

CASE STUDY

Total marks: 100

Time allowed: 4:30 hours.

Instructions:

1. Check that your question paper contains all the exhibits as mentioned in page 3. The consecutive page numbering may be found under the base line at the foot of each page.
2. Use the answer script provided by the Institute. Write your name, roll no., registration no. and name of the subject on the upper portion of the cover page of the answer script.
3. Candidates are asked not to write any particulars of identification in any other place of the answer script and additional pages if taken.
4. Questions must be answered in English.
5. The answer should be referenced to the relevant workings.
6. Answer script and additional page(s) taken to write answer, used or unused, must not be removed or taken away from the Examination Hall.

Requirements & Marks Allocation:

You are Moinul Islam, Director at J. Khan & Co., Chartered Accountants (JKC). You report to Mr. Jahid Khan FCA, Managing Partner at JKC, who have forwarded you an email (**Exhibit-1**) sent by Mrs. Faiza Chowdhury, MD of Astha General Hospital Limited (Astha). Mrs. Chowdhury on her email requested advice on several matters and shared relevant information for consideration. Mr. Khan assigned you for this assignment and asked you to prepare a draft report for the board of Astha covering all the requirements stated in Mrs. Chowdhury's email. In addition to email from Mrs. Faiza, he also shared a business article and few news clips (**Exhibit-7** and **Exhibit-8**) which he considers useful and wants you to consider in preparation of the report.

Requirements:

You are required to prepare a draft report for the board of Astha which should comprise the following elements:

- ❖ An executive summary
- ❖ Your responses to the detailed requirements (a), (b) and (c) set out in Exhibit-1.
- ❖ State clearly of any assumptions used in preparing the report.

Marks Allocation:

All of allocated marks in the Case Study are awarded for the demonstration of professional skills, allocated broadly as follows:

Requirements	Professional Skills					Total
	Assimilating and using information	Structuring problems and solutions	Applying judgment	Conclusions and making recommendations	Integrative & multidisciplinary skills	
Executive Summary	4	4	2	3	2	15
Requirement (a) (i)	2	2	2	2	0	8
(ii)	3	4	3	3	2	15
Requirement (b) (i)	3	3	2	2	0	10
(ii)	3	3	2	2	2	12
(iii)	3	3	2	2	2	12
(iv)	3	2	3	2	2	12
Requirement (c) (i)	2	2	2	2	0	8
(ii)	2	2	2	2	0	8
Total	25	25	20	20	10	100

In planning your report, you should be aware that not attempting one of the requirements, including an executive summary, will have a significantly detrimental effect on your chances of success. In addition, as indicated above, all skills areas will be assessed under each element of your report.

You should be clear that marks are awarded for demonstrating your professional skills, not for reproducing facts from the case. To be successful, you will need to:

- Demonstrate your knowledge of the case material and make use of your analysis.
- Carryout relevant analysis of the problems and structure of your proposed solutions.
- Apply your judgment based on the analysis that you have carried out.
- Draw conclusions from your analysis and judgment in developing practical commercial recommendations.
- Ethical issues may cover the following topic-
 - Lack of professional independence or objectivity
 - Conflict of interest among stakeholders
 - Doubtful accounting or commercial practice or market competition or Market proximity
 - Inappropriate pressure to achieve a reported result.
 - Compliance of local laws and regulations
- Integrative & multidisciplinary skills may cover the following areas-
 - Depletion and wastage of natural resources and its impact on environment and climate change.
 - Impact on pollution, on the public health and productivity and on the national health budget.
 - Social impacts, e.g., social unrest for allowing use of alcohol, bar, etc.
 - Economic impacts, e.g., on employment generation and improvement in connectivity using ICT.

LIST OF EXHIBITS

Exhibit	Description	Page reference
1	E-mail from Mrs. Faiza Chowdhury, MD, Astha to Mr. Jahid Khan FCA, Managing Partner of JKC, requesting an advisory report addressed to the Astha's Board of Directors.	4
2	A brief note on Astha General Hospital Limited and its operation.	5 – 9
3	Summary and Extracts of Financial Statements of the Astha General Hospital	10 – 11
4	A brief note on Healthcare Sector of Bangladesh.	12 – 13
5	E-mail from Director-Finance & Accounts on accounting & compliance issues.	14
6	E-mail from Director - Operations regarding strategic investment options and financing alternatives.	15 – 16
7	Article on “Environmental, Health and Ethical Issues on healthcare industry”	17
8	News clips and articles about Astha and healthcare industry	18

List of persons in the Case and their Roles

SL.	Names	Roles
1	Moinul Islam (You)	Director at J. Khan & Co.
2	Jahid Khan FCA	Managing Partner at J. Khan & Co.
3	Dr. Sharfuddin Khan	Founder & Chairman of Astha General Hospital Limited
4	Faiza Chowdhury	Managing Director
5	Mahmud Limon FCA	Director - Finance & Accounts
6	Imran Chowdhury	Director - Operations
7	Dr. Fahim Siddiqui	Director- Medical Services & Operation
8	Nafisa Anwar	Director - HR & Admin
9	Karim Bhuiyan	Director – Legal & Compliance
10	Samiul Islam	Head of Financial Reporting

E-MAIL

From : Mr. Faiza Chowdhury, Managing Director, Astha General Hospital Limited
To : Mr. Jahid Khan FCA, Managing Partner, J. Khan & C
Subject : Appointment for advisory engagement and request for advisory report on several matters.
Date : 12 August 2025

Dear Mr. Khan,

Congratulations! It is my pleasure to inform you that board of Astha General Hospital Limited (Astha) have accepted your fees proposal and appointed you for advisory services with following scope of work but not limited to:

- Assessing and analyzing business operations and performance for formulating business strategies.
- Evaluating strategic options and viability of financing investment opportunities considering past performance & prospects of the company and related business issues.
- Assisting us in raising funds through initial public offering (IPO) of shares, issuance of Bond and perform necessary evaluation of investment options, Risk Management, Governance, Due Diligence, Restructuring, etc.
- Reviewing and advising on various Accounting, Tax, financial and internal control related issues of the company.
- Supporting various regulatory and secretarial matters as and when solicited.
- Modelling a range of scenarios to help evaluate the viability of proposed initiatives.

We have prepared a draft of financial statements of Astha General Hospital Limited for 30 June 2025. Board of directors are currently evaluating the draft along with several strategic options available at hand. The board has requested your input in strategic options evaluation. We need your analysis and advice on our financial positions and strategic alternatives as early as possible as final decisions will be taken in our forthcoming board meeting. I have attached with this email a brief background of Astha including its business operation (**Exhibit 2**). I have also attached the extracts of our latest draft financial statements (**Exhibit 3**) and a recent article published in a business magazine regarding Healthcare Sector of Bangladesh (**Exhibit 4**). In addition, you will receive emails from our Head of Financial reporting (**Exhibit 5**) and Finance Director (**Exhibit 6**) regarding accounting & compliance issues and prospective investment options. We expect you to consider other relevant information available (**Exhibits 7 & 8**) while drawing your conclusion and sharing recommendations to us on the requirements stated below.

