

NAVANA PHARMACEUTICALS LIMITED

Directors Report for the year ended June 30, 2021

DIRECTORS REPORT

Dear Shareholders,

Assalamualaikum

On behalf of the Board of Directors and on my own behalf I warmly welcome all of you to the 35th Annual General Meeting of your company. The Board of Directors is pleased to take the opportunity to present you the Directors Report for the year ended 30 June 2021 according to section 184 of the Companies Act, 1994, Rule 12 (and the schedule there under) of the Securities and Exchange Rules, 1987, BSEC Order No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 and IAS-1 codes as adopted by the Institute of Chartered Accountants of Bangladesh in the following paragraphs:

Principal Activities:

The Company is engaged in manufacturing, marketing and distribution of generic pharmaceuticals finished products which includes human drugs dosages form like tablet, capsule, powder for suspension, cream, ointment, powder, injection, eye and nasal drop, liquid, sachet products, oral solution; veterinary drugs dosages form like vaccine, bolus, liquid, injection, water soluble powder, premix. The products of the company are sold in domestic and international markets.

Capacity and Usage:

The company has been trying to enhance its production capacity through diversifying its investment. The comparative production capacity last three year is given below:

Dosage Form	UoM	Utilization	2020-2021	
			Installed Capacity Yearly	Production Output Yearly
Bolus	Pcs.	82%	9,793,107	8,004,323
Capsule	Pcs.	88%	180,952,796	158,630,289
Cream	Pcs.	91%	3,795,503	3,442,037
Eye Drops	Dropper	84%	2,508,977	2,113,874
Injection	Vial	87%	2,931,298	2,558,656
Liquid	Bottle	97%	2,245,804	2,182,719
Nasal Drops	Dropper	28%	396,985	112,567
Nasal Spray	Dropper	78%	1,493,738	1,160,677
Ointment	Tube	18%	203,474	36,642
Oral Solution	Bottle	10%	1,138,832	117,319
PFS	Bottle	98%	3,002,222	2,943,454
Powder	Container/ Sachet	49%	5,858,751	2,849,664
Syrup	Pcs.	41%	7,024,130	2,865,564
Tablet	Pcs.	82%	378,777,513	311,084,413
			600,123,130	498,102,198

Cost of Production:

The cost of production of Navana Pharmaceuticals Limited gradually increased due increase of salsas volume. Last five years cost of production are given Below:

(BDT In Mil)

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
Cost of Production	2043.8	1758.8	1377.6	1183.4	1064.5

Contribution to National Exchequer:

Particulars	(BDT In Mil)				
	2020-21	2019-20	2018-19	2017-18	2016-17
Contribution to National Exchequer	670.62	568.75	519.61	455.03	399.74

Reserves:

In FY 2020-21 total reserves of the company stood at BDT 3304.40 million where Retained earnings of the Company stood at BDT 535.83 Million, revaluation reserve stood at BDT 196.62 million

Declaration of Dividend:

The board of directors has recommended no dividend in its meeting 1st December, 2021 for the shareholders for the year June 30, 2021 subject to the final approval in the forthcoming AGM

Credit Rating:

The Company promoted to AA rating in long term and ST-2 for short term with stable outlook which is rated by National Credit Ratings Limited up to 1st December, 2022.

Contribution to CSR:

Social responsibility is an ethical framework and suggest that an entity, be it an organization or individual, has an obligation to act for the benefits of society at large. Navana Pharmaceuticals Limited also responsible to its stakeholders. During the COVID-19 Navana Pharmaceuticals Limited has involve with various social activities.

Human Resources:

As a part of commitment to have a well trained work force, the Company has given more emphasis to develop management skills to suit today's business environment.

Compliance with Laws and Regulations:

The company always ensure all statutory & regulatory compliance and The Company was not engaged in any activities contravening the laws and regulations. The company ensure the following law and regulation:

- International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs)
- The Companies Act, 1994
- The Income Tax Ordinance, 1984 and Finance Act year to year
- SRO's and other notification issued by National Board of Revenue (NBR)
- The Value Added Tax Act, 2012
- SRO's and other notification issued by National Board of Revenue (NBR)
- Labor Law-2016

Apart from those the Directors are pleased to confirm the following, In accordance with Bangladesh Securities and Exchange Commission's Notification BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018:

(i) Industry outlook and possible future developments in the industry:

Over the four decades of its journey, Bangladesh's pharmaceutical sector has evolved as a strong industry that is capable of meeting 98% of local demand that amounted to around \$3 billion in 2019.

Back in 2010, the size of the pharmaceutical market was \$852 million and it reached \$1.64 billion after five years, according to the Bangladesh Association of Pharmaceutical Industries (BAPI), a forum of drug makers. The market had grown to around \$3 billion before the pandemic hit businesses in April 2021.

