. After the above period, the rating will not carry any validity unless the instrument goes for rating surveillance. CRISL followed Bond Rating Methodology published in CRISL website www.crislbd.com

Address:
 CRISL
 Nakshi Homes
 (4th & 5th Floor)
 6/1A, Segunbagicha,
 Dhaka-1000
 Tel: 9530991-4
 Fax: 88-02-9530995
 Email:
 crisldhk@crislbd.com

Rating Contact:
 Md. Asiful Haq
 Chief Rating Officer
 asif@crislbd.com

Analysts:
 Md. Anowar Hossain
 anowar@crislbd.com

Sanzida Begum
 sanzida@crislbd.com

Issue Rating:
 A+(Indicative)

Issue Rating (Zero Coupon Bond)	A+ (Indicative)
Date of Rating Declaration	December 27, 2021
Rating Validity	December 26, 2022

1.0 ISSUE RATING RATIONALE

CRISL has assigned 'A+' (Indicative) rating (pronounced as "A" plus indicative) to Zero Coupon Bond of Tk. 2,499.00 million of Mir Akhter Hossain Limited. The above rating has been assigned in consideration of some strong fundamentals of the issue such as good return from investment, tax benefit etc. However, the above factors are constrained, to some extent, by the feature of the bond which includes unsecured and non-convertible debt instrument, etc.

Securities rated in this category are adjudged to be of good credit quality and offer adequate safety for timely repayment of financial obligations. Protection factors are considered variable and more susceptible to changes in circumstances than securities in higher-rated categories.

2.0 ISSUE FEATURE: PROPOSED ZERO COUPON BOND OF MAHL

Mir Akhter Hossain Limited (MAHL) will issue Zero Coupon Bond hereinafter referred to as 'ZCB' or "the issue") of Tk. 2,499.00 million (833 no. of bonds of Tk.3.00 million each lot). MAHL will issue above bond to pay off its existing loan liabilities as well to invest in working capital through a private placement basis to potential investors such as Banks/Non-Bank Financial Institutions, Insurance Companies and Corporate Bodies, Mutual Funds, Asset Management Firms and high net worth individuals etc. The bond is conditionally secured, nonconvertible and fully redeemable in nature. The indicative discount rate is expected to be within the range of 7% - 9% per annum. However, in case of late redemption or on failure to make timely payment, there will be incremental charge at the rate of 2% per annum payable by the Issuer to the bondholders, above the amount to be paid by the Issuer to the bondholders on the redemption date. The bond will be redeemed in 6 installments (having equal amount of TK. 416.50 million) starting from the end of 18th months of the date of issuance followed by six months interval thereafter. Coupon Payment of the bond will be paid half yearly on the coupon payment dates at the end of each coupon period. A Subscriber shall have the right to freely transfer the ZCB upon fulfilment of certain formalities. IDLC Finance Limited will act as a Lead Arranger and UCB Investment Limited will act as a Trustee of the bonds.

3.0 ISSUER SUMMARY- MIR AKHTER HOSSAIN LIMITED

Mir Akhter Hossain Limited (MAHL) is a building and civil construction company and a major concern of Mir Group. The Group consists of several business units having exposure in Telecom, Cement, Ceramic, Real Estate, Power, ICT sector etc. The Group started its journey in 1968 with Mir Akhter Hossain Ltd. as the flagship company under the prominent entrepreneur late Mr. Mir Akeb Hossain. From inception, every concern of the Group has been operating with good reputation and positive brand image. MAHL was initially established as a partnership company in 1969 which later converted into a private limited company in July 18, 1980. Subsequently MAHL was converted into a Public Limited Company on January 10, 2017. In January 26, 2021; the company went for initial public offering and the shares of the company are listed with both the bourses of the country-Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) under 'N' category. The company is operating with Tk.2,000.00 million of authorized capital and Tk.1,207.72 million of paid up capital as on September 30, 2021. The mission of the company is to provide quality and superior services through the integration of excellent design solutions, dedication to sustainable and economical

ZERO COUPON BOND
OF TK.2,499
MILLION
OF MIR AKHTER
HOSSAIN LIMITED

Issuance Amount:
 Tk. 2,499.00 million

Trustee:
 UCB Investment Limited


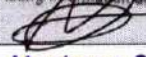
Indicative Discount Rate
 7%- 9-%

Placement Process:
 Private Placement

Listing:
 Non - Listed


Mir Nasir Hossain
 Managing Director
 Mir Akhter Hossain Ltd.


Panyal Kumer Sarker
 Chief Financial Officer
 Mir Akhter Hossain Ltd.


 Muzaffar Ahmed, FCOM, FCS
 President and CEO
 Credit Rating Information and Services Ltd.

Md. Masbaus Sunnah
 Company Secretary
 Mir Akhter Hossain Ltd.

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capacity, responsible of hiring competent subcontracts and value for safety and customer satisfaction. Equipped with sound production facilities, the company successfully executed diverse projects like construction of international standard Roads & Highway, Bridges, Industrial Complexes etc. MAHL has one subsidiary namely Mir Securities Ltd. (99.75% holding) which has incorporated from March 02, 2021. Mr. Mir Nasir Hossain, a renowned businessman, is the Managing Director of the company. The Head Office of the company is located at Red Crescent Borak Tower, Level-7 &10, 37/3/A, Eskaton Garden, Dhaka-1000.

4.0 ISSUER CREDIT RATING

CRISL has reaffirmed the Long Term rating to 'AA-' (pronounced as double A minus) and the Short term rating to 'ST-3' of Mir Akhter Hossain Limited (MAHL) on the basis of its audited financials up to June 30, 2021 and other relevant quantitative and qualitative information up to the date of rating. The above ratings have been reassigned after due consideration to its fundamentals such as increase in financial performance, average liquidity, sound infrastructure facilities, strong Group support, experienced management team etc. However, the above ratings are constrained, to some extent, by factors such as debt based capital structure, significant competition in the market, risk of project completion, etc.

The Long Term rating indicates that entities rated in this category are adjudged to be of high quality, offer higher safety and have high credit quality. This level of rating indicates a corporate entity with a sound credit profile and without significant problems. Risks are modest and may vary slightly from time to time because of economic conditions. The Short Term rating indicates good certainty of timely repayment. Liquidity factors and company fundamentals are sound. Although ongoing funding needs may enlarge total financing requirements, access to financial markets is good with small risk factors.

CRISL also views the company with "Stable Outlook" believing that the company will be able to maintain its fundamentals with the same trend in the foreseeable future.

5.0 TRUSTEE TO THE ISSUE

5.1 Background of Trustee

UCB Investment Limited (UCBIL) is a fully owned subsidiary of United Commercial Bank Limited (99.96% shareholding by UCBL and remaining 0.04% by UCB Capital Management Ltd.). It was incorporated in 3rd August, 2011 as a private limited company under the Companies Act (Act XVIII) of 1994. It obtained full-fledged Merchant Banker & Portfolio Management license from Bangladesh Security and Exchange Commission on 5th October, 2020. The authorized and paid up capital of UCBIL stood at Tk.1,000.00 million and Tk.250.00 million respectively.

The company has been inaugurated on 29th November, 2020 and under the firm guidance of the founding CEO, Mr. Tanzim Alamgir, the company aims to play a vital role in bridging the gap in professional financial management services in the country and the gap between investors and investment opportunities. The services of UCBIL are Bond Issuance, Corporate Advisory, Mergers and Acquisitions, Issue Management Services, Underwriting, Capital Raising and Private Placement, Portfolio Management etc. The registered address of the company is Bulus Center, Road: 34, Plot: CWS- (A)-1, Gulshan avenue, Dhaka-1212.

5.2 Roles and Responsibilities of the Trustee

The Trustee has the following duties and powers in connection with the Trust:

- To act on behalf and for the exclusive interest of the investors;
- To ensure compliance of the issuer as per the requirements of Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021;
- To monitor timely payment of all dues of the issuer to the investors in terms of the


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.

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Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.


Md. Masbaul Summan, FICMA, FCS
Company Secretary, Resident and CEO
Credit Rating Information and Services Ltd.
Mir Akhter Hossain Ltd.

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- IM or other terms and conditions of the Issue of securities under Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021;
- To ensure creation of charges by the issuer over collateral securities and obtaining other securities or guarantees in favour of the trustee;
 - To enforce its rights, over the credit enhancement or collateral securities and other securities or guarantees when it is necessary to do;
 - Call the investors' meeting and enforce the decisions within such time of any default or any act of the issuer which may affect the interest of the investors as specified in the deed of trust and in the IM;
 - Delay in payment of any dues by the issuer, which is not approved by the trustee shall be treated as final default, in such a case the trustee shall enforce its rights over the credit enhancement or collateral securities or other securities or guarantees of the issuer observing due legal process and thereafter the trustee shall dispose-off the same to pay the proceeds proportionately to the investors after deduction of costs related thereto;
 - In case the delay is approved by the trustee for a certain period upon any reasonable ground, the trustee shall ensure repayment of the dues within the approved delay period along with interest for the delay period at a rate of 2% (two percent) per annum above the usual rate of return of the debt instrument;
 - In case a downgrade of credit rating (i.e. below the rating trigger) of the issue under surveillance rating, the trustee shall ensure the collection of risk premium from the issuer or originator for the investors as per declaration in the deed of trust or IM, aimed at securing the lender claims from the borrower's higher risk level;
 - The trustee shall submit an annual compliance report to the Commission regarding the activities of the issuer including repayment of dues to the investors;
 - The trustee shall take adequate steps for redress of grievances of the investors within one month of the date of receipt of the complaints and shall keep the Commission informed about the number, nature and other particulars of the complaints received and the manner in which such complaints have been redressed;
 - The trustee shall be liable to sue or to be sued on behalf of the investors;
 - Provided that if any loss incurred due to negligence of trustee in case of litigation or recovery process, the trustee shall bear the loss;
 - The trustee may, if required, inspect or call for books of accounts, records, registers of the issuers and the trust property to the extent necessary for discharging its obligation.