We expect a **draft report** along with your workings (where applicable) addressing to the board. Your report should include an **Executive Summary** and cover:

- (a) (i) Prepare an adjustment schedule with explanations for the reporting & compliance issues in **Exhibit-5**.
(ii) Evaluate adjusted financial performance & position taking non-financial information into consideration.
- (b) (i) Perform a SWOT analysis on Astha General Hospital Limited and its business and operations.
(ii) Analyze the investment options using NPV method and recommend to the board with justifications the option to be selected considering compatibility with Astha's missions & vision statement.
(iii) Perform financial analysis to evaluate whether bank borrowing would be a viable financing option.
(iv) Evaluate whether the expected share premium would be acceptable to BSEC. If the expected share premium is not approved, determine the maximum share premium that can be expected. Also determine the number of shares to be issued in IPO and whether it exceeds Astha's acceptable ownership threshold.
- (c) (i) Comment on the ethical issues involving Astha's existing and planned business, suppliers, customers, and service providers.
(ii) Assess Human, Social, Economic and Environmental sustainability in Astha's business operations.

I look forward to receiving your draft report on or before 27 August 2025.

Yours sincerely,

Faiza Chowdhury

Managing Director,

Astha General Hospital Limited

A brief note on Astha General Hospital Limited and its business operations.

About Astha General Hospital Limited

Astha General Hospital Limited (Astha) is a leading healthcare institution in Bangladesh, dedicated to delivering high-quality medical services with compassion, integrity, and professionalism. Established in 2000, at a time when the healthcare sector in Bangladesh was undergoing rapid modernization, Astha was founded by Dr. Sharfuddin Khan, whose vision was to create a healthcare facility that combined advanced medical technology with personalized patient care. Over the years, Astha has grown from a modest mid-sized facility into a well-equipped general hospital, offering comprehensive healthcare services across multiple specialties. With state-of-the-art diagnostic equipment, highly qualified doctors, experienced nurses, and dedicated support staff, Astha has become a trusted name in patient-centric healthcare.

Today, Astha General Hospital Limited operates from its flagship facility in Dhaka and is in the process of expanding its network to other parts of the city and in other major cities including Chittagong and Sylhet. Its commitment to medical excellence, ethical practice, and continuous improvement has positioned Astha as one of the most reliable healthcare providers in the country.

Services and Specialties

Astha General Hospital Limited offers a comprehensive range of medical services, including but not limited to:

- **Emergency & Trauma Care:** 24/7 emergency services equipped with modern life-support systems.
- **Outpatient & Inpatient Services:** General and specialized consultations, surgical procedures, post-operative care.
- **Diagnostics & Imaging:** Advanced laboratory tests, X-ray, CT scan, MRI, and ultrasound facilities.
- **Specialized Departments:** Internal Medicine, Paediatrics, Gynae & Obs, Orthopaedics, Cardiology, Neuro, ENT.
- **Pharmacy & Rehabilitation:** In-house pharmacy and physiotherapy services for patient convenience.

Board of Directors and Key Management Personnel

Astha General Hospital Limited is guided by a team of experienced leaders:

Name	Position	Role Description
Dr. Sharfuddin Khan	Chairperson	Sets strategic direction, ensures good governance.
Faiza Chowdhury	Managing Director	Oversee daily operations and implement strategic plans
Dr. Fahim Siddiqui	Director- Medical Services	Manage clinical operations, protocols, & patient safety.
Mahmud Limon FCA	Director - Finance	Handles budgeting, financial planning, and reporting.
Imran Chowdhury	Director - Operations	Oversees hospital logistics, facilities, and procurement.
Nafisa Anwar	Director - HR & Admin	Manages staffing, training, welfare, and administration.
Karim Bhuiyan	Director – Legal & Compliance	Ensures legal & policy compliance, manages contracts.
Dr. Farzana Akhter	Head of Diagnostics & Imaging	Oversee lab & radiology services & maintain equipment.
Dr. Tariq Alam	Head of Pharmacy	Oversee inventory & compliance with drug policy.
Shahidul Islam	Head of Supply Chain	Ensures timely supply of medical goods and instruments
Samiul Islam FCA	Head of Financial Reporting	Overseas financial reporting, financial controls & audits.
Mariam Sultana	Head of Marketing	Manage patient acquisition, branding, and CSR.
Lubna Ahmed	Quality & Patient Safety Officer	Maintains hospital accreditation and safety standards.

Mission & Vision

Astha General Hospital Limited's mission is to provide comprehensive, high-quality, and affordable healthcare to the community, ensuring that every patient receives compassionate treatment in a safe and respectful environment. The hospital is committed to integrating modern medical technology with a human touch, fostering health, healing, and hope for all.

Astha's vision is to be recognized as a leading general hospital in Bangladesh, setting new standards in patient care, medical ethics, and clinical excellence. The hospital aspires to expand its services nationwide, continually adopt innovations in healthcare, and remain a trusted partner in the well-being of individuals and families.

Target Customers

Astha serves a wide range of patients, including:

- Urban and Semi-Urban Families seeking reliable and affordable healthcare.
- Working Professionals who require accessible and efficient medical services.
- Elderly Patients in need of continuous monitoring and specialized geriatric care.
- Expectant Mothers & Children through comprehensive maternity and pediatric services.
- Corporate & Institutional Clients via health check-up packages, workplace medical support, and employee healthcare programs.

Astha's patient base values trust, accessibility, affordability, and quality care which are the key pillars that the hospital has maintained since its inception.

Business Model

Astha General Hospital Limited operates a comprehensive, multi-segment healthcare service model that serves both individual patients and institutional clients. Its model combines modern hospital-based care with digital health solutions, ensuring that patients receive accessible, affordable, and high-quality medical services according to their needs and preferences.

• Individual Customer Segment (B2C)

Astha's primary focus is its B2C segment, where it delivers patient care directly through its hospital facilities and digital platforms. Hospital-based care includes inpatient and outpatient services, emergency and trauma care, specialized consultations, diagnostic and imaging services, surgeries, and rehabilitation. All departments are designed to be patient-friendly, offering comfort, privacy, and safety.

As part of digital health Services, patients can access telemedicine consultations, online appointment booking, prescription refills, and health record management through Astha's secure online platform. This service especially benefits patients in remote areas and those seeking follow-up care without traveling. In addition to hospital based and digital services, Astha provides preventive health & wellness programs which include comprehensive health check-up packages for non-corporate patients, maternity care bundles, and chronic disease management plans ensure proactive healthcare to its patients.

• Institutional Customer Segments (B2B)

Astha General Hospital Limited also offers healthcare solutions to corporate clients, educational institutions, NGOs, and government bodies. Its Corporate Health Packages provides annual health check-ups, occupational health assessments, pre-employment screenings, and corporate wellness programs tailored to business needs.

Under Institutional Healthcare Services, it arranged school and university health programs, vaccination drives, health awareness seminars, and on-site medical camps. It provides Medical Support for Industries under agreements with factories, construction firms, and transport companies for on-call medical support, first-aid training, and emergency response planning. Astha also partners with NGO & Government to implement public health initiatives, disease screening programs, and disaster relief medical support.

Revenue Streams

Astha has several revenue streams that can be classified into the following categories:

1. Consultation and Specialist Fees

Astha earns revenue from fees paid by patients for seeing doctors, whether in the outpatient department (OPD) or during inpatient care. This includes general consultations, specialist visits, and follow-up appointments. Charges vary based on the doctor's specialization, seniority, and consultation duration.

2. Diagnostics & Imaging

The hospital operates in-house laboratory and imaging facilities, generating revenue from tests such as blood work, urine analysis, X-rays, MRI, CT scans, and ultrasounds. Patients pay per test, either directly or as part of a treatment package, making diagnostics a significant and recurring revenue stream.