Bangladesh is now the only least-developed country among 47 nations that has a well-developed pharmaceutical sector that can produce medicines for cancer diseases and biological products such as insulin and vaccines.

Research and Markets, a Dublin-headquartered firm, predicted in a report that Bangladesh's pharmaceutical industry will grow at an average of 12% per year for the next five years and take the market size to more than \$6 billion by 2025.

The report said the majority of this growth would be contributed by local companies with a market share of more than 90%. The share of generic drugs will be over 85% in 2025 from around 75% now, it states.

Bangladeshi companies depend on imports to meet 95% of the raw materials. So, the country will be able to save foreign currency once the API Park starts functioning, industry players said.

The ongoing Covid-19 pandemic has opened up a new window of opportunity for local drug makers as the demand for antiviral drug remdesivir is increasing worldwide in the absence of a vaccine or other drugs that can effectively treat Covid-19 patients.

Pharmaceutical shipments from Bangladesh grew 25% year-on-year to \$169 million in the last fiscal thanks to the addition of anti-coronavirus drugs to the export basket, continuous improvement of quality and policy support.

The country is also doing well in exports in recent years and exported medicines worth \$136 million to 151 countries in FY 2021. Market players said Bangladeshi companies are increasingly getting known to the world for its medicine, which will ultimately help them boost export.

To boost exports, local drug makers are conducting clinical studies for more and more products so that their exports become easy. Clinical trials are the primary way by which researchers find out if a new drug is safe and effective in human body. Various companies in the country are now conducting clinical researches on around 300 products, mostly in the laboratories of foreign countries as Bangladesh does not have the capacity to do so

(ii) Segment-wise or Product-wise performance:

The Company is engaged in manufacturing, marketing and distribution of generic pharmaceuticals finished products which includes human drugs; veterinary drugs dosages the products of the company are sold in domestic and international markets

(BDT in Mil)

Segment wise contribution on total Revenue

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
Human	82.76	82.15	76.29	73.55	72.92
veterinary	17.24	17.85	23.71	26.45	27.08
Total	100.00%	100.00%	100.00%	100.00%	100.00%

(iii) Risk and Concern

In the business world return and risks has reciprocal relationship. Thus, Navana would be subject to risk of a typical nature for similar pharmaceutical companies. The majority of these risks are commercial and business risks that can be mitigated effectively. Before making any investment decision, Investors should take the risk factors into consideration.

- a) Credit Risk
- b) Liquidity Risk

Etc

(iv) Discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin:

(In Million BDT)

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
Cost of Goods Sold	1979.53	1732.92	1636.47	1424.49	1310.97
Gross Profit	1627.05	1416.08	1334.04	1156.63	1031.68
Net Profit	202.92	137.40	85.04	76.58	74.36

(v) Discussion on continuity of any Extra-Ordinary gain or loss:

Company did not face any extra ordinary gain or loss continually

(vi) Related Party Transaction:

During the year the company had carried out considerable numbers of transaction in carrying out its operation with the related parties in its normal courses of business. The name of the related parties, nature of transaction as well as information about the transaction, the amount of transaction, the amount of outstanding balance at the financial year ending have been monitored, disclosed and set out in the Notes No- 40.00 of the Notes to the Financial Statements in accordance with the provisions of BAS-24 "Related Party Disclosures".

(vii) Utilization proceeds raised through public issue:

This section is not applicable because the company are going to the public offer through stock exchange

(viii) Explanation if the financial result deteriorate after the company goes for IPO:

This section is not applicable because the company are going to the public offer through stock exchange

(ix) Quarterly growth performances are shown below:

Being a non-listed it was not mandatory to prepare quarterly accounts

(x) Remuneration to Directors:

The remuneration of Directors including Independent Director as follows:

SL.	Name of the Director	Position	Board Meeting	Board Meeting Fee
1	Mr. Anisuzzaman Chowdhury	Chairman	06	600
2	Professor. Dr. Md. Jonaid Shafiq	Managing Director	08	800
3	Mrs. Imrana Zaman Chowdhury	Director	08	800
4	Mr. Manzurul Islam	Director	05	800
5	Dr. Zahara Rasul MD, CCFP	Director	08	800
6	Mr. Jaevd Kaiser Ally	Director	08	800
7	Mrs. Tarana Ahmed	Director	08	800
8	Dr. Sayeed Ahmed	Director	08	800
9	Mrs. Masuma Parvin	Director	04	400
10	Mrs. Suraiya Islam	Director	00	00
11	Mr. Abu Luthfe Fazle Rahim Khan	Director	04	400
12	Mr. Md. Abdur Rahim Choudhury	Director	04	400

(xvii) Going Concern

While approving the financial statements, the directors have made appropriate enquiries and analyzed the significant financial, operating as well as other indicators for enabling them to understand the ability of the company to continue its operations for a foreseeable period. The board of directors has convinced and had a reasonable expectation that the company has adequate

resources to continue its operation consistently for the foreseeable future. Therefore the company adopted the going concern basis in preparing the financial statements.