5.3 Events of Default: The Trustee shall not be bound to give notice to any person of the execution of the Trust Deed or to take any steps to ascertain whether any Default or Event of Default has happened and, until it shall have actual knowledge or express notice to the contrary.

5.4 Rights, Duties And Obligations Of The Investors

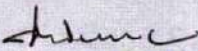
Binding Obligation: Investors/bondholders are required to enter into a Subscription Agreement with the Issuer and be bound by the terms and conditions of that agreement.


Severability of Bondholder's Obligations: The failure to perform obligations of the Bondholders under the Subscription Agreement and other agreements with identical terms shall not affect the obligations of the Issuer towards any other Bondholder(s) under other identical agreements.

Individual Right: Each Bondholder will be entitled to protect and enforce its individual rights independently without the need for other Bondholder(s) to be joined as additional party in such proceedings for such purpose.

Powers: The Bondholders shall be able to hold meetings with such power and scope as provided for in the Trust Deed.

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Mir Nasir Hossain
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Issue Bond Certificates: Issuer shall duly execute and deliver bond certificates to the bondholders with conditions attached.

Subscription: The Investors will subscribe and pay the aggregate purchase price on the Closing Date for the allocation, in Bangladesh Taka for same day value to such account as the Issuer designates, subject to the provisions of the Subscription Agreement.

Compliance: The Bondholder(s) are obligated to comply with all applicable laws and regulations of Bangladesh.

Indemnity: The Issuer shall fully indemnify the Bondholder(s) from and against any expense, loss, damage or liability which any of them may incur as per provisions of this trust deed in connection with the enforcement, protection or preservation of any right or claim of the Bondholders under the Transaction Documents.

Payment: The Bondholders will execute and deliver a letter addressed to the Issuer in the form attached as (Form of Investor Representation Letter) of the Subscription Agreement on the date specified. They are further obligated to pay the purchase price of Bonds to the Issuer in Bangladesh Taka in the manner provided for on each closing date.

Termination: The Bondholders can give a termination notice to the Issuer at any time on or prior to the Closing Date if the Issuer fails to perform any of its obligations under the Subscription Agreement, if any of the conditions precedent is not satisfied or waived by the Bondholders on the Closing Date, or in the case of force majeure. Upon service of such notice Issuer will be discharged from its obligations except for its liability in relation to expenses related to the Bonds and except for any liability arising before or in relation to such termination and Bondholder would also be discharged from performance of their respective obligations under the subscription agreement.

Protection of Interest: The Bondholders are entitled to have their interests protected/preserved by the Trustee

6.0 UTILIZATION OF ISSUE PROCEEDS & REDEMPTION SCHEDULE

Mir Akhter Hossain Ltd. is expected to receive a net discounted amount up to Tk. 2,071.78 million considering 7.00% discount rate from the sale of the Zero-Coupon bond. The bond proceed shall be used to refinance a portion of existing high cost liabilities (75%) and for working capital investment (25%). The company has outstanding loan of BDT 17,004.83 million as on June 30, 2021. Dependency on bank financing is a major concern for MAHL. MAHL's dependence on bank financing will decline to some extent through issuance of ZCB.


7.0 INDUSTRY OVERVIEW

The Bangladesh bond market is still in its infancy. One of the main functions of a bond market is to provide long-term finance by creating alternative sources of finance through the capital market. From the investor's point of view, the main purpose of the bond market is to provide a stable source of income to the investors against the volatile capital market. The Bangladesh capital market is yet to be developed as the required platform to create such a bond market is absent. Besides, the investors are more interested in short term gains instead of waiting for a stable return. However, the introduction of Basel III may create a new avenue among the bankers to issue bonds under Tier-I & Tier-II capital to support its capital requirement. Bangladesh Bank already circulated the issue principles of the above bonds. Bangladesh Bank has fix-up the maximum deposit rate at 6%, which create the demand of bond due to its higher return.


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 Managing Director
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The local currency bond market in Asia, increased significantly by 12.7% to USD 5,370 billion in FY2018 from USD 4,771 billion in FY2017. China dominates the Asian local currency bond market with 47% share, followed by South Korea (22.25%) and Japan (13.46%). Indonesia (0.54%), Philippines (0.40%), Vietnam (0.06%) and Bangladesh (0.30%) have smaller bond markets as compared to other Asian countries. The presence of the secondary market has played a vital role in the development of the bond market in Asian countries. As a percentage of GDP, in 2018, South Korea had the largest corporate debt market (73% of GDP) followed by Malaysia (46% of GDP). In India, the corporate bond market is 16% of GDP. In Indonesia, 87% of the total outstanding bonds are traded in the secondary market, followed by 70% in India.

Prospective bond market

The corporate bond market in Bangladesh is almost non-existent, with only two bonds listed in the prime bourse at present namely APSC (Ashuganj Power Stations Company Ltd.) Non-Convertible and fully redeemable coupon bearing bond of Tk.6000.00 million, being getting the permission from Bangladesh Security and Exchange Commission (BSEC) in the year 2020. Another listed bond is IBBL Mudaraba Perpetual Bond (first perpetual Shariah based instrument); worth of Tk.3000.00 million and getting the permission from BSEC in the year 2007. To strengthen the bond market, BSEC has recently issue "Debt Security Rules 2021" covering the public private placement related issues, default and transition matrix statistics of the credit rating companies along with notches wise default status.

So far, a good number of commercial banks have issued a subordinated bond. Countries' first subordinated bond is issued by The Brac Bank Ltd. worth of Tk. 3000.00 million (Tk. 2700.00 million from the private placement and remaining Tk.300.00 from public Subscription), is getting the first permission from BSEC in the year 2010, to strengthen their additional Tier II capital base. A subordinated bond is a debt security. It is referred to as subordinate because debt providers (lenders) have a subordinate status concerning the normal debt. It is also known as a subordinated loan, debenture, or junior debt that carries a lower-priority claim on the issuer's income or assets than that of other debt.

A few of the banks also declared to issue bonds under Tier-I. The market analysts are also hopeful that such an issue will boost the other banks in issuing Tier-I bonds because the subscribers will earn a stable return from the Tier-I bond in the face of the existing volatility of the capital market. CRISL, however, views that a good number of mutual funds and other FIs may include the bond in their portfolio for risk minimization through asset diversification. Due to the increase of the Asset Management Companies, they will be very much interested to add Tier-I bonds in their portfolio as Fixed Income Securities.

Perpetual bonds of banks often yield a higher rate than the interest on fixed deposits. The City Bank Ltd. and The Jamuna Bank Ltd. (both have been getting the first permission from BSEC) as well as One Bank and the Mutual Trust Bank's as non-shariah based instruments in the year 2020 for issuing of Tk.400 crore each to strengthen their additional Tier 1 capital base. Only a few banks are going to issue perpetual bonds to meet their long-term capital requirements as well as strengthen the Tier 1 capital base. Like other bonds, even perpetual bonds come attached with the risk of liquidity, credit risk, and interest rate risk. If you are to invest in perpetual bonds, then you have to keep in mind these aspects.



As per the Global Infrastructure Hub report, Bangladesh needs \$608 billion of investment in infrastructure sectors - water, electricity, telecom, ports, airports, rail, and road - from 2016 to 2040. However, current trends indicate \$417 billion of investment is possible in the aforementioned sectors, thereby leaving a gap of \$192 billion in investments in the period 2016-2040. This gap in the top three sectors, power, telecom, and water sectors, is \$100 billion, \$41 billion, and \$40 billion respectively.

These projects are mostly financed through the government's own fund and multilateral and bilateral funding agencies. But if the government can develop a framework for meeting the funding gap of those projects by issuing long term infrastructure bonds, a new asset class can be created. This might also attract foreign portfolio investments which specialize in infrastructure finances. A new category of mutual funds can be created in the country, which

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will invest in that type of bond. Considering the current interest rate scenario and the current state of capital market, the bond market can emerge as a knight. Banks, NBFIs and Merchant banks can enhance their fee-based income by working on bond issuances and cover for the losses they are likely to suffer from the lower interest rate in the market and the loss suffered in the capital market.

The Bangladesh bond market has been inactive over the years on account of several issues that have acted as barriers for issuers and investors alike. From the issuer's point of view, the cost of issuance of bonds in Bangladesh is significantly high (1.5%-2% of the total issuance value as compared to approximately 0.2% cost of issuance of bonds in India). Besides, there is an absence of tax benefits or other incentives for the issuers raising funds via the issuance of debt securities. According to The Income Tax Ordinance 1984, any income derived from zero-coupon bonds by a person other than a bank, an insurance company, or a financial institution is exempted from tax. The tax benefit is only applicable if the zero-coupon bond (if issued by the banks, financial institutions, and other companies) is approved by BSEC or Bangladesh Bank.

The regulators lack the necessary infrastructure to perform due diligence of the application received from the issuers. As a result, it takes six months to one year for the issuer to issue bonds. This acts as a major barrier for a project developer who wants to raise funds via the bond market in a short time. Due to the lack of availability of long-term financing options, the project developers either avail funds through bridge financing or avail long-term financing from NBFIs and banks at interest rates of 15% to 18%, which substantially increases the overall project cost. The long-term debt market has witnessed a lack of participation from institutional investors as well as individual investors. Institutional investors like banks, insurance companies, and mutual funds prefer to invest in high return low-risk debt securities offered by the government instead of the low return-high risk bond market. The confidence of general investors in the private sector is still low because of the lack of regulatory regime, lack of awareness, and failure to service the interest and principal payment obligations in the past by the issuers. Furthermore, due to the lack of a benchmark yield curve, the presence of a secondary market is almost negligible. Overall, the long-term debt market is yet to emerge as an effective investment avenue to large and small investors as well as position itself as an attractive avenue for the companies to raise funds through the issuance of debt securities.