3. In-patient & Surgical Services

Astha earns from admitting patients for treatments that require overnight stays or surgical procedures. Revenue comes from bed charges, operation theater fees, surgical packages, post-operative care, and nursing services. It also includes emergency services which are open 24/7. Costs depend on room category (general ward, private, or deluxe) and procedure complexity.

4. Corporate & Institutional Contracts

Through agreements with companies, schools, factories, NGOs, and government bodies, Astha provides bulk healthcare services such as annual check-ups, medical screenings, vaccination drives, and emergency care. Revenue is generated via long-term contracts or service retainers, ensuring a steady income flow.

5. Pharmacy Sales

The hospital operates an on-site pharmacy, selling prescription medicines, over-the-counter drugs, and medical supplies. Revenue comes from both inpatient prescriptions (for admitted patients) and outpatient purchases. Having an in-house pharmacy ensures patient convenience while capturing additional revenue from each visit.

6. Food court

Astha operates an on-site food court serving snacks, meals for visitors, and patient-specific diet foods prepared under medical supervision. Revenue comes from both visitors buying refreshments and patients purchasing specially prepared meals during their stay.

Value Chain

Astha General Hospital Limited's value chain consists of primary activities and support activities. The primary activities include Medical Service Delivery, Diagnostics & Patient Operations, and Patient Acquisition & Engagement. These primary activities are supported by Procurement, Logistics & Distribution, Human Resource Management, Infrastructure & Facilities Management, Financial Management, and Customer Service. Each activity contributes to the hospital's ability to provide high-quality healthcare while maintaining operational efficiency.

Primary Activities:

Medical Service Delivery (MSD):

Astha General Hospital Limited delivers both inpatient and outpatient services, covering a wide range of medical specialties such as internal medicine, surgery, pediatrics, gynecology, and cardiology. Outpatient services are offered through scheduled appointments and a limited number of daily walk-in slots to ensure accessibility for urgent cases. Inpatient facilities include general wards, semi-private rooms, private suites, and intensive care units (ICUs). The hospital follows standardized admission and discharge procedures to ensure smooth transitions for patients and families. Medical teams are supported by trained nurses, ward attendants, and allied health professionals who coordinate closely to provide integrated patient care. To maintain medical quality, Astha uses evidence-based treatment protocols and conducts regular case reviews. However, there were instances where patients stay was extended beyond medical necessity, especially in ICU or private rooms.

Diagnostics and Pharmacy Operations (DPO):

Astha's diagnostics department plays a central role in patient care. The hospital's laboratory services include biochemistry, hematology, microbiology, histopathology, and molecular diagnostics, supported by advanced automated analyzers to ensure accuracy and speed. Imaging services offer digital X-ray, 3D/4D ultrasound, CT scan, MRI, echocardiography, and mammography, with all imaging data securely stored and shared via a Picture Archiving and Communication System (PACS). Point-of-care testing (POCT) is available in critical units such as the emergency department and ICUs to enable rapid clinical decisions.

State-of-the-art equipment ensures accurate results, and all diagnostic reports are digitized so patients can access them through the hospital's patient portal. The department operates extended hours to accommodate urgent tests, and certain critical diagnostics like troponin tests for heart attacks are processed on a priority basis. Equipment servicing and calibration are outsourced to certified biomedical vendors to maintain reliability and compliance with health regulations.

Operations staff coordinate appointment scheduling, patient record management, billing, and inter-departmental communication through an integrated hospital management system (HMS). Strict internal controls are maintained by cross-checking between doctors' test orders and the diagnostic billing department to avoid possibility of over-billing for tests or charging for services not performed.

Patient Engagement & Acquisition (PEA):

Astha employs a combination of traditional and digital marketing to build its patient base and retain existing ones. Outreach activities include free health camps, corporate wellness programs, partnerships with schools for health screenings, and collaboration with local community leaders to increase awareness about preventive health services. Digital marketing strategies involve social media campaigns, targeted online ads, and patient education content on chronic disease management. Corporate partnerships provide occupational health services, wellness programs, and medical retainers for businesses. Astha also nurtures referral networks with smaller clinics and general practitioners and promotes telehealth packages for chronic disease management to expand access to specialized care.

Support Activities:

Support activities are essential for ensuring the smooth operation and continued success of Astha. These activities provide the necessary infrastructure, resources, and services that enable the Astha to deliver high-quality services.

Procurement and Sourcing:

The procurement and sourcing department ensure that Astha maintains a reliable supply of medical equipment, pharmaceuticals, consumables, and hospital supplies. The procurement team works with both local and international suppliers to source quality products at competitive prices, leveraging bulk purchasing to secure cost advantages. Supplier relationships are carefully managed through regular audits, price benchmarking, and quality inspections, ensuring compliance with healthcare regulations and internal standards. Procurement also coordinates with clinical departments to forecast demand based on patient load, seasonal trends, and planned medical programs. For certain items, consignment arrangements are made with vendors, so payment is only processed after the items are sold or used, reducing working capital pressure and minimizing overstock risks.

Patient Experience and Aftercare:

These activities are central to Astha's reputation for compassionate care. Patient coordinators streamline admission and discharge processes, including all documentation, billing, and insurance coordination. At the time of administration, Patients are provided with 'Astha Card' that mentions patient name a HIN number generated in Hospital Management System (HMS) that stores all personal, insurance and other relevant information provided by the patient. All tests, billing and reports are issued and stored against the HIN.

Patient experience includes patient help desks, a 24/7 call center, and digital platforms for inquiries and complaints. Front-desk staff assist with appointment bookings, insurance claim processing, and guidance on hospital navigation. Its VIP and premium services cater to corporate clients, international patients, and members who require expedited appointments and access to dedicated lounges.

Its aftercare programs support recovery through post-surgical check-ins, medication reminders via SMS or WhatsApp, home nursing coordination, and physiotherapy referrals. Feedback and grievance channels, such as dedicated hotlines and app-based forms, are actively used to improve services. Astha has a dedicated grievance officer monitors complaints and ensures timely resolution. While customer satisfaction scores are generally high, occasional lapses in communication occur during peak hours, particularly in the emergency department, when service staff are stretched thin.

Human Resources Management:

HR ensures that Astha maintains a highly skilled and motivated workforce. Recruitment is targeted, drawing doctors, nurses, technicians, and administrative personnel from reputable medical institutions and professional networks. Staff development is prioritized through continuous medical education (CME), mandatory Basic Life Support (BLS) and Advanced Cardiac Life Support (ACLS) training, and customer service workshops for non-medical staff. Retention programs include performance bonuses, recognition awards, and career growth opportunities. Strategic workforce planning and rotation schedules help balance workloads and minimize staff burnout.

Infrastructure and Facilities Administration

Administration provides a safe, efficient, and patient-friendly environment. The hospital features modular operation theatres, ICU wards, isolation rooms, pediatric-friendly spaces, and accessibility features for patients with disabilities. Preventive and corrective maintenance programs ensure medical equipment operates without disruption, while service agreements with vendors guarantee swift resolution of critical equipment issues. Cleanliness is maintained through strict infection control protocols, daily sanitation checks, and medical waste segregation in compliance with health regulations. Energy efficiency and sustainability are promoted through initiatives such as solar power integration and responsible waste disposal partnerships.