(xviii) Significant variance over the last year's operating profit:

Being a pharmaceuticals company ongoing pandemic situation (COVID-19) goes to in favor of the company as well as efficient management has focused on maximizing sales volume by reducing cost

(xix) Key Operating & Financial data:

Key operating and financial data of last five years as follows:

Figures in BDT	June-21	June-20	June-19	June-18	June-17
Turnover (Net)	3,606,576,486	3,149,005,151	2,970,511,465	2,581,129,002	2,342,655,424
Gross Profit	1,627,045,945	1,416,079,050	1,334,040,590	1,156,629,069	1,031,680,095
Operating Profit	363,711,647	284,438,654	243,833,139	211,110,481	205,146,449
Net Profit after Tax	202,292,731	137,395,072	85,036,836	76,579,495	74,356,772
Total Assets	5,219,694,689	4,451,002,968	4,497,525,002	4,693,017,558	3,183,259,486
Paid-up Capital	802,301,500	801,500	801,500	801,500	801,500
Retained Earnings	535,831,580	1,135,038,849	997,643,777	1,009,030,119	262,445,194
No. of Shares	80,230,150	8,015	8,015	8,015	8,015
Face Value	10.0	100.0	100.0	100.0	100.0
NAV per share	41.19	378,038	387,426	405,604	216,932
Earnings per Share* (restated)	2.52	1.71	1.06	0.95	0.93

(xx) Reason for not declaring dividend:

The company are going to listed with the exchange. Therefore considering the general shareholders company has focused on raise it retained earnings.

(xxi) Board statements regarding Interim Dividend:

Company didn't declare any Bonus share or Stock dividend during the year as interim dividend.

(xxii) Board and Committee Meetings & Attendance:

During the FY-2020-21, a total of 12 meetings of the board were held. Attendance by the Directors has been summarized as follows:

SL.	Name of the Director	Position	Board Meeting
1	Mr. Anisuzzaman Chowdhury	Chairman	06
2	Professor. Dr. Md. Jonaid Shafiq	Managing Director	08
3	Mrs. Imrana Zaman Chowdhury	Director	08
4	Mr. Manzurul Islam	Director	05
5	Dr. Zahara Rasul MD, CCFP	Director	08
6	Mr. Jaevd Kaiser Ally	Director	08
7	Mrs. Tarana Ahmed	Director	08
8	Dr. Sayeed Ahmed	Director	08
9	Mrs. Masuma Parvin	Director	04
10	Mrs. Suraiya Islam	Director	00

11	Mr. Abu Luthfe Fazle Rahim Khan	Director	04
12	Mr. Md. Abdur Rahim Choudhury	Director	04

Note: Mr. Abu Luthfe Fazle Rahim Khan & Mr. Md. Abdur Rahim Choudhury resign from the board on November 25, 2021

Note: Audit Committee & NRC has form on November 28, 2021

(xxiii) Pattern of Share Holding of Directors:

The patterns of share holdings of the Directors as on 30th June 2021 as follows:

Name	Designation	Share Quantity	% of holding
Mr. Anisuzzaman Chowdhury	Chairman	4,014,010	5.00%
Professor Dr. Md. Jonaid Shafiq	Managing Director	7,237,230	9.02%
Mrs. Imrana Zaman Chowdhury	Director	4,014,010	5.00%
Mr. Manzurul Islam	Director	12,032,020	15.00%
Mrs. Masuma Parvin	Director	5,965,960	7.44%
Dr. Zahara Rasul MD, CCFP	Director	4,814,810	6.00%
Mr. Javed Kaiser Ally	Director	4,484,480	5.59%
Mrs. Tarana Ahmed	Director	4,484,480	5.59%
Dr. Sayeed Ahmed	Director	2,642,640	3.29%
Mrs. Suraiya Islam	Director	4,124,120	5.14%

Note: Mrs. Suraiya Islam resign from the board on August 01, 2021

(xxiv) Director's Appointment, Retirement & Re-appointment:

With regard to the appointment, retirement and re-appointment of Directors, the Company is governed by its Articles of Association & the Companies Act, 1994 and other related Rules & Legislations issued time to time by various Regulators. Accordingly, the following three Directors of the Board will retire from the office of the Company and Being they are eligible for re-election as per clause No: 100 of the Articles of Association of the Company, they applied for re-election in the ensuing 35th Annual General Meeting:

Resume of Retire & Re-appointment Directors:

Name of the Director	Mr. Manzurul Islam
Date of Birth	28.08.2021
Date of First Appointment	23 rd March, 1986
Date of Last Appointment	23 rd March, 1986
Entities where they have interest	<p>Chairman:</p> <ul style="list-style-type: none"> • Aftab Bahumukhi Farms Limited • Aftab Feed Products Limited