8.0 CORPORATE CONSIDERATION OF THE ISSUER

8.1 Board of Directors

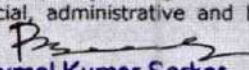
The Board of Directors consists of eight (08) members and led by Mr. Mir Nasir Hossain as the Managing Director of the Board with his prudence in the business arena. The Board mainly reviews the overall activities of the business and gives necessary strategic guidelines for onward policy implementation. A brief details of the board is delineated below-

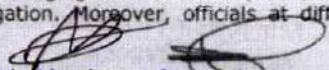
Name	Academic Qualification	Position in the Board
Mrs. Sohela Hossain	M.A (Philo.)	Chairman
Mr. Mir Nasir Hossain	B. Com (H) M.Com	MD
Mrs. Mahabuba Nasir	B.A	Director
Mr. Shama-e-Zaheer	MBA	Director & COO
Mr. Md. Farid Uddin	M.A (Modern History)	Independent Director
Mr. A.K.M Faizur Rahman	Masters(Bridge Engineering)	Independent Director
Prof. Dr. Muhammad Shariat Ullah	Ph.D.(Economics)	Independent Director
Prof. Nausheen Rahman	MBA (Finance)	Independent Director

8.2 Corporate Management

The corporate management including overall business operation of the company is headed by Mr. Mir Nasir Hossain, Managing Director. In the management team, Mr. Nasir is aided by Executive Directors, Project Engineers and officers. Managing Director is empowered with sufficient financial, administrative and business delegation. Moreover, officials at different


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levels have been given requisite business delegation. The Head Office management is segregated into different divisions and is headed by experienced & qualified professionals who are successfully carrying out various tasks towards achieving the company goal as well as Group objectives. Various divisions at Head office include Engineering, Planning and Co-ordination, Procurement, Administrative, and Accounts division.

Experienced management team

Name	Designation
Mr. Mir Nasir Hossain	Managing Director
Mr. Shama-e-Zaheer	Director & COO
Mr. Azizul Haque	Sr. Executive director (Technical)
Mr. Md. Golam Mostofa	Sr. Executive director (Mech.)
Mr. Syed Rasheduzzaman	Sr. Executive director (Engineering)
Mr. Manik Kumar Biswas	Sr. Executive director (Project)
Mr. Md. Momtazul Karim Khan	Executive director (Planning & Co-ordination)
Mr. Md. Ashraful Islam	Executive director (Project)
Mr. Parymal Kumer Sarker, FCA	Chief Finance Officer

8.3 Human Resources Management

MAHL provides competitive compensation package to its employees. Among other fringe benefits it has the practice of creating provident fund for employees. As of September 30, 2021, MAHL's had total 1967 personnel as a technical, professional and other supporting staff and permanent workers. The company also has contractual staff and temporary daily basis workers. MAHL has the expertise and technical know-how to handle assigned tasks efficiently and effectively at all times. Performance evaluation and career development through in-house and outside training program seems limited in the company.

9.0 BUSINESS & FINANCIAL PERFORMANCE ANALYSIS OF THE ISSUER

9.1 Business Profile

MAHL is widely focused in the construction business, which includes construction of international standard Roads & Highway, Bridges, Industrial Complexes like Factory buildings of Sugar, Pharmaceuticals and Textile Mills, Office Complexes, Functional Buildings, International Standard Hotel Buildings, Auditoriums, Academics, Food and Fertilizer warehouse etc. The clients of MAHL consist of Government, Semi-Govt., Private and Public company, Associations, Foreign Embassies etc. The company has successfully completed a good number of high valued projects at all central points over the country.

Sound infrastructure facilities

9.2 Infrastructure and Construction Facilities

The company is well equipped with construction and infrastructures facilities. The company has adequate equipment to handle more than 40 projects at a time. Besides, in order to support its ongoing activities, MAHL has contractual arrangement with different construction companies to outsource work in times of necessity. Major items of construction equipment includes Mixture Machine, Nozzle, Vibrator Machine (diesel & electric), Water Pump, Water Tank, Submersible Pump, Drill machine, Generator, Grinding machine, Audit-Steel shutter, Column shutter, Beam shutter etc. The company has been adding construction equipment to its operation every year to cope with increasing volume of business. The company has its own architects for design purposes. Technical collaboration of the company is obtained from reputed international companies for execution of large projects financed by international financial organization like WB, ADB etc. However, large local projects having complicated nature and types require formation of the company by Joint Venture (JV), Consortium, and Association with defined share of participation by each party. MAHL has the expertise and technical know-how to handle assigned tasks efficiently and effectively at all times.

9.3 Completed Projects

The company has successfully completed various highly prestigious projects and handed those over to their clients. During FY2020-21, MAHL initiated 5 new projects such as Jamuna Rail Bridge, Jamuna river dredging, Munshiganj bridge etc. from which it generated Tk.634.90 million revenue. Moreover, the company continued the work on 12 project from the previous year which generated Tk.2,769.38 million revenue.

Mir Nasir Hossain
Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.

Parymal Kumer Sarker
Parymal Kumer Sarker
Chief Financial Officer
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Muzaffar Ahmed
Muzaffar Ahmed, FCMA, FCS
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9.4 Ongoing Projects

As of November 11, 2021 the company has 30 on-going projects. Total values of these projects stands at Tk. 60,956.86 million. Among the on-going projects, 14 projects are currently completed more than 80% with the value of Tk. 25,961.77 million which are expected to be completed within next 2-3 years.

9.5 Financial Performance

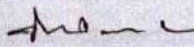
Indicator	FY2020-21	FY2019-20	FY2018-19
Revenue (in million TK.)	3,242.28	2,694.96	4,267.04
Gross Profit (in million TK.)	935.72	766.18	1,132.23
Net Profit from own construction business (in million TK.)	91.56	74.97	200.50
Net Profit after tax from Joint Venture (in million TK.)	367.88	300.04	431.99
Total Net Profit after tax (in million TK.)	459.45	375.01	632.49
Gross Profit Margin (%)	28.86	28.43	26.53
Net Profit Margin (%)	14.17	13.92	14.82
Cost to Revenue Ratio (%)	71.14	71.57	73.47
Administrative & Selling Exp. to Revenue Ratio %	6.12	5.37	5.75
Finance Cost to Revenue Ratio %	14.14	14.07	8.47
Return on Average Assets After Tax (%)	2.13	2.00	4.27
Return on Average Equity After Tax (%)	9.77	10.25	20.05
Return on Average Capital Employed (%)	2.62	2.44	5.52


Good financial performance

The overall financial performance of MAHL has been found to be good during FY2020-21 as the company registered a revenue growth of 20.31%. MAHL has been recognizing its revenue on bill received basis. During FY2020-21, MAHL initiated 5 new projects from which it generated Tk.634.90 million and continued the work on 12 project from the previous year which generated Tk.2,789.38 million revenue .Consequently, the gross profit increased by 22.13%. Though the admin and finance cost increased, the net profit increased by 22.52% due to increase in income from joint venture. As a result all the profitability indicators such as Return on Average Assets (ROAA) and Return on Average Capital Employed (ROACE) increased as the growth of return was comparatively higher than asset and net asset growth. Moreover, MAHL has 30 ongoing projects with a value of Tk. 60,956.86 million.

While analyzing the cost efficiency of the company, CRISL observed that the cost of services to revenue ratio remained stable. On the other hand, the administrative expenses and finance cost ratio both increased from previous year resulting 19.59% growth in cost of execution of contract.

CRISL has also considered the Unaudited Financial Statements for 1st Quarter of FY 2021-22. As per the unaudited accounts, the revenue stood at Tk. 810.14 million (Tk.216.35 million for 1st Quarter of FY 2019-20) and gross profit stood at Tk.235.83 million.Net profit significantly dropped to Tk. 67.23 million against Tk.104.40 million of the same period of FY2020-21 due to decrease in income from joint venture.


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Muzaffar Ahmed, FCMA,FCS
President and CEO
Credit Rating Information and Services Ltd.


Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.


Md. Masbaub Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

CREDIT RATING REPORT
On
ZERO COUPON BOND OF TK. 2,499.00 MILLION
OF MIR AKHTER HOSSAIN LIMITED

9.6 Capital Structure and Solvency

Particulars	(Tk. In million)		
	As on June 30, 2021	As on June 30, 2020	As on June 30, 2019
Current assets	7,673.60	5,735.81	5,659.38
Less Current liabilities	5,030.67	3,100.26	3,515.52
Net Current Asset	2,642.93	2,635.56	2,143.87
Add: Non-Current assets	15,047.41	14,684.27	11,328.78
Capital Employed	17,690.34	17,319.82	13,472.64
Financed by			
Equity:			
Paid up capital	1,207.72	1,000.00	1,000.00
Retained earnings	3,197.94	2,738.47	2,363.46
Share Premium	1,042.28	---	---
Reserve & Others	107.71	107.54	107.54
Total Equity	5,555.65	3,846.01	3,471.00
Non-Current Liabilities:			
Long Term Liabilities	12,134.69	13,473.82	10,001.64
Total Equity & Non-Current Liabilities	17,690.34	17,319.82	13,472.64
Leverage Ratio (X)	3.09	4.31	3.89
Debt Service Coverage Ratio (X)	2.99	2.89	4.04
Interest Coverage Ratio (X)	2.60	2.43	3.64

Debt based capital structure

MAHL is operating with debt based capital structure. The capital structure revealed that, the company has 75.55% debt (of which 29.31% in short-term and 70.69% in long-term) and 24.45% equity. The equity pie comprised of 21.74% share capital, 57.56% retained earnings, 18.76% share premium and 1.94% reserve and others. As a construction company, MAHL financed its projects through bank loans therefore, total liabilities of the company increased by 3.57% in the form of short term as well as long term debt. However, the leverage ratio decreased due to higher growth in equity compared to the growth of liabilities. Both debt service coverage ratio and interest coverage ratio indicate that the company has the capabilities to pay off its debt obligation.