Financial Management

The Finance department supports all operations by ensuring sustainability and compliance. The billing process is transparent and itemized, integrated with insurance systems, and capable of handling credit facilities for corporate partners. Budgeting and forecasting processes are conducted annually and quarterly, guiding capital investments in medical equipment and evaluating the cost-effectiveness of new services. Regulatory compliance is maintained across taxation, healthcare licensing, and financial reporting. Continuous revenue optimization is achieved through monitoring department-level profitability, refining service pricing, and improving payment collection efficiency.

Financial reporting & Auditing

Astha prepares its financial statement in accordance with IFRS Accounting Standards. Its recent financial year has ended on 30 June 2025. Based on prior year financial statements, Astha has been designated as a Public Interest Entity (PIE) as defined by the Financial Reporting Council (FRC) of Bangladesh. Its Accounts department has prepared a draft financial statement (**EXHIBIT - 3**) which is to be shared with the Auditor. Astha appointed Mitra Biswas & Co., Chartered Accountants (MBC) in its latest AGM, replacing its long-term auditor Sadat Hossain & Co (SHC) who issued a qualified opinion. In their latest audit opinion, SHC mentioned that Astha has not recognized gratuity obligation as required by the labor law. Senior Partner of MBC is a friend of Astha's Finance Director who have negotiated a reduced audit fee.

Investing & financing strategy

Astha General Hospital Limited prioritizes its investment opportunities toward enhancing medical service capacity, expanding specialized departments, upgrading diagnostic and surgical facilities, and implementing advanced hospital management systems, including integrated Electronic Medical Records (EMR) and telemedicine platforms. The hospital also invests in staff training, modern medical equipment, and patient-centered infrastructure such as ICU expansion and rehabilitation units.

Historically, financing has been achieved through a balanced mix of retained earnings, bank loans, and equipment leasing arrangements with medical technology suppliers. For large-scale projects, such as building a new specialty wing or acquiring high-end imaging machines, Astha considers syndicated loans and potential partnerships with healthcare investors. The hospital is also open to the idea of a future Initial Public Offering (IPO) to secure long-term funding and strengthen its market position. Financial risk is mitigated by maintaining a healthy debt-equity ratio, applying strict cost-benefit analyses, & ensuring all major investment decisions receive formal Board approval.

Health & Safety policy

Astha is dedicated to ensuring a safe and healthy environment for patients, visitors, and staff in compliance with national regulations and international standards. All staff receive health and safety training during induction, covering infection control, emergency response, and PPE usage. Patient care areas are maintained under strict hygiene protocols, with daily cleaning, equipment sterilization, and isolation measures for infectious cases. Fire drills are held quarterly, and emergency exits, first-aid kits, and firefighting equipment are readily available.

Food safety is enforced in hospital kitchens through daily inspections, cold chain compliance, and adherence to patient dietary guidelines. Biomedical waste is disposed of using certified vendors, and annual safety audits verify compliance. Despite budget constraints for advanced technologies, Astha promotes a proactive safety culture by regularly updating procedures and investing in essential safety measures to maintain a secure, hygienic, and patient-friendly environment.

Corporate Social Responsibility

Astha General Hospital Limited is committed to creating a positive social and environmental impact through a wide range of CSR initiatives. The hospital engages in community programs supporting education, healthcare, and skill development for underprivileged groups, while also conducting public health awareness campaigns in schools and communities on topics like hygiene, nutrition, and mental health. It also runs employee welfare programs, ensuring competitive compensation, professional training, and a supportive work environment. In addition, Astha contributes to disaster and emergency relief by deploying mobile medical units, providing free treatment, and supplying essentials during floods and other crises. It also organizes blood and organ donation campaigns to address urgent healthcare needs. Through these activities, Astha integrates social responsibility into its core operations, reinforcing its role as a trusted healthcare provider and a responsible corporate citizen.

Summary and Extracts of Draft Financial Statements of the Astha General Hospital Limited**Statement of Financial Position**

As of 30 June 2025

	30-Jun-25	30-Jun-24
	BDT	BDT
ASSETS		
Non-current assets		
Property, plant and equipment	11,569,276,404	10,308,172,594
Right of use assets	8,399,231	25,197,609
Investment in associates	62,959,202	62,526,051
	11,640,634,837	10,395,896,254
Current assets		
Inventories	210,701,892	217,224,608
Trade and other receivables	98,167,138	105,707,506
Advance, deposits and prepayments	288,363,099	280,516,610
Cash and cash equivalents	554,867,080	466,732,824
	1,152,099,209	1,070,181,548
Total assets	12,792,734,046	11,466,077,802
EQUITY AND LIABILITIES		
Shareholders' Equity		
Paid-up capital (Face value of 10)	2,293,454,420	2,084,958,540
Retained earnings	2,037,981,561	1,305,160,809
Revaluation reserve	6,699,409,047	6,699,409,047
	11,030,845,028	10,089,528,396
Non-current liabilities		
Deferred tax liabilities	893,708,642	452,903,873
Lease liability	-	7,802,063
Long term loan	2,740,723	192,811,382
	896,449,365	653,517,318
Current liabilities		
Long term loan- current portion	225,969,600	225,601,400
Lease liability- current portion	9,367,892	19,087,488
Trade and other payables	371,411,030	344,771,928
Provision and accruals	258,691,131	133,571,272
	865,439,653	723,032,088
Total liabilities	1,761,889,018	1,376,549,406
Total equity and liabilities	12,792,734,046	11,466,077,802

Statement of Changes in Equity

As of 30 June 2025

Amounts in BDT

	Share Capital	Retained Earnings	Revaluation Surplus	Total Equity
Balance as of 01 July 2023	1,985,674,800	1,496,149,460	6,699,409,047	10,181,233,307
Net profit after tax for the year	-	7,578,829	-	7,578,829
Issue of Bonus share	99,283,740	(99,283,740)	-	(99,283,740)
Cash dividend		(99,283,740)		
Balance as of 30 June 2024	2,084,958,540	1,305,160,809	6,699,409,047	10,089,528,396
Net profit for the year	-	941,316,632	-	941,316,632
Issue of bonus share	208,495,880	(208,495,880)	-	-
Balance as of 30 June 2025	2,293,454,420	2,037,981,561	6,699,409,047	11,030,845,028

Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2025

	<u>Note</u>	<u>30-Jun-25</u>	<u>30-Jun-24</u>
		BDT	BDT
Revenue	1	3,980,671,132	3,516,474,091
Direct expenses	2	(1,614,813,299)	(1,453,254,366)
Gross profit		2,365,857,833	2,063,219,725
Administrative expenses		(2,188,535,154)	(2,035,373,401)
Profit from operation		177,322,679	27,846,324
Non-operating income		920,356,897	70,028,979
Financial expenses		(57,200,354)	(63,635,732)
Profit before contribution to WPPF		1,040,479,222	34,239,571
Contribution to WPPF		(49,546,630)	(1,630,453)
Profit before tax		990,932,592	32,609,118
Current income tax		(60,704,008)	(27,887,384)
Deferred income tax		11,088,048	2,857,095
Profit after tax		941,316,632	7,578,829
Other comprehensive income		-	-
Total comprehensive income		941,316,632	7,578,829