	<ul style="list-style-type: none"> • Aftab Hatchery Limited • Aftab GP Farms Limited • Bengal Development Corporation Limited • Islam Brothers Properties Limited • IG Foods Limited • River View Limited • Islam Cement Limited • Bhagalpur Holdings Limited • The Milners Tubewells Limited • Aftab Hatchery Northern Limited • Ultimate Agro Feed Industries Limited • MK Seed & Agriculture Industry Limited. <p>Sponsor Director:</p> <ul style="list-style-type: none"> • LafargeHolcim Bangladesh Limited
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Name of the Director	Mrs. Imrana Zaman Chowdhury
Date of Birth	14.03.1979
Date of First Appointment	25 th November, 2020
Date of Last Appointment	25th November, 2020
Entities where they have interest	<p>Director:</p> <ul style="list-style-type: none"> • Navana Pharmaceuticals Limited • Janata Insurance Co. Ltd • Lighthouse Navigation Ltd. • Manticore Technology Ltd.

Name of the Director	Dr. Zahara Rasul MD (CCFP)
	17.05.1973
Date of First Appointment	25 th November, 2020
Date of Last Appointment	25th November, 2020
Entities where they have interest	<p>Director:</p> <ul style="list-style-type: none"> • MRC Corporation Ltd, London, UK • PPS Construction & Property Ltd, London, UK

(xxv) Management Dissuasion and Analysis:

A detailed management's discussion and analysis is given in the Directors report as per condition no. 1(5)(xxv) of Bangladesh securities and Exchange Commission Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 which is signed by Managing Director of the company.

MANAGEMENT DISCUSSION AND ANALYSIS

As per condition No 1.5 (XXV) of Corporate Governance Code dated on 3rd June, 2018; a Management's Discussion and Analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others are given

(a) ACCOUNTING POLICIES:

Appropriate accounting policies have been consistently followed in formulating the financial statements and accounting estimates are reasonable and prudent. The company has prepared and presented its financial statement as per IAS adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). During the reporting year the company has made an investment in associate company & fixed property that's why whose reflection has given to followed by "BAS-28 Investment on Associates and Joint Venture" and "BAS-40 Investment Property" accordingly.

The following BFRS / BAS are applicable for the financial statements for the period under review:

- BAS-1 Presentation of financial statements
- BAS-2 Inventories
- BAS-7 Statement of Cash Flows
- BAS-8 Accounting policies, Changes in Accounting Estimates and Errors
- BAS-10 Events after the reporting period.
- BAS-12 Income Taxes
- BAS-16 Property, Plant and Equipment
- BAS-18 Revenue
- BAS -19 Employee Benefits
- BAS-21 the Effect of Changes in Foreign Exchange rates
- BAS-23 Borrowing costs
- BAS-24 Related Party Disclosures
- BAS-28 Investment in Associates and Joint Ventures
- BAS-32 Financial Instrument: Presentation
- BAS-33 Earnings per Share
- BAS-34 Interim Financial Reporting
- BAS-37 Provisions, Contingent Liabilities and Contingent Assets
- BAS-39 Financial Instrument: Recognition and Measurement
- BAS-40 Investment Property

ESTIMATION FOR PREPARATION OF FINANCIAL STATEMENTS:

International Accounting Standards (IAS) / Bangladesh Accounting Standards (BAS) / International Financial Reporting Standards (IFRS) / Bangladesh Financial Reporting Standards (BFRS), notification of BSEC for Financial Reporting & Disclosure as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed.

(B) CHANGES IN ACCOUNTING POLICIES AND ESTIMATION

During the year under review there was no changes in accounting policies and estimation in Financial Statements for the year ended 2020-21.

(C) COMPARATIVE ANALYSIS (INCLUDING EFFECTS OF INFLATION) OF FINANCIAL PERFORMANCE OR RESULTS AND FINANCIAL POSITION WITH IMMEDIATE PRECEDING 5 (FIVE) YEARS:

The comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding 5 (five) years are given below:

Particulars	30-Jun-21	30-Jun-20	30-06-2019	30-Jun-18	30-Jun-17
Revenue	3,606,576,486	3,149,005,151	2,970,511,465	2,581,129,002	2,342,655,424