9.7 Liquidity and Fund Flow Analysis

Indicators	FY2020-21	FY2019-20	FY2018-19
Current Ratio (X)	1.53	1.85	1.61
Quick Ratio (X)	0.68	0.71	0.90
Operating Cash Flow (Tk. in million)	203.57	62.81	1,287.76
Net Working Capital (Tk. in million)	2,642.93	2,635.56	2,143.87
Operating Cash Flow to Current Debt Ratio (X)	0.05	0.02	0.37

Average liquidity

Being a construction company, MAHL needs funds for purchasing construction materials and other administrative costs of projects and has been maintaining its working capital requirements as well as liquidity from bill received, short term bank financing, inter-company loan and trade credit facility from supplier. Generally, the company starts work against the work order and submits the bill based on completion of work. The company received the bills after the work is inspected and met the required quality. Mostly, the company received the bills within 30 days after submitting the bills. On the other hand, the working capital requirement of the company varies in line with project works and the company has been enjoying bank loan facilities for meeting its requirement. At present, the company is enjoying loan liability of Tk. 27,706.52 million against the project value of Tk.60,956.86 million representing 45.45% of project value.

The liquidity of the company has been found to be average due to positive cash flow and net working capital. The current ratio also found to be average but the quick ratio is below than accepted level due to holding high inventory for its business. While analyzing the cash flow, CRISL found that the operating cash flow increased in FY2020-21 as the cash receipts from customers increased by 20.54%. However, the operating cash flow to current debt ratio has been found moderate as the company has significant amount of current liabilities in the form of short term loan.

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10.0 PROJECTED BOND REDEMPTION CAPACITY

10.1 Repayment Schedule & Redemption Capacity

The bond will be redeemed in 6 installment (having equal amount of TK.416.50 million) starting from the end of 18th months of the date of issuance followed by six months interval thereafter. The redemption schedule at a discount rate of 7.00% is given below:

Repayment period	Issue Price (BDT)	Face Value (BDT)	No of bond Issued	Total issue (Tk. in million)	Face value of Issue (Tk. in million)
18	75,162.89	83,333.33	4,998	375.66	416.50
24	72,620.19	83,333.33	4,998	362.96	416.50
30	70,164.43	83,333.33	4,998	350.68	416.50
36	67,791.72	83,333.33	4,998	338.82	416.50
42	65,499.25	83,333.33	4,998	327.37	416.50
48	63,284.30	83,333.33	4,998	316.29	416.50
Total	414,321.77	500,000.00		2,071.78	2,499.00

10.2 ESTIMATED RETURN FROM THE BOND

The investors are likely to get good return from their investment in ZCB. The rate of return will be 7% annually. The coupon payment will be made semi-annually where the first payment will be due on the date falling eighteen months after the issue date. The reinvestment opportunity for the bondholders may make this bond more attractive. The bond holder will get the tax benefit out of their investment in ZCB as per prevailing tax rules.

11.0 RISK MANAGEMENT

11.1 Issue Related Risk

11.1.1 Transferability Risk

Transferability risk arises when the bondholder faces difficulty to sell the bond. As the bond is issued under private placement and is not proposed to be listed, the bondholders are exposed to easy transferability risk.

11.1.2 Redemption Risk

The annual redemption for each series of bond requires Tk.416.50 million at every 6 month after the eighteen months of issue date. CRISL views that bond redemption at a certain date may put pressure on the cash flow of the company.


11.1.3 Subordination Risk

There is no specific charge creation over the fixed or floating assets of the company against the bond issue whereas the other lenders will get priority on first charge basis over the fixed and floating assets of the company. In this case, the bond holders are strategically becoming subordinated to those lenders. So, for any default in loan repayment, bondholders will not get priority over other lenders.

11.1.4 Regulatory Risk

ZCB are now a tax free instrument to some extent. Due to the tax incentive, investment in bonds has become attractive. However, there is a risk that Government may change the policy in future. Any change either in the form of withdrawal or reduction in tax incentive scheme will affect the expected return of the potential investors. MAHL has no such provision to compensate the investors in such event.


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11.1.5 Late Payment Risk

Late payment risk arises from delay in payment of bond redemption. In case of late repayment, the issuer shall pay a compensation on late payment of 2% higher than the interest rate and be payable on the amount not paid on due date up till the date of actual payment. Hence, the issue is less exposed to late payment risk.

11.2 Issuer Related Risk**11.2.1 Project Completion Risk**

The successful implementation of the project depends on the ability of the company's construction of the facilities, weather condition, labor and supply of raw materials within due time. Moreover, the Bangladeshi construction industries have been directly and indirectly affected by the ongoing measures taken by the country's government to control the spread of the corona virus pandemic. The unprecedented measures have suspended the construction works of all major infrastructure projects, worth more than US\$30bn, including the Padma Bridge, Rooppur nuclear power plant, Matarbari power plant, Karnaphuli river tunnel and Dhaka metro rail. One of the reasons for the suspension of construction works is that, neither foreign nor local employees can work under the prevailing situation, which will definitely slow down the progress of the projects.

11.2.2 Price Fluctuation Risk

Prices of construction materials such as iron, cement, concrete are increasing in recent years, rapidly. As MAHL has to complete the project works within stipulated time frame at fixed contract price, it is exposed to price fluctuation risk.

11.2.3 Market Risk

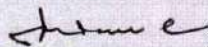
Bangladesh has high potential for infrastructure industry market. Already many players are in the industry and MAHL has stable position in the market. However, the entry barrier in the market is not acute and several construction companies are coming in the business each year. Entrance of new competitors will create unhealthy competition in the market affecting the existing market share.

11.2.4 Raw Materials Supply Risk


Though MAHL has backward linkage (construction materials such as brick, cement, concrete, tiles etc.) to support the construction works it sources the construction materials from open market. Any supply gap in both local and international market may hamper the project completion in due time.



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CREDIT RATING REPORT
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12.0 OBSERVATION SUMMARY

<p>Rating Comforts:</p> <p>Issue: Good return from investment Diversification of funding source Tax benefit in case of holding by corporate entity</p> <p>Issuer: Good financial performance Sound production facilities Experienced management team Strong Group support</p>	<p>Rating Concerns:</p> <p>Issue: Unsecured debt instrument Subordination to bank liability No specific policy to accumulate bond redemption fund</p> <p>Issuer: Levered capital structure Dependency on bank finance Project completion risk Stress liquidity arisen from future cash flow may affect bond redemption</p>
<p>Business Opportunities:</p> <p>Issue: Development of Capital market in Bangladesh Changes in Govt. regulations</p> <p>Issuer: Exploring export market Further product diversification</p>	<p>Business Challenges:</p> <p>Issue: Lower market depth of Bangladesh bond market Mostly dependent on institutional investor for subscription</p> <p>Issuer: Lack of government supportive policies Global instability Increased competition in the market Cost control</p>

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.]


 Muzaffar Ahmed, FCMA, FCS
 President and CEO

Credit Rating Information and Services Ltd.


 Mir Nasir Hossain
 Managing Director
 Mir Akhter Hossain Ltd.

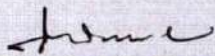

 Parymal Kumer Sarker
 Chief Financial Officer
 Mir Akhter Hossain Ltd.

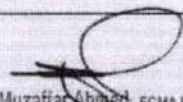

 Md. Masbaus Sunnah
 Company Secretary
 Mir Akhter Hossain Ltd.


CREDIT RATING REPORT
On
ZERO COUPON BOND OF TK. 2,499.00 MILLION
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RATING SCALES
LONG-TERM RATING OF DEBT INSTRUMENTS

RATING	DEFINITION
AAA Triple A (Highest Safety)	Investment Grade Securities rated in this category are adjudged to be of highest credit quality. This level of rating indicates highest level of safety for timely payment of interest and principal. Risk factors are negligible and nearest to risk free government securities.
AA+, AA, AA- (Double A) (High Safety)	Securities rated in this category are adjudged to be of high credit quality and offer higher safety. This level of rating indicates a security with sound credit profile and without significant problems. Protection factors are strong. Risk is modest but may vary slightly from time to time because of economic conditions.
A+, A, A- Single A (Adequate Safety)	Securities rated in this category are adjudged to be of good credit quality and offer adequate safety for timely repayment of financial obligations. Protection factors are considered variable and more susceptible to changes in circumstances than securities in higher-rated categories.
BBB+, BBB, BBB- Triple B (Moderate Safety)	Securities rated in this category are adjudged to offer moderate safety for timely repayment of financial obligations. This level of rating indicates deficiencies in certain protective elements but still considered sufficient for prudent investment. Risk factors are more variable in periods of economic stress than those rated in the higher categories.
BB+, BB, BB- Double B (Inadequate Safety)	Speculative Grade Securities rated in this category are considered to be of speculative grade but deemed likely to meet obligations when due. Present or prospective financial protection factors fluctuate according to industry conditions or company fortunes. Overall quality may move up or down frequently within this category.
B+, B, B- Single B (High Risk)	Securities rated in this category are considered to be of highly speculative grade. This level of rating indicates high risk associated with timely repayment of interest and principal. Financial protection factors will fluctuate widely according to economic cycles, industry conditions and/or company fortunes. Potential exists for frequent changes in the rating within this category or into a higher or lower rating grade.
CCC+, CCC, CCC- (Vulnerable)	Securities rated in this category are currently vulnerable to non-repayment, and is dependent upon favorable business conditions for the obligor to meet its financial commitments on the obligation.
CC+, CC, CC- (High Vulnerable)	Securities rated in this category is currently high vulnerable to non-repayment.
C+, C, C- (Near to Default)	Securities rated in this category are considered to be near to default. Protection factors are scarce. Timely repayment of interest and principal is possible only if favorable circumstances continue.
D (Default)	Default Grade Defaulted debt obligations. Issuer failed to meet scheduled principal and/or interest payments.


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 Mir Akhter Hossain Ltd.


Md. Masbaus Sunnah
 Company Secretary
 Mir Akhter Hossain Ltd.

DISCLOSURE AS PER RULE 8(b) of BSEC NOTIFICATION NOVEMBER 17, 2009.