Extracts of Notes to the financial statements

		<u>30-Jun-25</u>	<u>30-Jun-24</u>
Note 1	Revenue		
	Medical Services	1,837,172,814	1,549,235,374
	Diagnostic Services	1,028,480,930	926,764,776
	Pharmacy	1,115,017,388	1,040,473,941
		<u>3,980,671,132</u>	<u>3,516,474,091</u>
Note 2	Cost of Revenue		
	Medical Services	354,361,529	309,034,973
	Diagnostic Services	411,384,926	367,248,971
	Pharmacy	849,066,844	776,970,422
		<u>1,614,813,299</u>	<u>1,453,254,366</u>

5 Year Financial Highlights

Figures in BDT

Highlighted Area	2025	2024	2023	2022	2021
Revenue	3,980,671,132	3,516,474,091	3,556,706,800	4,140,829,800	3,379,381,680
Gross Profit	2,365,857,833	2,063,219,725	2,075,101,560	2,417,958,880	1,897,755,400
Profit Before Tax	990,932,592	32,609,118	256,014,720	573,687,160	108,145,600
Profit After Tax	941,316,632	7,578,829	171,381,320	442,776,280	34,211,040
Shareholders' Equity	11,030,845,028	10,089,528,396	10,181,233,307	10,009,851,987	9,567,075,707
Total Assets	12,792,734,046	11,466,077,802	113,348,155,857	109,114,077,536	103,510,055,867
Current Assets	1,152,099,209	1,070,181,548	10,393,654,800	10,005,403,680	9,491,533,240
Current Liabilities	865,439,653	723,032,088	7,227,743,965	6,957,754,270	6,600,408,943
Non-Current Liabilities	896,449,365	653,517,318	95,939,178,585	92,146,471,279	87,342,571,217

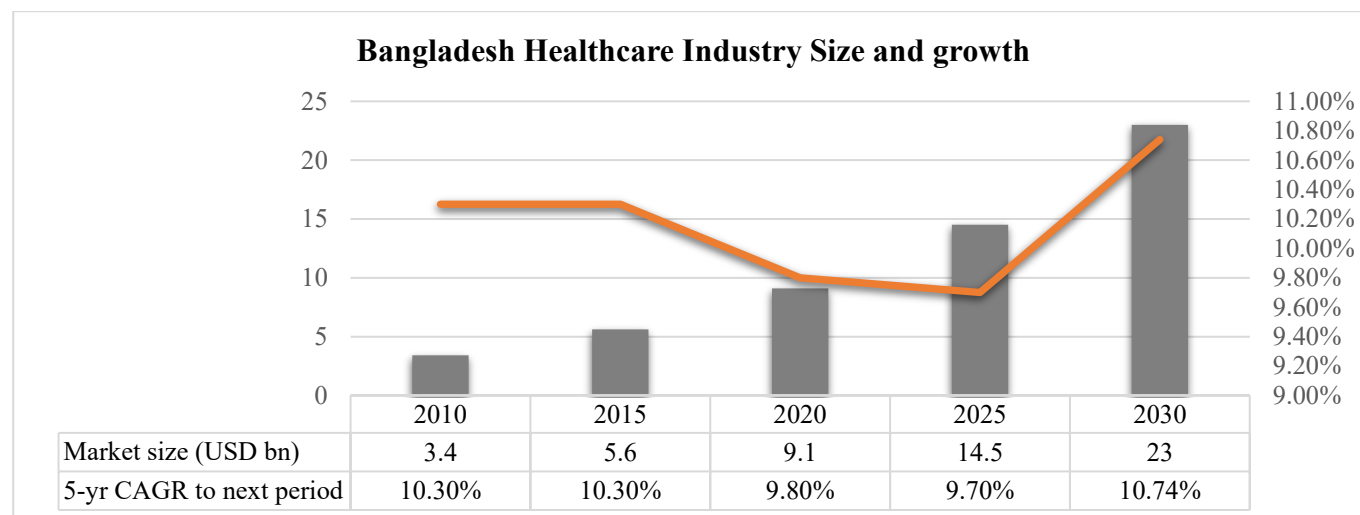
A brief note on healthcare sector of Bangladesh.

The healthcare and hospital sector in Bangladesh has undergone significant transformation over the past five decades, evolving from a primarily state-run, resource-constrained system to a rapidly expanding mix of public, private, and NGO-driven services. Today, it stands as one of the country's fastest-growing industries, driven by economic development, urbanization, and a rising middle class with greater expectations for quality medical care. Despite this growth, the sector continues to face structural, regulatory, and workforce challenges that will shape its trajectory in the years ahead.

In the years immediately following Bangladesh's independence in 1971, the healthcare system was heavily dependent on public sector facilities, donor assistance, and a limited number of private clinics in urban centers. The government established a tiered structure, starting from community clinics at the grassroots level to district hospitals and specialized tertiary centers in major cities. However, chronic underfunding, low doctor-to-patient ratios, and inadequate infrastructure limited the system's effectiveness.

The late 1980s and 1990s marked the initial wave of private sector participation, particularly in urban areas such as Dhaka and Chattogram. Private hospitals and diagnostic centers began catering to wealthier segments, offering faster service and more advanced facilities. The 2000s witnessed a boom in private healthcare investment, fueled by growing middle-class demand, the expansion of medical education, and the entry of corporate hospital groups. By the 2010s, Bangladesh's healthcare landscape had become a complex network of public hospitals, private hospitals, NGO-run clinics, and specialized institutions, alongside a burgeoning pharmaceutical industry that now meets nearly 98% of the country's domestic drug demand.

The healthcare sector in Bangladesh, currently valued at over USD 14.5 billion, is experiencing rapid expansion and is projected to reach USD 23 billion by 2030, reflecting a robust compound annual growth rate (CAGR) of 10.74%. This growth is fueled by a combination of demographic, epidemiological, and socio-economic factors. The country's population has surpassed 170 million, with life expectancy now exceeding 73 years, driving demand for comprehensive and long-term healthcare services.



Bangladesh is undergoing an epidemiological transition marked by the rising prevalence of non-communicable diseases such as diabetes, cardiovascular disorders, and cancer, which is increasing the need for specialized medical care. Rapid urbanization is further stimulating the growth of multi-specialty hospitals and diagnostic networks in major cities. Although the expansion of medical education through over 100 medical colleges producing more doctors annually and continues to enhance healthcare capacity, there is a persisting shortage in specialist physicians. Technological adoption is also reshaping the sector, with telemedicine services, AI-powered diagnostics, and mobile health applications becoming increasingly mainstream. The private sector dominates the market, accounting for more than 70% of total healthcare expenditure. Approximately 75% of this healthcare expenditure represents out-of-pocket spending and remains a defining characteristic of the system.

The healthcare industry operates under a mix of laws and oversight bodies, including the Directorate General of Health Services (DGHS), Bangladesh Medical & Dental Council (BMDC), and the Bangladesh Nursing & Midwifery Council (BNMC). Licensing, quality standards, and operational compliance are mandated, but enforcement remains inconsistent.

Recent government initiatives, such as the Health, Population and Nutrition Sector Program (HPNSP) 2017–2023 and policies promoting Public–Private Partnerships (PPPs), aim to modernize infrastructure, expand rural access, and encourage investment. However, frequent policy changes, bureaucratic hurdles, and overlapping jurisdictions create operational uncertainty for hospital operators and investors.