Less: Cost of Goods Sold	(1,979,530,541)	(1,732,926,101)	(1,636,470,875)	(1,424,499,933)	(1,310,975,330)
Gross Profit	1,627,045,945	1,416,079,050	1,334,040,590	1,156,629,069	1,031,680,094
Less: Operating Expenses	(1,263,334,298)	(1,131,640,395)	(1,090,207,451)	(945,518,588)	(826,533,645)
Profit from Operation	363,711,647	284,438,654	243,833,139	211,110,482	205,146,449
Add: Other Income	29,006,157	36,693,402	14,405,068	11,581,171	11,029,687
Less: Financial Expenses	(75,184,536)	(91,591,129)	(102,907,597)	(97,624,319)	(89,174,090)
Profit before WPPF & Tax	317,533,268	229,540,927	155,330,610	125,067,334	127,002,046
Contribution to WPPF	(15,120,632)	(10,262,907)	(7,766,530)	(6,253,367)	
Profit before Income Tax	302,412,637	219,278,021	147,564,080	118,813,967	127,002,046
Less: Income Tax Expenses	(100,119,905)	(81,882,949)	(62,527,243)	(42,234,472)	(52,645,273)
Current Tax	65,408,756	89,291,633	58,445,833	45,366,142	47,652,264
Deferred Tax	34,711,150	(7,408,684)	4,081,410	(3,131,670)	4,993,009
Net Profit After Tax	202,292,731	137,395,072	85,036,837	76,579,495	74,356,773
Earnings Per Share (Restated)	2.52	1.71	1.06	0.95	0.93

On behalf of the Company

SD/-

Professor. Dr. Md. Jonaid Shafiq

Managing Director

(xxvi) Declaration by the MD and the CFO:

The declaration by the MD and the CFO disclosed in Directors report as follows:

**NAVANA PHARMACETICULES LIMITED
DECLARATION BY CEO & CFO**

The Board of Directors,

Navana Pharmaceuticals Limited
House # 99 (Level-6), Road # 4
Block # B, Banani , Dhaka-1213

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

Dear Sir,

Pursuant to the condition no. 1(5) (xxvi) imposed vide the commission's Notification No. BSEC/CMRRD/2006-158/207/Admin/80, Dated: 3rd June, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Navana Pharmaceuticals Limited for the year ended on 30th June, 2021 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent reasonable basis; in order for the financial statements to reveal a true and fair view;

- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:-

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

Sincerely yours,

SD/-
(Professor. Dr. Md. Jonaid Shafiq)
 Managing Director & CEO

SD/-
(Md. Abu Hurayra, FCA)
 Chief Financial Officer

(xxivi) Reporting and Compliance of Corporate Governance:

Pursuant to the provisions of BSEC Notification No. BSEC/CMRRD/2006-158/207/Admin/80, Dated: 3rd June, 2018, the Board of Directors has appointed Itrat Hussan & Associates, Chartered Secretaries regarding compliance of conditions of Corporate Governance Guidelines of BSEC for the financial year 2021 July to 2021 December.

The Corporate Governance Compliance Audit Report is annexed herewith as Annexure-B. The report does not contain any qualification, reservation or adverse remark. Compliance of condition under condition No. 9 are given below:

Condition No.	Title	Compliance Status		Remarks (If any)
		Complied	Non-Complied	
1.0	Board of Directors			
1(1)	Board's Size: Board members shall not be less than 5 (Five) and more than 20 (Twenty)	√		The Board is comprised of 12 (Twelve) members
1(2)	Independent Directors: Board		Representation of ID in Board	
1(2)(a)	Number of Independent Director: At least 1/5th	√		There are 3 (Three) ID in the Board

1(2)(b)	For the purpose of this clause "Independent Director" means a Director	The ID have declared their compliances		
1(2)(b)(i)	Independent Director do not hold any share or less than 1% (one) percent share of total paid-up shares of the company	√		
1(2)(b)(ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members;	√		
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years	√		
1(2)(b)(iv)	Independent Directors do not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated company	√		
1(2)(b)(v)	Independent Directors are not the members or TREC (Trading Right Entitlement Certificate) holder, directors or officers of any stock exchange;	√		
1(2)(b)(vi)	Who is not the shareholder, directors excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market	√		
1(2)(b)(vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional	√		

	certifying compliance of this Code;			
1(2)(b)(viii)	They are not the Independent directors in more than 5 (five) listed companies	√		
1(2)(b)(ix)	Who is not convicted by a court of competent jurisdiction as a defaulter in payment of any loan to bank or a non-bank financial institution (NBFI); and	√		
1(2)(b)(x)	Who is not been convicted for a criminal offence involving moral turpitude	√		
1(2)(c)	The independent directors shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM);	√		All Independent Directors appointed by the Board & will be approved by the shareholders in the ensuing Annual General Meeting
1(2)(d)	The post of independent directors cannot remain vacant for more than 90 (Ninety) days; and	-	-	Not applicable
1(2)(e)	The tenure of office of an independent directors shall be for a period of 3 (three) years, which may be extended for 1 (one) term only: Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]: Provided further that the independent director shall not be subject to retirement by rotation as per the (Companies Act, 1994).	√		All the ID have been continuing their position for the 1st terms
1(3)	Qualification of Independent director (ID)			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	√		The qualification justify their abilities as such
1(3)(b)	Independent director shall have following qualifications:			