We, Credit Rating Information & Services Limited (CRISL) while assigning this rating to **Zero Coupon Bond of Mir Akhter Hossain Limited** hereby solemnly declare that:


- (i) We, Credit Rating Information & Services Limited (CRISL) as well as the analysts of the rating have examined, prepared, finalized and issued this report without compromising with the matters of our conflict of interest, if there be any;
- And
- (ii) We have complied with all the requirements, policy and procedures of these rules as prescribed by the Bangladesh Securities and Exchange Commission vide No. SEC/CMRRCD/2001-27/01/Admin/01-41 dated November 17, 2009 in respect of this rating.


Muzaffar Ahmed FCMA, FCS
President and CEO


Credit Rating Information & Services Limited


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.


Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

ANNEXURE 4: CREDIT RATING REPORT OF THE ISSUER


Mr. Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.


Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

CREDIT RATING REPORT
On
MIR AKHTER HOSSAIN LIMITED

REPORT: RR/49174/21

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.
CRISL followed Corporate Rating Methodology published in CRISL website www.crislbd.com

Address:
CRISL
Nakshi Homes
(4th & 5th Floor)
6/1A, Segunbagicha,
Dhaka-1000
Tel: 9530991-4
Fax: 88-02-953-0995
Email:
crisldhk@crislbd.com

Rating Contact:
Md. Asiful Haq
Chief Rating Officer
asif@crislbd.com

Analysts:
Md. Anowar Hossain
anowar@crislbd.com

Sanzida Begum
sanzida@crislbd.com

Entity Rating
Long Term: AA-
Short Term: ST-3

Outlook: Stable

**MIR AKHTER
HOSSAIN LIMITED**

ACTIVITY
Construction service

**DATE OF
INCORPORATION**
July 18, 1980

MANAGING DIRECTOR
Mir Nasir Hossain

EQUITY
Tk.5,555.65 million

TOTAL ASSETS
Tk.22,721.01 million


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.

Date of Rating: December 27, 2021		Valid up to: December 26, 2022	
		Long Term	Short Term
Entity Rating		AA-	ST-3
Outlook		Stable	
Bank Facilities Rating			
Bank/FI	Mode of Exposures (Figures in million)	Bank Loan Ratings	
Dhaka Bank limited	*WCLL-Tk.2,650.00	blrAA-	
Al-Arafah Islami Bank Limited	*WCLL-Tk.3,900.00	blr AA-	
Bank Asia Limited	*WCLL-Tk.1,600.00	blr AA-	
BRAC Bank Limited	*WCLL-Tk.4,630.00	blr AA-	
Jamuna Bank Limited	*WCLL-Tk.4,550.00	blr AA-	
	**TLO-Tk.351.28		
Midland Bank Limited	*WCLL-Tk.700.00	blr AA-	
Mutual Trust Bank Limited	*WCLL-Tk.3,679.00	blr AA-	
NRB Commercial Bank Limited	*WCLL-Tk.2,600.00	blr AA-	
Uttara Bank Limited	*WCLL-Tk.920.00	blr AA-	
United Commercial Bank Limited	*WCLL-Tk.4,900.00	blr AA-	
	**TLO-Tk.206.70		
Shahjalal Islami Bank Limited	*WCLL-Tk.4935.28	blr AA-	
	**TLO-Tk.8.06		
Dutch Bangla Bank Limited	*WCLL-Tk.2120.00	blr AA-	
	**TLO-Tk.557.32		
Social Islami Bank Limited	*WCLL-Tk.3,950.00	blr AA-	
	**TLO-Tk.50.83		
Modhumoti Bank Limited	*WCLL-Tk.2,100.00	blr AA-	
	**TLO-Tk.8.16		
Standard Bank Limited	*WCLL-Tk.2,450.00	blr AA-	
	**TLO-Tk.1,289.36	blr AA-	

*WCLL-Working Capital Loan Limit, **TLO-Term Loan Outstanding

1.0 RATIONALE

CRISL has reaffirmed the Long Term rating to 'AA-' (pronounced as double A minus) and the Short term rating to 'ST-3' of Mir Akhter Hossain Limited (MAHL) on the basis of its audited financials up to June 30, 2021 and other relevant quantitative and qualitative information up to the date of rating. The above ratings have been reassigned after due consideration to its fundamentals such as good financial performance, average liquidity, regular loan repayment status, sound infrastructure facilities, strong Group support, experienced management team etc. However, the above ratings are constrained, to some extent, by factors such as debt based capital structure, dependency on bank finance, risk of project completion etc.

The Long Term rating indicates that entities rated in this category are adjudged to be of high quality, offer higher safety and have high credit quality. This level of rating indicates a corporate entity with a sound credit profile and without significant problems. Risks are modest and may vary slightly from time to time because of economic conditions. The Short Term rating indicates good certainty of timely repayment. Liquidity factors and company fundamentals are sound. Although ongoing funding needs may enlarge total financing requirements, access to financial markets is good with small risk factors.

CRISL also views the company with "Stable Outlook" believing that the company will be able to maintain its fundamentals with the same trend in the foreseeable future.

**CREDIT RATING REPORT
On
MIR AKHTER HOSSAIN LIMITED**

2.0 CORPORATE PROFILE

2.1 The Genesis

Mir Akhter Hossain Limited is a building and civil construction company and a major concern of Mir Group. The Group consists of several business units having exposure in Telecom, Cement, Ceramic, Real Estate, Power, ICT sector etc. The Group started its journey in 1968 with Mir Akhter Hossain Limited as the flagship company under the prominent entrepreneur late Mr. Mir Akheb Hossain. From inception, every concern of the Group has been operating with good reputation and positive brand image. MAHL was initially established as a partnership company in 1969 which later converted into a private limited company in July 18, 1980. Subsequently MAHL was converted into a Public Limited Company on January 10, 2017. In January 26, 2021; the company went for initial public offering and the shares of the company are listed with both the bourses of the country-Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) under 'N' category. The authorized capital and paid up capital stood at Tk.2,000.00 million and Tk.1,207.72 million respectively as on September 30, 2021. The mission of the company is to provide quality and superior services through the integration of excellent design solutions, dedication to sustainable and economical capacity, responsible of hiring competent subcontracts and value for safety and customer satisfaction. Equipped with sound production facilities, the company successfully executed diverse projects like construction of international standard Roads & Highway, Bridges, Industrial Complexes etc. MAHL has one subsidiary namely Mir Securities Limited (99.75% holding) which incorporated in March 02, 2021.

Mr. Mir Nasir Hossain, a renowned businessman, is the Managing Director of the company. The Head Office of the company is located at Red Crescent Borak Tower Level-7 & 10, 71-72 Old Elephant Road, Eskaton Garden, Dhaka-1000.

2.2 Ownership Structure

Being a public limited listed company, the ownership of MAHL is being held by sponsors, institutional shareholders and general public. The sponsors of the company held 48.58% shares by 4 sponsors, followed by 3.90% shares by local institutional shareholders and 47.52% shares by general public as on June 30, 2021. Although the shareholding patterns portrays diversified shareholding status, the overall decision making and management control has remained in sponsor's hand. Moreover, the current share holding position is consisted of 48.58% by Sponsor/Director, 3.74% by institutions, and 47.68% by public as on November 30, 2021.


3.0 CORPORATE GOVERNANCE

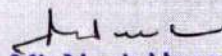
3.1 Board of Directors


The Board of Directors consists of eight (08) members and led by Mr. Mir Nasir Hossain as the Managing Director of the Board with his prudence in the business arena. The Board mainly reviews the overall activities of the business and gives necessary strategic guidelines for onward policy implementation. A brief details of the board is delineated below-

08 members Board

Name	Academic Qualification	Position in the Board
Mrs. Sohela Hossain	M.A (Philo.)	Chairman
Mr. Mir Nasir Hossain	B. Com (H) M.Com	MD
Mrs. Mahabuba Nasir	B.A (Hon's)	Director
Mr. Shama-e-Zaheer	MBA	Director & COO
Mr. Md. Farid Uddin	M.A (Modern History)	Independent Director
Mr. A.K.M Faizur Rahman	MBA	Independent Director
Prof. Dr. Muhammad Shariat Ullah	Ph.D(Economics)	Independent Director
Prof. Nausheen Rahman	MBA (Finance)	Independent Director


Muzaffar Ahmed, FCI, A.F.C.S
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CREDIT RATING REPORT
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MIR AKHTER HOSSAIN LIMITED

The board held 4 meetings during FY2020-21. The company has three-member Audit Committee (AC) headed by Mr. Md. Farid Uddin, Independent Director as the Chairman. AC reviews the compliance issues and recommends course of action to internal and external auditors for removing the irregularities referred to it. The AC held 2 meetings during FY2020-21. The Nomination and Remuneration Committee (NRC) is formed with three members and also headed by Mr. Md. Farid Uddin as Chairman. NRC held one meeting during the period.

Experienced management team

3.2 Corporate Management

The corporate management including overall business operation of the company is headed by Mr. Mir Nasir Hossain, Managing Director. In the management team, Mr. Nasir is aided by Executive Directors, Project Engineers and officers. Managing Director is empowered with sufficient financial, administrative and business delegation. Moreover, officials at different levels have been given requisite business delegation. The Head Office management is segregated into different divisions and is headed by experienced & qualified professionals who are successfully carrying out various tasks towards achieving the company goal as well as Group objectives. Various divisions at Head office include Engineering, Planning and Co-ordination, Procurement, Administrative, and Accounts division. A brief of management team is given below-

Name	Designation
Mr. Mir Nasir Hossain	Managing Director
Mr. Shama-e-Zaheer	Director & COO
Mr. Azizul Haque	Sr. Executive director (Technical)
Mr. Md. Golam Mostofa	Sr. Executive director (Mech.)
Mr. Syed Rasheduzzaman	Sr. Executive director (Engineering)
Mr. Manik Kumar Biswas	Sr. Executive director (Project)
Mr. Md. Momtazul Karim Khan	Executive director (Planning & Co-ordination)
Mr. Md. Ashraful Islam	Executive director (Project)
Mr. Parymal Kumer Sarker, FCA	Chief Finance Officer

3.3 Human Resource Management


MAHL provides competitive compensation package to its employees. Among other fringe benefits it has the practice of creating provident fund for employees. As of September 30, 2021, MAHL's had total 1967 personnel as a technical, professional and other supporting staff and permanent workers. The company also has contractual staff and temporary daily basis workers. MAHL has the expertise and technical know-how to handle assigned tasks efficiently and effectively at all times. Performance evaluation and career development through in-house and outside training program seems limited in the company.