The healthcare sector in Bangladesh is poised for rapid growth, offering significant opportunities across multiple fronts. Foreign Direct Investment can attract global hospital chains, diagnostic networks, and medical equipment providers to meet high demand in an under-served market, while medical tourism holds promise by combining affordable treatment with improved clinical standards and international accreditation. Expanding rural healthcare remains crucial, as nearly 65% of the population lacks adequate access, creating space for public–private partnerships to develop infrastructure. Digital health solutions, including telemedicine, AI-assisted diagnostics, and electronic health records, can bridge accessibility gaps, while the near completion of the API park will enhance pharmaceutical self-reliance and exports. Additionally, with health insurance penetration still below 1%, there is vast potential for affordable and inclusive insurance products.

Despite its strong growth potential, this sector faces significant challenges, including a 76% shortage of nurses and a lack of specialist doctors in key fields. Advanced medical facilities remain concentrated in major cities, leaving rural populations underserved, while high out-of-pocket costs limit access and drive many into debt. Because of weak regulatory enforcement, fewer than 5% of private facilities holding valid licenses which raises quality concerns and create opportunity for supply chain inefficiencies due to poor cold chain management for vaccines and specialty drugs. Additionally, bureaucratic delays and overlapping governance often stall infrastructure development.

The healthcare sector faces several internal & external risks that could slow its growth trajectory. The continued migration of skilled healthcare professionals in search of better pay abroad exacerbates workforce shortages, while inadequate medical waste management poses serious environmental and public health hazards. Escalating treatment costs threaten to widen the gap in access between wealthy and low-income populations, and strong regional competitors such as India, Thailand, and Singapore continue to outpace Bangladesh in attracting medical tourists. Furthermore, economic volatility due to currency depreciation and inflation is driving up the cost of imported medical equipment, medicines, and essential supplies, adding pressure to an already resource-constrained system.

In the coming years, Bangladesh's healthcare sector has a real chance to become a regional hub for affordable, high-quality care if the right reforms are put in place. The growing middle class, rapid advances in medical technology, and increasing investment from both home and abroad are setting the stage for exciting changes. Expected progress in future includes more precision medicine, AI-powered diagnostics, dedicated centers for non-communicable diseases, and mobile medical units bringing care to rural communities that need it most.

On the policy side, moving gradually toward universal health coverage, supported by strong public–private partnerships, wider insurance access, and stricter regulation could make healthcare fairer and more inclusive. The goal should be more than just building more hospitals. It should be about creating a sustainable, ethical, and patient-focused system that truly serves everyone. While many Bangladeshis still travel to India, Thailand, Malaysia, and China for treatment, smart governance, investment in skilled professionals, and better use of technology could help reverse that trend, allowing Bangladesh to meet its people's needs at home and even compete on the global stage.

E-mail on Reporting and Compliance issues

From : Mahmud Limon FCA, Director- Finance & Accounts
To : Jahid Khan FCA, Managing Partner at JKC
Subject : Accounting, reporting and compliance issues.
Date : 18 August 2025

Dear Mr. Rahman

We have shared with you the draft financial statements (EXHIBIT-3) of Astha General Hospital Limited for the year ended on 30 June 2025. As mentioned in the email to you from our Managing Director, I am sharing a few matters that are yet to be incorporated in the draft. We are requesting you to suggest appropriate adjustments to the financial statements in accordance with IFRSs and consider them in your analysis in the report.

Gratuity Liability:

Our prior year auditor has issued a qualified audit opinion on the ground that we have not recognized gratuity obligation as per Bangladesh Labor Act, 2006. As we are not a manufacturing organization, our understanding was that it was not applicable to us. However, we now have clarity that we need to recognize gratuity obligation and required to report it in the financial statement following actuarial method mentioned in IAS 19. We have appointed an actuary who reported the following numbers but are not sure how to report on the financial statements. Please note that no payment has been made during the year in the form of gratuity or post-employment benefit obligation.

Particulars	2025	2024
Opening plan obligation	17,199,796	13,889,462
Service cost	2,788,992	2,222,314
Interest expenses	1,289,985	833,368
Re-measurement Gains or Losses	2,467,807	254,652
Closing plan obligation	23,746,580	17,199,796

Land revaluation gain:

During the year we have revalued our land and recognized a revaluation gain of BDT 853,625,465 which has been reported as non-operating income in the Statement of Profit or Loss. Although we don't have any intention of selling our land soon, we know 5% tax will be applicable when sale deed is registered with the government registry office. We are not sure whether Astha will be required to pay any income tax on this revaluation gain but we have recognized a 5% provision for Workers' Profit Participation fund on the profit including this revaluation gain.

Penalty by mobile court:

In March 2025, following a complaint about worsening a patient's condition, a physiotherapist at Astha was found by a mobile court practicing without qualifications and was fined BDT 500,000 with a one-month jail term. The hospital was penalized BDT 500,000 for failing to verify staff credentials. Astha removed the individual and engaged a forensic auditor with fee BDT 350,000 to validate all doctors' credentials. Although less likely than not, potential lawsuits could result in penalties up to BDT 1,500,000. Forensic auditor fee and penalty from potential lawsuits have not been considered in the draft financial statements.

Property damage by mob:

On 01 February 2025, a patient died at our hospital when one of our nurses mistakenly administered wrong drug confusing him with another patient with similar name. In fury, patient's family members vandalized hospital premises and damaged furniture and fixtures with carrying value of BDT 75,000. These furniture and fixtures have been replaced with new. Both new and old furniture and fixtures have been reported in the financial statements. Management expects a lawsuit due to the incident and expects a liability of BDT 2,000,000 more likely than not.

Current and deferred tax:

As explained earlier, we have not considered revaluation gain for current tax or deferred tax purposes. Our profit, excluding the revaluation gain and its other impact on the profit or loss statement, require us to pay minimum tax for which we have recognized income tax provision. Although 30% tax rate is applicable to us, we have always paid minimum tax. You need to consider the tax impact of all adjustments to be made on the profit or loss statements. If 30% tax on accounting profit exceeds the reported current tax expenses, additional tax provision will be required. As for deferred tax, we have considered all temporary differences except if any arise from the above matters.

E-Mail on Strategic investment options and financing alternatives

From : Imran Chowdhury, Director of Operations
To : Jahid Khan FCA, Managing Partner at JKC
Subject : Strategic investment options and financing alternatives.
Date : 19 August 2025

Dear Mr. Khan

Our board members have requested your input on the investing and financing decisions that are currently being discussed. At present our board is considering two investment options which are mutually exclusive. For analysis purposes, the board disregards any tax effect unless explicitly mentioned. It is also assumed that all cash flows, other than initial cash outflow, accrue at the year end. For apprising the investment options, board requires the discount rate be determined applying Capital Asset Pricing Model (CAPM). For investment, the Board considers coupon rate of 10-year government bond as risk free rate. As of 30 June 2025, relevant information was as below:

Coupon rate of 10-year government bond: 10.5%	Market Return : 12.5%	Current Market beta: 1.25
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Option 1: Acquisition of Fair Hospital Limited

Since incorporation, Astha has earned a reputation as a good healthcare provider and is considered as one of the leading hospitals in the country. Astha's board feels it is high time to expand its operation to other parts of Dhaka and to other major cities utilizing its reputation, customer base and service demands. Accordingly, the board has identified Fair Hospital Limited (Fair), a mid-sized hospital located at Chattogram. The board plans to acquire Fair in entirety and rebrand in its own name. Fair has its own diagnostics center and pharmacy like Astha which made it lucrative for Astha's board. Because of similarity in operation, board members believe it would be an easy transition. Due to the ongoing political turmoil and his past political involvement, the current owner of Fair Hospital has expressed interest in selling the hospital. We have received the following 5-year financial forecast from Fair Hospital.