1(3)(b)(i)	Business leader who is or was a promoter or director of an unlisted company having minimum paid up capital of Tk. 100 million or any listed company or a member of any national or international chamber of commerce or business association	-	-	Not applicable
1(3)(b)(ii)	Corporate leader who is or was a top level executive not lower than CEO or MD or DMD or CFO or Head of Finance or Accounts or company secretary or head of internal audit and compliance or head of legal service or a candidate with equivalent position of an unlisted company having minimum paid up capital of 100 million or of a listed company; or	√		
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5 th grade of the national pay scale, who has at least bachelor degree in economics or commerce or business or law; or	-	-	Not applicable
1(3)(b)(iv)	University teacher who has an educational background in economics or commerce or business studies or law; or	√		
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	√		
1(3)(c)	The Independent Director shall have at least 10 years of experience in any field mentioned in clause (b);	√		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the commission	-	-	Not applicable
1.4	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:			
1(4)(a)	The Chairman of the Board and the Managing Director (MD) and /or Chief Executive Officer (CEO) shall be different individuals;	√		
1(4)(b)	The MD and/or CEO of a listed company shall not hold the same in another listed company;	√		
1(4)(c)	The Chairman of the board shall be elected from among the non-executive Directors of the company;	√		

1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	√		
1(4)(e)	In the absence of chairperson of the board, remaining members may elect one of themselves from non-executive directors as chairperson & the reason of absence shall be duly recorded in the minutes.	√		
1.5	The Directors' Report to Shareholders			
1.5 (i)	Industry outlook and possible future developments in the industry;	√		
1.5 (ii)	Segment-wise or product-wise performance;	√		
1.5 (iii)	Risk and Concern including external & internal risk factors threat to sustainability & negative impact on environment, if any;	√		
1.5 (iv)	A discussion on cost of goods sold, gross profit margin and net profit margin, where applicable;	√		
1.5 (v)	A Discussion on continuity of an Extraordinary activities and their implications (gain or loss);	√		
1.5 (vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		
1.5 (vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;	-	-	
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing etc.;	-	-	
1.5 (ix)	An Explanation on significant variance occurs between quarterly financial performance and Annual Financial Statements;	√		
1.5 (x)	A statement of Remuneration to directors including independent director;	√		
1.5 (xi)	The financial statements prepared by the management of the issuer company	√		

	present fairly state its affairs, the result of its operation, cash flows and changes in equity;			
1.5 (xii)	A statement that proper books of account of the issuer company have been maintained;	√		
1.5 (xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	√		
1.5 (xiv)	A statement that International Accounting Standards (IAS)/ Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed;	√		
1.5 (xv)	The system of internal control is sound in design and has been effectively implemented and monitored	√		
1.5 (xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√		
1.5 (xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	√		
1.5 (xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	√		
1.5 (xix)	Key operating and financial data of at least preceding 5 (five) years shall be summarized	√		
1.5 (xx)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given	√		
1.5 (xxi)	No bonus share or stock dividend has been or shall be declared as interim dividend	√		

1.5 (xxii)	The total number of Board meetings held during the year and attendance by each director shall be disclosed.	√		
1.5 (xxiii)	Report on the pattern of shareholding disclosing the aggregate number of share held by-			
1.5(xxiii)(a)	Parents/Subsidiary/ Associated companies and other related parties (name wise details)	√		
1.5 (xxiii)b	Directors, Chief Executive Officer, Company secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details)	√		
1.5 (xxiii) c	Executives	√		
1.5 (xxiii)d	Shareholders holding ten percent or more voting interest in the company (name wise details)	√		
1.5 (xxiv)	Disclosure on the appointment /reappointment of directors-			
1.5 (xxiv)a	A brief resume of the director	√		
1.5 (xxiv)b	Nature of his/her expertise in specific functional areas; and	√		
1.5 (xxiv)c	Names of companies in which the person also holds directorship and the membership of committees of the board;	√		
1.5 (xxv)	A management discussion and analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statement, among others focusing on:	√		
1.5(xxv)(a)	Accounting policies & estimation for preparation of financial statements;	√		

1.5(xxv)(b)	Changes in accounting policies & estimation, if any clearly describing the effect on financial performance or results and financial position as well as cash flows in the absolute figures for such changes;	√		
1.5(xxv)(c)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	√		
1.5(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√		
1.5(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	√		
1.5(xxv)(f)	Risks & concerns issued related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	√		
1.5(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with jurisdiction thereof, i.e. actual position shall be explained to the shareholders in the next AGM;	√		
1.5(xxvi)	Declaration or certification by the CEO and the CFO to the board as required under condition No.:3(3) shall be	√		
1.5(xxvii)	The report as well as certificate regarding compliance of conditions of the code as required under condition No.9 shall be disclosed as per Annexure-B & Annexure-C	√		