3.4 MIS and Internal Control Mechanism

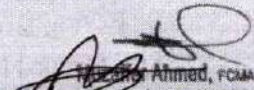
The IT & MIS system is still in the developing stage and the management has the planning to develop and build enriched IT department. MAHL is using QuickBook Pro, Tally for Accounting, Auto CAD, MS Project etc. for preparation of Bills, and many other packages for daily work of the office. The company has separate internal audit department exclusively to justify the financial and business transaction.

4.0 SUBSIDIARY OPERATION

The company has one fully controlled subsidiary company namely Mir Securities Limited (MSL) incorporated in March 02, 2021 to carry on the business of broker or dealers in capital market. The company has obtained Trading Right Entitlement Certificate (TREC) from DSE. Total registered authorized capital of MSL stood at Tk.200.00 million and paid up capital of Tk.80.00 million as on June 30, 2021. Mir Akhter Hossain Limited (MAHL) held 99.75% shares of MSL. As the company did not get their license of trading, MSL is yet to generate any revenue from its business. On the other hand, the company incurred some administrative cost which resulted net loss of Tk.10.41 million. MSL has total asset of Tk.69.90 million against which it has total liabilities of Tk.0.31 million as on June 30, 2021.


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CREDIT RATING REPORT
On
MIR AKHTER HOSSAIN LIMITED

5.0 BUSINESS ANALYSIS**5.1 Business Profile**

MAHL is widely focused in the construction business, which includes construction of international standard Roads & Highway, Bridges, Industrial Complexes like Factory buildings of Sugar, Pharmaceuticals and Textile Mills, Office Complexes, Functional Buildings, International Standard Hotel Buildings, Auditoriums, Academics, Food and Fertilizer warehouse etc. The clients of MAHL consist of Government, Semi-Govt., Private and Public company, Associations, Foreign Embassies etc. The company has successfully completed a good number of high valued projects at all central points over the country.

5.2 Operational Strategy

MAHL operates their projects under a set of strategies as implemented by the company management. Operational strategy of the company is segregated into pre construction stage, construction stage and post construction stage. The company has a good combination of backward and forward linkage. Presently the capacity of services of the company is high in comparison with its peers and the company attempts to secure prestigious projects by forming joint venture with foreign construction companies. MAHL has the plan to participate in the construction of railway track, dredging of river, construction of effluent treatment plant for tanneries, construction of flyover etc.

5.3 Project Management

The overall project management of MAHL starts with a project planning where the total project scope is determined and defined. Several meetings are arranged for decision making about the first blush plan. Technical scope is established and basic areas of performance and responsibilities are proposed and approved by the participants and the top management. Then an estimation of cost and allocation of resources are made in the form of project budgeting where the prospective profit and loss relating to a project is determined. Some related factors like inflation, differential changes in cost factors etc. are adjusted with the budget. Then scheduling process is carried out to co-ordinate the overall project. Immediately after scheduling, allocation of resources is properly done. Regular monitoring process is carried out in the projects. Periodic inspection of accounts from Head Office is done as well as total process is reviewed under the senior management of the company.

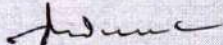
5.4 Procurement Strategy


MAHL has separate procurement policy with local and imported materials. Procurement materials include civil works, furniture fabric, furniture polish materials, carpet with underlay, firefighting component, electrical and mechanical works and communication equipment etc. Procurement policy of the company starts from receipt of the construction drawing as well as upon the study of the EOQ and specification. The planning and scheduling department is headed by planning and scheduling engineer who carry out the details of inventory of materials required for the project. The required materials are procured through head office purchase department. Major construction materials are procured and stored at site in sufficient quantity so that progress of work is not hampered at any stages of work. The company procures raw material and other accessories at different stages of construction from different suppliers.


5.5 Infrastructure and Construction Facilities


The company is well equipped with construction and infrastructures facilities. The company has adequate equipment to handle more than 40 projects at a time. Besides, in order to support its ongoing activities, MAHL has contractual arrangement with different construction companies to outsource work in times of necessity. Major items of construction equipment includes Mixture Machine, Nozzle, Vibrator Machine (diesel & electric), Water Pump, Water Tank, Submersible Pump, Drill machine, Generator, Grinding machine, Audit-Steel shutter, Column shutter, Beam shutter etc. The company has been adding construction equipment to its operation every year to cope with increasing volume of business. The company has its own architects for design purposes. Technical collaboration of the company is obtained from reputed international companies for execution of large projects financed by international financial organization like WB, ADB etc.

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Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.


Muzaffar Ahmed, FCMA, FCS
President and CEO
Credit Rating Information and Services Ltd.


Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

CREDIT RATING REPORT On MIR AKHTER HOSSAIN LIMITED

However, large local projects having complicated nature and types require formation of the company by Joint Venture (JV), Consortium, and Association with defined share of participation by each party. MAHL has the expertise and technical know-how to handle assigned tasks efficiently and effectively at all times.

5.6 Safety Measures on Operation

MAHL is operating their projects with adequate safety and security measures which are in line with the industry. Personal safety equipment involves using helmets, safety goggles, gloves, boots and other accessories. The project area is properly covered with net in absence of wall and warning sign is well displayed. Electrification work is properly carried out in compliance with design of electrical engineer and is operated by licensed electrician. Before the start of construction, machinery is checked thoroughly to protect it from any hazardous situation. To have safety against fire during project, adequate number of fire extinguisher and fire exit is kept. A proper system of entry into the project area is followed with a signing register and security guards.

6.0 PROJECT DETAILS

6.1 Completed Projects

The company has successfully completed various highly prestigious projects and handed those over to their clients. During FY2020-21, MAHL initiated 5 new projects such as Jamuna Rail Bridge, Jamuna river dredging, Munshiganj bridge etc. from which it generated Tk.634.90 million revenue. Moreover, the company continued the work on 12 project from the previous year which generated Tk.2,789.38 million revenue.

6.2 Ongoing Projects

As of November 11, 2021 the company has 30 on-going projects. Total values of these projects stands at Tk. 60,956.86 million. Among the on-going projects, 14 projects are currently completed more than 80% with the value of Tk.25,961.77 million which are expected to be completed within next 2-3 years.

Good number of ongoing projects


7.0 IPO FUND UTILIZATION


In order to expand the business, MAHL floated its share through IPO to raise fund of Tk. 1,250.00 million from the capital market. The fund will be used for investing in capital machineries, loan repayment and IPO expenses. The details of IPO fund utilization as on November 30, 2021 is briefing below:


Purpose of Utilization	Amount as per Prospectus	Total Utilized Amount	Utilized (%)	Total Un-utilized Amount
Heavy Equipment	503.00	---	0.00	503.00
Aggregate Processing Plant	127.00	---	0.00	127.00
Asphalt Plant	46.75	46.75	100.00	---
Concrete Batching Plant	37.40	---	0.00	37.40
Warehouse and Workshop	100.85	92.65	91.87	8.20
Repayment of Bank Loan	400.00	400.00	100.00	---
Estimated IPO Expense	35.00	35.00	100.00	---
Total IPO Proceeds	1,250.00	574.40	45.95	675.60

Tk. in million


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8.0 FINANCIAL PERFORMANCE

Financial performance analysis is based on consolidated financials of the company. The company reported consolidated financial statements as well as separate financial statement in line with Bangladesh Accounting Standard and BB guideline.

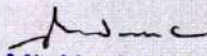
Indicator	FY2020-21	FY2019-20	FY2018-19
Revenue (in million TK.)	3,242.28	2,694.96	4,267.04
Gross Profit (in million TK.)	935.72	766.18	1,132.23
Net Profit from own construction business (in million TK.)	91.56	74.97	200.50
Net Profit after tax from Joint Venture (in million Tk.)	367.88	300.04	431.99
Total Net Profit after tax (in million Tk.)	459.45	375.01	632.49
Gross Profit Margin (%)	28.86	28.43	26.53
Net Profit Margin (%)	14.17	13.92	14.82
Cost to Revenue Ratio (%)	71.14	71.57	73.47
Administrative & Selling Exp. to Revenue Ratio %	6.12	5.37	5.75
Finance Cost to Revenue Ratio %	14.14	14.07	8.47
Return on Average Assets After Tax (%)	2.13	2.00	4.27
Return on Average Equity After Tax (%)	9.77	10.25	20.05
Return on Average Capital Employed (%)	2.62	2.44	5.52

Good financial performance


The overall financial performance of MAHL has been found to be good during FY2020-21 as the company registered a revenue growth of 20.31%. MAHL has been recognizing its revenue on bill received basis. During FY2020-21, MAHL initiated 5 new projects from which it generated Tk.634.90 million and continued the work on 12 project from the previous year which generated Tk.2,789.38 million revenue .Consequently, the gross profit increased by 22.13%. Though the admin and finance cost increased, the net profit increased by 22.52% due to increase in income from joint venture. As a result all the profitability indicators such as Return on Average Assets (ROAA) and Return on Average Capital Employed (ROACE) increased as the growth of return was comparatively higher than asset and net asset growth. Moreover, MAHL has 30 ongoing projects with a value of Tk. 60,956.86 million.

While analyzing the cost efficiency of the company, CRISL observed that the cost of services to revenue ratio remained stable. On the other hand, the administrative expenses and finance cost ratio both increased from previous year resulting 19.59% growth in cost of execution of contract.

CRISL has also considered the Unaudited Financial Statements for 1st Quarter of FY 2021-22. As per the unaudited accounts, the revenue stood at Tk. 810.14 million (Tk.216.35 million for 1st Quarter of FY 2019-20) and gross profit stood at Tk.235.83 million.Net profit significantly dropped to Tk. 67.23 million against Tk.104.40 million of the same period of FY2020-21 due to decrease in income from joint venture.