Fair finance team forecasted a revenue of BDT 995,000,000 in 2026 which would grow 8% annually for the next two years and 10% in the subsequent two years. Direct expenses are expected to remain constant at 45%. Operating expenses are expected to be 35% of revenue in 2026 but increase by 10% annually till 2030. Free cash flows are expected to increase at 5% after the year 2030. Astha's board plans to offer BDT 4,000,000,000 to Fair's current owner for as compensation. Astha's Board estimates that it would need to spend BDT 50,000,000 in 2026 and BDT 20,000,000 in 2027 for rebranding and renovation of the facility. Astha also estimates that after acquisition, it would be able to consistently increase Fair's annual revenue growth to 12% and decrease direct expenses to 40% of revenue.

Option 2: Setting up Astha Healthcare Network Limited:

Astha is well known for its quality services and reliable test results, with demand far exceeding its current capacity and geographical reach. To address this, Astha plans to launch "Astha Healthcare Network" bringing hospitals, clinics, and diagnostic centers under its umbrella as network members. While retaining their own identity, members can use the title "Astha Healthcare Network Member," benefiting from Astha's brand reputation, patient demand, and shared systems. In return for an annual fee, Astha will monitor service quality, provide access to its Hospital Information System, enable Astha Card usage across facilities, and allow seamless sharing of patient medical histories. Astha has already negotiated with several small and medium-sized hospitals and diagnostic centers who have shown keen interest in being part of the Network.

Board plans to set up "Astha Healthcare Network Limited" as fully owned subsidiary by investing BDT 500,000,000 as Share capital. Astha expects to annually charge BDT 1,500,000 for small sized facilities and BDT 2,500,000 for Mid-sized members. In the first year Astha expects 20 small sized and 10 mid-sized facilities will become members. Member numbers are expected to grow by 15 small and 10 medium facilities in each of the next 3 years after which Network members are not expected to grow. However, Annual membership fees are expected to increase 10% thereafter. Astha expects direct expenses to be 50% of the membership fees which will be incurred for monitoring, guiding and auditing compliance with Astha's quality and safety standards. Astha also estimates operating expenditure to be 20% of revenue. Cash flow after 5th year is likely to grow at 4% perpetually.

Financing options:

To finance the most favorable investment options, Astha's board is considering following financing alternatives:

Bank borrowing:

Astha's primary financing plan is to debt financing due to lower gearing position. Its bank has agreed to provide a 5-year loan up to 500,000,000 at annual interest of 12%. Anything beyond that amount will be syndicated loan with other banks where the lending rate will be 13%. Financing term will be 5 years and backed against the cash flows being generated against the asset being acquired. If a syndicated loan is taken, Astha will have to pay 0.5% arranger fee to Astha's bank and 0.2% participation fee to all syndicated banks. This fee will be deducted at the time of loan disbursement. In addition, Astha will have to pay BDT 600,000 annually to Astha's bank as an agency fee for acting as agent of rest of the syndicated banks. Astha will repay 1/5th of the principal payment at the end of each year.

Issue of shares in IPO:

Another financing option is raising funds by issuing a maximum 25% share in IPO. Board is expecting to raise fund with 500% premium subject to approval of Bangladesh Securities & Exchange Commission (BSEC). However, they are not sure whether the expected premium is justifiable to get BSEC's approval. The board is also keen to know the maximum premium it can expect if 500% premium offer is not approved. BSEC have equal consideration for the NAV, EPS and sectoral PE ratio while approving the premium rate. Astha will determine the issue price by averaging the price determined using NAV, EPS and sectoral PE ratio. The market capitalization of all securities listed in DSE Ltd. as on June 2025 was BDT 6,622,711 million and the market P/E Ratio for all listed securities is 22.4, whereas sectoral Market Capitalization was Tk. 15,273 million and the sector's Price earnings (P/E) ratio was 12.2. The market price and EPSs of other comparable companies in the sector were as follows:

SL.	Company Name	Face Value (BDT)	Latest NAV (BDT)	3-month average market price (BDT)	Latest EPS (BDT)
1	Shahin Healthcare PLC	10	83.6	87.3	6.04
2	Modern Specialized Hospital PLC	10	17.1	16.7	1.70
3	Spring Medicare PLC	10	48.3	69.1	1.56
4	Oasis Diagnostics PLC	10	33.7	23.8	2.75
5	Healing General Hospital PLC	10	142	224.9	23.6

Astha's board is planning to utilize the entire IPO proceed, net of issue cost, for financing the selected investment option. It is estimated that issue cost will be 3% of the IPO proceeds. During the initial 5 years, no new bank loan can be obtained without the consent of new shareholders and the BSEC. If additional funds are required for expansion or selection of new projects, funds must be raised through right share at face value during this period.

DSE Listing Rules require that the listed company shall follow the BSEC code of corporate governance which includes submission of quarterly financial statements and induction of independent directors higher of two or 1/5th of the board. Further, the board needs to introduce different committees, including an audit committee headed by an independent director. All directors, including the independent director, shall be entitled to receive BDT 10,000 for each board and committee meeting attended. Usually, board and audit committee meetings are mandatory before submission of quarterly and annual financial statements.

For your reference, the following Present Value Interest Factor table has been attached which you may use.

Year / Rate	1	2	3	4	5	6	7	8	9	10
10%	0.9091	0.8264	0.7513	0.6830	0.6209	0.5645	0.5132	0.4665	0.4241	0.3855
11%	0.9009	0.8116	0.7312	0.6587	0.5935	0.5346	0.4817	0.4339	0.3909	0.3522
12%	0.8929	0.7972	0.7118	0.6355	0.5674	0.5066	0.4523	0.4039	0.3606	0.3220
13%	0.8850	0.7831	0.6931	0.6133	0.5428	0.4803	0.4251	0.3762	0.3329	0.2946
14%	0.8772	0.7695	0.6750	0.5921	0.5194	0.4556	0.3996	0.3506	0.3075	0.2697
15%	0.8696	0.7561	0.6575	0.5718	0.4972	0.4323	0.3759	0.3269	0.2843	0.2472
16%	0.8621	0.7432	0.6407	0.5523	0.4761	0.4104	0.3538	0.3050	0.2630	0.2267
17%	0.8547	0.7305	0.6244	0.5337	0.4561	0.3898	0.3332	0.2848	0.2434	0.2080
18%	0.8475	0.7182	0.6086	0.5158	0.4371	0.3704	0.3139	0.2660	0.2255	0.1911
19%	0.8403	0.7062	0.5934	0.4987	0.4190	0.3521	0.2959	0.2487	0.2090	0.1756
20%	0.8333	0.6944	0.5787	0.4823	0.4019	0.3349	0.2791	0.2326	0.1938	0.1615

Article on “Environmental, Health and Ethical issues of healthcare industry in Bangladesh”

The hospital healthcare industry in Bangladesh has undergone significant expansion over the past few decades, transforming from limited public facilities in the post-independence era to a diverse network of public, private, and specialized hospitals serving millions of patients annually. This growth has improved access to care and introduced advanced medical technologies, but it has also brought pressing environmental, health, and ethical challenges. This article examines these concerns, highlighting the need for responsible and sustainable development in the sector.