1(6)	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with BSS as adopted by the Institute of Chartered Secretaries of Bangladesh	√		
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer:			
1(7)(a)	The board shall lay down a code of conduct based on the recommendation of the NRC at condition No.6 for the chairperson of the board, other board members & CEO of the company;	√		
1(7)(b)	The code of conduct as determined by the NRC shall be posted in the website of the company among others prudent conduct & behaviour; confidentiality; conflict of interest; compliance with laws , rules & regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency	√		
2.00	Governance of Board of Directors of Subsidiary Company: The Company does not have any Subsidiary company			
2 (a)	Provisions relating to the composition of board of holding company shall be made applicable to the composition of the board of subsidiary company;	-	-	Not applicable
2 (b)	At least one (1) independent director of the board of the holding company shall be a director in the board of subsidiary company;	-	-	Not applicable
2 (c)	The minutes of the subsidiary company shall be placed for review at the following board meeting of the holding company;	-	-	Not applicable

2 (d)	The minutes of the respective board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	-	-	Not applicable
2 (e)	The audit committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company also;	-	-	Not applicable
3.	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):			
3 (1)	Appointment			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	√		
3(1)(b)	Position of MD, CFO, HIAC and CS shall be filled by different individuals The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	√		
3(1)(c)	The MD or CEO, CFO, HIAC and CS shall not hold any executive position in any other company at the same time;	√		
3(1)(d)	The Board shall clearly define their respective roles, responsibilities and duties of CFO, HIAC & CS;	√		
3(1)(e)	The MD or CEO, CFO, HIAC and CS shall not be removed from their position without approval of Board as well as immediate dissemination to the commission & stock exchange(s).	√		

3(2)	<p>Requirements to attend BOD's Meetings-The MD or CEO, CFO, HIAC and CS shall attend Board of Directors meeting The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board:</p> <p>Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.</p>	√		
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO) :			
3(3)(a)	The MD or CEO and CFO shall certify to the board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	√		
3(3)(a) (i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	√		
3(3)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	√		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	√		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the annual	√		
4	<p>Board of Directors' committee:</p> <p>For ensuring good governance in the company, the Board shall have at least following sub-committees:</p>	√		
4(i)	Audit Committee	√		
4 (ii)	Nomination and Remuneration Committee	√		

5	Audit Committee			
5(1)	Responsibility to the Board of Directors			
5 (1)(a)	Audit Committee shall be have an the sub-committee of the Board;	√		
5 (1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	√		
5 (1)(c)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing;	√		
5 (2)	Constitution of the Audit Committee:			
5 (2)(a)	The Audit Committee shall be composed of at least three (3) members;	√		
5 (2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	√		
5 (2)(c)	All members of the audit committee should be financially literate and at least one member shall have accounting or related financial management experience and 10 (ten) years of such experience.	√		

5 (2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	√		
5 (2)(e)	The company secretary shall act as the secretary of the committee;	√		
5 (2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
5(3)	Chairperson of the Audit Committee			
5 (3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	√		
5 (3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		

5 (3)(c)	<p>Presence of Chairman of the Audit Committee in the Annual General Meeting (AGM);</p> <p>Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the</p>	-	-	Will be complied in ensuing Annual General Meeting
5 (4)	Meeting of the Audit Committee:			
5 (4) (a)	<p>The Audit Committee shall conduct at least its four meetings in a financial year:</p> <p>Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;</p>	-	-	Will be Complied
5 (4) (b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√		
5 (5)	Role of Audit Committee:			
5 (5) (a)	Oversee the financial reporting process;	√		
5 (5) (b)	Monitor choice of accounting policies and principles;	√		
5 (5) (c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	√		
5 (5) (d)	Oversee hiring and performance of external auditors;	√		
5 (5) (e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√		

5 (5) (f)	review along with the management, the annual financial statements before submission to the Board for approval;	√		
5 (5) (g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	√		
5 (5) (h)	Review the adequacy of internal audit function;	√		
5 (5) (i)	Review the Management's discussion and analysis before disclosing in the annual report;	√		
5 (5) (j)	Review statement of significant related party transactions submitted by the management	√		
5 (5) (k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	-	-	Not applicable
5 (5) (l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external	√		

5 (5) (m)	Oversee proceeds raised through initial public offering/ repeat public offering/rights issue the company shall disclose to the audit committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital etc.), on a quarterly basis, as a part of their quarterly declaration of financial results oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission: Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results: Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee.	Not Applicable	-	Will be complied (after IPO)
5 (6)	Reporting of the Audit Committee:			
5 (6) (a)	Reporting to the Board of Directors:			
5 (6) (a) (i)	The audit committee shall report on its activities to the board of directors	√		
5 (6) (a)	Audit committee immediately report to the Board on the following findings-			
5 (6) (a) (ii) (a)	Report on conflict of interest	-	-	No such case
5 (6) (a) (ii)(b)	Suspected or presumed fraud or irregularity or material defect in the internal audit & compliance process or in the financial statement	-	-	No such case
5 (6) (a) (ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	-	-	No such case