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CREDIT RATING REPORT
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9.0 FINANCIAL STRENGTH AND SOLVENCY

(Amount in million Tk.)

Particulars	As on June 30, 2021	As on June 30, 2021	As on June 30, 2019
Current assets	7,673.60	5,735.81	5,659.38
Less Current liabilities	5,030.67	3,100.26	3,515.52
Net Current Asset	2,642.93	2,635.56	2,143.87
Add: Non-Current assets	15,047.41	14,684.27	11,328.78
Capital Employed	17,690.34	17,319.82	13,472.64
Financed by			
Equity:			
Paid up capital	1207.72	1000.00	1,000.00
Retained earnings	3197.94	2738.47	2,363.46
Share Premium	1042.28	---	---
Reserve & Others	107.71		107.54
Total Equity	5555.65	3846.01	3,471.00
Non-Current Liabilities:			
Long Term Liabilities	12,134.69	13,473.82	10,001.64
Total Equity & Non-Current Liabilities	17,690.34	17,319.82	13,472.64
Leverage Ratio (X)	3.09	4.31	3.89
Debt Service Coverage Ratio (X)	2.99	2.89	4.04
Interest Coverage Ratio (X)	2.60	2.43	3.64

Debt based capital structure

MAHL is operating with debt based capital structure. The capital structure revealed that, the company has 75.55% debt (of which 29.31% in short-term and 70.69% in long-term) and 24.45% equity. The equity pie comprised of 21.74% share capital, 57.56% retained earnings, 18.76% share premium and 1.94% reserve and others. As a construction company, MAHL financed its projects through bank loans therefore, total liabilities of the company increased by 3.57% in the form of short term as well as long term debt. However, the leverage ratio decreased due to higher growth in equity compared to the growth of liabilities. Both debt service coverage ratio and interest coverage ratio indicate that the company has the capabilities to pay off its debt obligation.

10.0 LIQUIDITY AND FUND FLOW ANALYSIS

Indicators	FY2020-21	FY2019-20	FY2018-19
Current Ratio (X)	1.53	1.85	1.61
Quick Ratio (X)	0.68	0.71	0.90
Operating Cash Flow (Tk. in million)	203.57	62.81	1,287.76
Net Working Capital (Tk. in million)	2,642.93	2,635.56	2,143.87
Operating Cash Flow to Current Debt Ratio (X)	0.05	0.02	0.37

Average liquidity


Being a construction company, MAHL needs funds for purchasing construction materials and other administrative costs of projects and has been maintaining its working capital requirements as well as liquidity from bill received, short term bank financing, inter-company loan and trade credit facility from supplier. Generally, the company starts work against the work order and submits the bill based on completion of work. The company received the bills after the work is inspected and met the required quality. Mostly, the company received the bills within 30 days after submitting the bills. On the other hand, the working capital requirement of the company varies in line with project works and the company has been enjoying bank loan facilities for meeting its requirement. At present, the company is enjoying loan liability of Tk.27,706.52 million against the project value of Tk.60,956.86 million representing 45.45% of project value.

The liquidity of the company has been found to be average due to positive cash flow and net working capital. The current ratio also found to be average but the quick ratio is below than accepted level due to holding high inventory for its business. While analyzing the cash flow, CRISL found that the operating cash flow increased in FY2020-21 as the cash receipts from customers increased by 20.54%. However, the operating cash flow to current debt ratio has been found moderate as the company has significant amount of current liabilities in the form of short term loan.


Mir Nasir Hossain
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11.0 CREDIBILITY AND BANKING RELATIONSHIP
11.1 Liability Position

The company has been enjoying financial flexibility from different banks. The total liability of the company stood at Tk.27,706.52 million consisted of term loan of Tk.2,471.71 million, working capital funded of Tk.14,171.13 million and working capital non-funded of Tk.11,063.69 million. The details of outstanding loan liability are shown in the following table:


(Tk. in million)


Bank Name/Outstanding date	Mode	Limit	Outstanding Amount	Status
Dhaka Bank Limited-30.11.21	Working capital -Funded	1,650.00	487.90	Regular
	Working capital -Non funded	1000.00	1,195.73	
	Sub Total	2,650.00	1,683.63	
Al-Arafah Islami Bank Limited-30.11.21	Working capital -Funded	2,400.00	2,214.90	Regular
	Working capital -Non funded	1,500.00	691.24	
	Sub Total	3,900.00	2,906.14	
Bank Asia Limited-30.11.21	Working capital -Funded	1,000.00	500.00	Regular
	Working capital -Non funded	600.00	81.70	
	Sub Total	1,600.00	581.70	
BRAC Bank Limited-30.11.21	Working capital -Funded	2,130.00	1,184.42	Regular
	Working capital -Non funded	2,500.00	2,093.60	
	Sub Total	4,630.00	3,278.02	
Jamuna Bank Limited-30.11.21	Term Loan	657.39	351.28	Regular
	Working capital -Funded	2,050.00	250.00	
	Working capital -Non funded	2,500.00	---	
	Sub Total	5,207.39	601.28	
Midland Bank Limited-14.12.21	Working capital -Funded	500.00	256.41	Regular
	Working capital -Non funded	200.00	97.94	
	Sub Total	700.00	354.35	
Mutual Trust Bank Limited-30.11.21	Working capital -Funded	1,679.00	1,809.42	Regular
	Working capital -Non funded	2,000.00	834.54	
	Sub Total	3,679.00	2,643.96	
NRB Commercial Bank Limited-30.11.21	Working capital -Funded	1,100.00	1,080.09	Regular
	Working capital -Non funded	1,500.00	742.08	
	Sub Total	2,600.00	1,822.17	
Uttara Bank Limited -30.11.1	Working capital -Funded	500.00	---	---
	Working capital -Non funded	420.00	---	
	Sub Total	920.00	---	
United Commercial Bank Limited-30.11.21	Term Loan	425.40	206.70	Regular
	Working capital -Funded	2,500.00	1,967.00	
	Working capital -Non funded	2,400.00	1,886.20	
	Sub Total	5,325.40	4,059.90	
Shahjalal Islami Bank Limited-10.11.21	Term Loan	73.46	8.06	Regular
	Working capital -Funded	1,750.00	1,281.87	
	Working capital -Non funded	3,185.28	2,252.82	
	Sub Total	5,008.75	3,542.75	
Dutch Bangla Bank Limited-30.11.21	Term Loan	730.44	557.32	Regular
	Working capital -Funded	1,200.00	1,161.88	
	Working capital -Non funded	920.00	381.97	
	Sub Total	2,850.44	2,101.17	

Regular loan repayment status


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Social Islami Bank Limited-30.11.21	Term Loan	583.60	50.83	Regular
	Working capital -Funded	1,700.00	1,461.55	
	Working capital -Non funded	2,250.00	90.32	
	Sub Total	4,533.60	1,602.70	
Modhumoti Bank Limited-30.11.21	Term Loan	(130.00)	8.16	Regular
	Working capital -Funded	950.00	515.69	
	Working capital -Non funded	1,150.00	640.05	
	Sub Total	2,100.00	1,163.90	
Standard Bank Limited -20.12.21	Term Loan	1,200.00	1,289.36	Regular
	Working capital -Funded	1,250.00	---	
	Working capital -Non funded	1,200.00	75.50	
	Sub Total	3,650.00	1,364.86	
Total		49,354.58	27,706.52	

11.2 Security Arrangement against Bank Exposure

MAHL has offered both primary security and collateral to avail the bank facilities from the above mentioned banks. The company offered Factory Land, Building, Inventory, Receivables, L/C margin, Shipping documents and acceptance, personal guarantee as security.

12.0 RISK ANALYSIS

12.1 Project Completion Risk

The successful implementation of the project depends on the ability of the company's construction of the facilities, weather condition, labor and supply of raw materials within due time. Moreover, the Bangladeshi construction industries have been directly and indirectly affected by the ongoing measures taken by the country's government to control the spread of the corona virus pandemic. The unprecedented measures have suspended the construction works of all major infrastructure projects, worth more than US\$30bn, including the Padma Bridge, Rooppur nuclear power plant, Matarbari power plant, Karnaphuli river tunnel and Dhaka metro rail. One of the reasons for the suspension of construction works is that, neither foreign nor local employees can work under the prevailing situation, which will definitely slow down the progress of the projects.

12.2 Price Fluctuation Risk


Prices of construction materials such as iron, cement, concrete are increasing in recent years, rapidly. As MAHL has to complete the project works within stipulated time frame at fixed contract price, it is exposed to price fluctuation risk.

12.3 Market Risk

Bangladesh has high potential for infrastructure industry market. Already many players are in the industry and MAHL has stable position in the market. However, the entry barrier in the market is not acute and several construction companies are coming in the business each year. Entrance of new competitors will create unhealthy competition in the market affecting the existing market share.


12.4 Raw Materials Supply Risk

Though MAHL has backward linkage (construction materials such as brick, cement, concrete, tiles etc.) to support the construction works it sources the construction materials from open market. Any supply gap in both local and international market may hamper the project completion in due time.


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CREDIT RATING REPORT
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13.0 OBSERVATION SUMMARY

<p>Rating Comforts:</p> <ul style="list-style-type: none"> • Good financial performance • Regular loan repayment status • Sound infrastructural facilities • Strong Group support • Experienced top management • Construction experience of high valued projects 	<p>Rating Concerns:</p> <ul style="list-style-type: none"> • Debt based capital structure • Dependency on bank finance • Project completion risk • Raw material supply risk
<p>Business Prospects:</p> <ul style="list-style-type: none"> • Diversification of operation • Cheap labor • Huge Govt. expenditures for construction of mega projects 	<p>Business Challenges:</p> <ul style="list-style-type: none"> • Maintaining appropriate standard as per agreement • Handover of projects on time • Price fluctuation of construction materials

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.]


 Muzaffar Ahmed, FCM, FCS
 President and CEO
 Credit Rating Information and Services Ltd.


 Mir Nasir Hossain
 Managing Director
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 Md. Masbaus Sunnah
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 Mir Akhter Hossain Ltd.