One of the most pressing environmental concerns in the hospital healthcare industry is medical waste management. Hospitals generate large volumes of hazardous waste, including infectious materials, used syringes, contaminated dressings, and expired pharmaceuticals. According to the Directorate General of Health Services (DGHS), Bangladesh’s healthcare facilities produce over 200 tons of medical waste daily, of which a significant portion is disposed of improperly and often mixed with general waste or dumped in open areas. This creates risks of disease transmission, soil contamination, and water pollution. Incineration, when poorly managed, can release harmful dioxins and particulate matter into the atmosphere. Furthermore, energy consumption in hospitals is substantial, driven by continuous operation of diagnostic equipment, air conditioning, and lighting which are mostly powered by fossil fuel-based electricity. Water usage is also intensive, and in many cases, wastewater is discharged untreated, contributing to environmental degradation. While some hospitals have begun adopting waste segregation systems, water treatment plants, and solar energy solutions, these initiatives remain limited in industry-wide practice.

Health-related concerns in the sector extend beyond patient care to encompass both patient safety and worker well-being. Inadequate infection control measures and improper sterilization of instruments can lead to hospital-acquired infections, which remain a significant problem in Bangladesh. Outbreaks of drug-resistant bacteria in healthcare settings have been linked to lapses in sanitation and overuse of antibiotics. On the workforce side, healthcare professionals, particularly nurses, junior doctors, and support staff, are often exposed to occupational hazards such as needle-stick injuries, exposure to toxic chemicals, and prolonged shifts without adequate rest. The shortage of trained infection control personnel and insufficient investment in staff training exacerbate these risks. While the Ministry of Health and Family Welfare has issued guidelines for patient safety and hospital hygiene, enforcement and regular audits are inconsistent, particularly in smaller private facilities.

Ethical issues in the hospital healthcare industry are complex and multifaceted. Concerns include the affordability and accessibility of care, with high costs in many private hospitals placing essential services out of reach for low- and middle-income patients. There are also allegations of unnecessary diagnostic tests, inflated bills, and preferential treatment for higher-paying patients. Transparency in billing and informed consent procedures is often lacking, leading to mistrust among patients. In terms of labor ethics, many hospital workers, particularly contractual and support staff, receive minimal job security, low wages, and limited benefits, despite working in high-risk environments. Procurement and supply chain practices also raise ethical questions, with reports of overpriced medical equipment, favoritism in vendor selection, and insufficient oversight in drug procurement.

In recent years, the government has introduced regulatory measures such as the Medical Waste Management Rules 2008, the Safe Blood Transfusion Law 2002, and various hospital accreditation initiatives to address these issues. However, implementation and monitoring remain major challenges. On the positive note, some large tertiary care hospitals and internationally accredited institutions have introduced Corporate Social Responsibility (CSR) programs focusing on subsidized treatment for underprivileged patients, adoption of eco-friendly waste management systems, and transparent ethical policies. Yet, these examples are exceptions rather than the norm.

For the sector to progress responsibly, there is a clear need for stronger regulatory enforcement, wider adoption of sustainable environmental practices, improved workplace safety, and a commitment to ethical medical care. As Bangladesh’s healthcare demand continues to grow, balancing expansion with responsibility will be crucial in building public trust and ensuring that hospitals serve not just as centers of treatment, but as models of environmental, health, and ethical stewardship.

News clips and articles about Astha and healthcare industry in Bangladesh**The systemic failures plaguing the healthcare sector in Bangladesh** *(23 April 2025 on The Business Standard)*

Bangladesh's public healthcare system is struggling under corruption, red tape, and poor management, leaving hospitals under-equipped and staff under-trained. With public facilities failing, most people now turn to private healthcare, which dominates the market but often operates without proper regulation or safety standards. Experts say the solution lies in stronger partnerships between public and private sectors, smarter purchasing of services, and a dedicated watchdog to ensure every patient gets safe, quality care.

U.S. aid cuts push Bangladesh's health sector to the edge *(08 May 2025 on The Hindu)*

Bangladesh was on track to eliminate tuberculosis by 2035, having cut annual TB deaths nearly in half over the past decade, when a sudden \$48 million cut from U.S. aid thrown the fight into crisis. The loss of funding has already stalled life-saving treatments, screenings, & child immunization programs, threatening to undo years of progress.

Govt healthcare facilities: Protests, departures cripple services *(07 Sep 2024 on The Daily Star)*

Political turmoil after the fall of the past government has thrown Bangladesh's healthcare system into chaos, with protests forcing many top hospital and medical college officials to resign or stay away from their offices. Furthermore, young doctors have been protesting demanding an increase in their allowance. The absence of leadership and the doctors has crippled hospital operations, leaving patients without treatment. Experts warn that unless political partisanship is removed by appointing qualified leaders and giving justified allowance to the young doctors, the sector will remain paralyzed, and patients will continue to suffer.

China opens door for Bangladeshi patients amid Indian visa curbs *(10 March 2025 on The Business Standard)*

China has opened its door for Bangladeshi patients amid Indian visa curbs. The first group of Bangladeshi patients has left for China under a new medical cooperation program aimed at improving access to advanced treatments such as cancer care and organ transplants. Officials say the initiative will also allow Bangladeshi doctors to receive specialized training in China, bringing those skills back home. With lower costs than other regional destinations, and no visa restrictions, the program marks a hopeful new chapter in Bangladesh-China health relations.

China to Make Major Healthcare Investments in Bangladesh *(13 April 2025 on Daily Prothom Alo)*

Bangladesh's retail sector faces significant challenges due to economic instability and governance issues. Moody's downgraded the country's credit rating in November 2024, citing political instability and economic uncertainty. These factors have affected investor confidence and the overall business environment. Super shops, as part of the retail sector, are not immune to these challenges. Improving the investment climate and streamlining trade policies are essential for stabilizing the economy and supporting retail growth.

Unethical practices in the health sector *(30 Nov 2024 on The Financial Express)*

Some doctors in Bangladesh overprescribe tests and expensive medicines under pressure from pharmaceutical sales representatives, putting profits above patient welfare. This aggressive marketing and the influence of low-quality drug producers are driving up costs, spreading substandard medicines, and eroding trust in the medical profession. While banning sales representatives from hospitals is a positive step, real change will require doctors to uphold ethical standards and prioritize patients' well-being over personal gain.

Reform Commission proposes primary healthcare as a fundamental right *(05 May 2025 on Daily Prothom Alo)*

The Health Sector Reform Commission has submitted a report recommending the inclusion of primary healthcare as a constitutional right. The report suggests enacting a 'Primary Healthcare Act' and establishing a 'Bangladesh Health Commission' to oversee policy formulation and service standards. Additionally, it advocates creating 'Bangladesh Health Service' and an independent 'Public Service Commission (Health)' to ensure professionalism and accountability in the health sector.

Patient dies at Astha General Hospital due to mismanagement *(02 February 2025 on Daily Peoples' Voice)*

At Astha General Hospital, a fatal medication error occurred when staff mistakenly administered the wrong drug to 68-year-old patient Munim Ahmed, confusing his records with another patient Monem Ahmed. The error resulted in Munim Ahmed's death within hours. Hospital authorities have confirmed the incident and launched an internal investigation into patient safety protocols. Family members of the victim vandalized hospital property in anger.

---The End---