5 (6) (a) (ii)(d)	Any other matter which deems necessary shall be disclosed to the board of directors immediately	-	-	No such case
5 (6) (b)	Reporting to the authorities: If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and discussed accordingly with the Board and management but they unnecessarily ignored, then inform to commission regarding the findings, upon reporting of such matters to the Board for 3 times or completion of 6(six) months from the date of first reporting to Board, whichever is earlier.	-	-	No such case
5 (7)	Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	√		
6	Nomination and Remuneration Committee (NRC)-			
6(1)(a)	Nomination committee is a sub-committee of the Board	√		
6(1)(b)	NRC shall assist the board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors & top level executives as well as considering remuneration of directors, top level executive:	√		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	√		
6 (2)	Constitution of the NRC			
6(2)(a)	The committee shall comprise of at least 3 members including an independent director;	√		

6(2)(b)	All members of the committee shall be non-executive directors;	√		
6(2)(c)	Members of the committee shall be nominated and appointed by the board;	√		
6(2)(d)	The board shall have authority to remove and appoint any member of the committee;	√		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the committee or any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) of occurring such vacancy in the committee;	-	-	Not applicable
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert	-	-	Not applicable
6(2)(g)	Company secretary shall act as the secretary of the committee;	√		
6(2)(h)	Quorum of the NRC shall not constitute without attendance of at least an independent director;	√		
6(2) (i)	No member of the NRC shall receive any remuneration other than Directors' fees or honorarium from the company	√		
6 (3)	Chairperson of the NRC:			
6(3)(a)	The board shall select one member of the NRC to be chairperson of the committee who shall be an independent director	√		
6(3)(b)	In the absence of chairperson of NRC, the remaining members may elect one of themselves as chairman of the meeting.	-	-	No such case

6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM. the AGM.	-	-	Will be Complied in ensuing Annual General Meeting
6 (4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least 1 meeting in a financial year;	√		
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	√		
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	√		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	√		
6 (5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the board and shareholders;	√		
6 (5) (b)	NRC shall oversee among others the following matters and make report with recommendation to the Board-			
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of director and recommend policy to Board relating to remuneration of the directors, top level executive considering the following-	√		

6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully	-	-	
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	√		
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of company and its goals	√		
6(5)(b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	-	-	
6(5)(b)(iii)	Identifying persons who are qualified to become directors and top level executive in accordance with the criteria laid down and recommend their appointment and removal to the board	√		
6(5)(b)(iv)	Formulating the criteria for evaluation of independent directors and the board	√		
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement or promotion criteria; and	-	-	Will be Complied
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies	-	-	Will be Complied
6(5)(b)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	-	-	Will be Complied

7	External or Statutory Auditors-			
7 (1)	The Company shall not engage its external or statutory auditors to perform the following services-			
7 (1) (i)	Non-engagement in appraisal or valuation services or fairness opinions;	√		
7 (1) (ii)	Non-engagement in Financial information systems design and implementation;	√		
7 (1) (iii)	Non-engagement in Book-keeping or other services related to the accounting records or financial statements;	√		
7 (1) (iv)	Broker-dealer services;	√		
7 (1) (v)	Actuarial services;	√		
7 (1) (vi)	Internal audit or special audit services;	√		
7 (1) (vii)	Non-engagement in any other service that the audit committee determines	√		
7 (1) (viii)	Audit or certification services on compliance of corporate governance as	√		
7 (1) (ix)	Non-engagement any other service that creates conflict of interest.	√		
7 (2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-	√		
7 (3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√		
8	Maintain a Website by the Company-			
8.(1)	The company shall have an official website linked with the websites of the stock exchange	√	-	The website is ready, will be link with exchange
8.(2)	The company shall keep the website functional from the date of listing	-	-	The website is ready & Will be Complied

8.(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s)	√		
9	Reporting and Compliance of Corporate Governance-			
9.(1)	Obtaining Certificate from a professional accountant/ Secretary regarding compliance of conditions of Corporate Governance Guidelines of the BSEC on a yearly basis and disclose it in the Annual Report	√		
9(2)	The professional who will provide the certificate on compliance of the code shall be appointed by the shareholders in Annual General Meeting	-	-	Will be complied ensuing Annual General Meeting
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions	√		

Management Appreciation:

The Board of Directors record with deep appreciation the contribution made and support & co-operation given by the Officers, Staff, Workers, Customers, Creditors, Banks, Insurance Companies, Utility Providers and the Government in particular and look forward to the global role of the Company.

Thanking you,

On behalf of the Board of Director

SD/-

(Anisuzzaman Chowdhury)

Chairman