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14.0 CORPORATE INFORMATION

Year of Incorporation: 1980

Board of Directors:

Mrs. Sohela Hossain	Chairman
Mr. Mir Nasir Hossain	Managing Director
Mrs. Mahabuba Nasir	Director
Mr. Shama-e-Zaheer	Director & COO
Mr. Md. Farid Uddin	Independent Director
Mr. A.K.M Faizur Rahman	Independent Director
Prof. Dr. Muhammad Shariat Ullah	Independent Director
Prof. Nausheen Rahman	Independent Director

Audit Committee:

Mr. Md. Farid Uddin	Chairman
Mrs. Mahabuba Nasir	Member
Mr. A.K.M Faizur Rahman	Member
Mr. Md. Masbaus Sunnah	Secretary

Nomination and Remuneration Committee:

Mr. Md. Farid Uddin	Chairman
Mrs. Mahabuba Nasir	Member
Mr. A.K.M Faizur Rahman	Member
Mr. Md. Masbaus Sunnah	Secretary

Management Team:

Mr. Mir Nasir Hossain	Managing Director
Mr. Shama-e-Zaheer	Director & COO
Mr. Azizul Haque	Sr. Executive director (Technical)
Mr. Md. Golam Mostofa	Sr. Executive director (Mech.)
Mr. Syed Rasheduzzaman	Sr. Executive director (Engineering)
Mr. Manik Kumar Biswas	Sr. Executive director (Project)
Mr. Md. Momtazul Karim Khan	Executive director (Planning & Co-ordination)
Mr. Md. Ashraful Islam	Executive director (Project)
Mr. Parymal Kumer Sarker, FCA	Chief Finance Officer

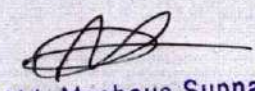
Company Secretary: Mr. Md. Masbaus Sunnah

Auditor: G. Kibria & Co.
Chartered Accountants


Muzaffar Ahmed, FCA, FCS
President and CEO
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CREDIT RATING REPORT
On
MIR AKHTER HOSSAIN LIMITED

15.0 FINANCIALS (Consolidated)
A. Balance Sheet (For the year ended 30 June)

(Tk. in million)			
Particulars	FY2020-21	FY2019-20	FY2018-19
Non-Current Assets			
Property Plant & Equipment	4075.66	3840.45	3970.62
Capital work in progress			
Investment	10971.76	10843.82	7358.15
Total Non-Current Assets	15047.41	14684.27	11328.78
Current Assets			
Inventories	4252.81	3525.94	2484.79
Trade Debtors			
Adv. Deposits & Prepayments	1020.14	1000.02	1137.70
Other Current Assets	806.07	732.93	1539.39
Cash & Bank Balances	1594.58	476.92	497.51
Total Current Assets	7673.60	5735.81	5659.38
Current Liabilities			
Short Term Loan	4873.47	2612.09	2712.21
Long Term Loan-Current Portion			
Trade Creditors			
Liabilities for Expenses	55.28	138.71	107.14
Other ST Liabilities	101.93	349.46	696.17
Total Current Liabilities	5030.67	3100.26	3515.52
Net Current Assets	2642.93	2635.56	2143.87
Capital Employed	17690.34	17319.82	13472.64
Non-Current Liabilities			
Long Term Loan	12131.36	13470.49	9998.32
Deferred Liabilities	3.33	3.33	3.33
Total Non-Current Liability	12134.69	13473.82	10001.64
Non controlling Interest	0.17		
Shareholders' Equity			
Share Capital	1207.72	1000.00	1000.00
Share Premium	1042.28		
Other Reserve	107.54	107.54	107.54
Retained Earnings	3197.94	2738.47	2363.46
Total Shareholders' Equity	5555.65	3846.01	3471.00
Total Equity and LT Liabilities	17690.34	17319.82	13472.64
Total Assets	22721.01	20420.08	16988.16

B. Income Statement (For the year ended 30 June)

(Tk. in million)			
Particulars	FY2020-21	FY2019-20	FY2018-19
Sales Revenue	3242.28	2694.96	4267.04
Cost of Goods Sold	2306.56	1928.78	3134.81
Gross Profit	935.72	766.18	1132.23
Salary & Allowances	142.49	10.25	185.15
Other Admin. Expenses	55.98	134.40	60.10
Total Admin. Expenses	198.46	144.65	245.25
Selling & Distribution Exp.	0.00	0.00	0.00
Profit from Operation	737.26	621.53	886.98
Financial Cost	425.92	379.09	361.41
Other Income	384.27	313.37	454.59
Allocation for W.P.P.F & W.F	16.10	12.18	26.10
Profit Before Tax	679.50	543.62	954.05
Income Tax	220.06	168.61	321.56
Profit After Tax	459.45	375.01	632.49

CREDIT RATING REPORT
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MIR AKHTER HOSSAIN LIMITED

CRISL RATING SCALES AND DEFINITIONS
LONG-TERM RATINGS OF CORPORATE

RATING	DEFINITION
AAA Triple A (Highest Safety)	Investment Grade Entity rated in this category is adjudged to be of best quality, offer highest safety and have highest credit quality. Risk factors are negligible and risk free, nearest to risk free Government bonds and securities. Changing economic circumstances are unlikely to have any serious impact on this category of companies.
AA+, AA, AA- (Double A) (High Safety)	Entity rated in this category is adjudged to be of high quality, offer higher safety and have high credit quality. This level of rating indicates a corporate entity with a sound credit profile and without significant problems. Risks are modest and may vary slightly from time to time because of economic conditions.
A+, A, A- Single A (Adequate Safety)	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.
BBB+, BBB, BBB- Triple B (Moderate Safety)	Entity rated in this category is adjudged to offer moderate degree of safety for timely repayment of financial obligations. This level of rating indicates that a company is under-performing in some areas. Risk factors are more variable in periods of economic stress than those rated in the higher categories. These entities are however considered to have the capability to overcome the above-mentioned limitations.
BB+, BB, BB- Double B (Inadequate Safety)	Speculative Grade Entity rated in this category is adjudged to lack key protection factors, which results in an inadequate safety. This level of rating indicates a company as below investment grade but deemed likely to meet obligations when due. Overall quality may move up or down frequently within this category.
B+, B, B- Single B (Risky)	Entity rated in this category is adjudged to be with high risk. Timely repayment of financial obligations is impaired by serious problems which the entity is faced with. Whilst an entity rated in this category might be currently meeting obligations in time through creating external liabilities.
CCC+, CCC, CCC- Triple C (Vulnerable)	Entity rated in this category is adjudged to be vulnerable and might fail to meet its repayments frequently or it may currently meeting obligations in time through creating external liabilities. Continuance of this would depend upon favorable economic conditions or on some degree of external support.
CC+, CC, CC- Double C (High Vulnerable)	Entity rated in this category is adjudged to be very highly vulnerable. Entity might not have required financial flexibility to continue meeting obligations; however, continuance of timely repayment is subject to external support.
C+, C, C- Single C (Extremely Speculative)	Entity rated in this category is adjudged to be with extremely speculative in timely repayment of financial obligations. This level of rating indicates entities with very serious problems and unless external support is provided, they would be unable to meet financial obligations.
D (Default)	Default Grade Entity rated in this category is adjudged to be either already in default or expected to be in default.



Note: For long-term ratings, CRISL assigns + (Positive) sign to indicate that the issue is ranked at the upper-end of its generic rating category and - (Minus) sign to indicate that the issue is ranked at the bottom end of its generic rating category. Long-term ratings without any sign denote mid-levels of each group.

SHORT-TERM RATINGS OF CORPORATE

ST-1	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.
ST-2	High Grade High certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.
ST-3	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.
ST-4	Moderate Grade Moderate liquidity and other protection factors qualify an entity to be in investment grade. Risk factors are larger and subject to more variation.
ST-5	Non-Investment/Speculative Grade Speculative investment characteristics. Liquidity is not sufficient to ensure discharging debt obligations. Operating factors and market access may be subject to a high degree of variation.
ST-6	Default Entity is in default or is likely to default in discharging its short-term obligations. Market access for liquidity and external support is uncertain.


Mir Nasir Hossain
Managing Director
Mir Akhter Hossain Ltd.


Parymal Kumer Sarker
Chief Financial Officer
Mir Akhter Hossain Ltd.


Muzaffar Ahmed, FCA, FCSA
President and CEO
Credit Rating Information and Services Ltd.

Md. Masbaus Sunnah
Company Secretary
Mir Akhter Hossain Ltd.

CREDIT RATING REPORT
On
MIR AKHTER HOSSAIN LIMITED


CRISL RATING SCALES AND DEFINITIONS
BANK LOAN / FACILITY RATING SCALES AND DEFINITIONS- LONG-TERM

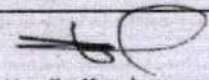
RATING	DEFINITION
birAAA (birTriple A) (Highest Safety)	Investment Grade Bank Loan/ Facilities enjoyed by banking clients rated in this category are adjudged to have highest credit quality, offer highest safety and carry almost no risk. Risk factors are negligible and almost nearest to risk free Government bonds and securities. Changing economic circumstances are unlikely to have any serious impact on this category of loans/ facilities.
birAA+, birAA, birAA- (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.
birA+, birA, birA- 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.
birBB+, birBB, birBB- 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.
birBB+, birBB, birBB- 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.
birB+, birB, birB- 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.
birCCC+, birCCC, birCCC- 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.
birCC+, birCC, birCC- 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.
birC+, birC, birC- (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.
birD (Default)	Default Grade Entities rated in this category are adjudged to be either already in default or expected to be in default.

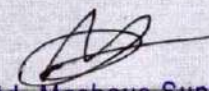
SHORT-TERM RATINGS

birST-1	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.
birST-2	High Grade High certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.
birST-3	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.
birST-4	Satisfactory Grade Satisfactory liquidity and other protection factors qualify issues as to invest grade. Risk factors are larger and subject to more variation.
birST-5	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.
birST-6	Default Institution failed to meet financial obligations


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