

Having reviewed the BSEC's Corporate Governance guideline as last amended on August 7, 2012, the Company's Board issued and signed their declaration of Compliance, a statement of which is given below:

Condition No.	Title	Compliance Status		Explanation Noncompliance with the condition
		Compiled	Not Compiled	
1.00	BOARD OF DIRECTORS			
1.1	Board Size	√		
1.2	INDEPENDENT DIRECTORS			
1.2.1	Appointment of Independent Directors	√		
1.2.2 (a)	Does not hold any share or less than 1% shares in the Company	√		
1.2.2 (b)	Not a Sponsor of The Company	√		
1.2.2 (c)	Does not have other relationship	√		
1.2.2 (d)	Not a Member, Director or Officer of any Stock Exchange	√		
1.2.2 (e)	Not a Shareholder, Director or Officer of any Stock Exchange or an intermediary of the capital market.	√		
1.2.2 (f)	Not a Partner or an Executive or was not a Partner or an Executive during the preceding 3 (Three) years of the concerned Company's statutory audit firm	√		
1.2.2 (g)	Not an Independent Director more than three listed Companies	√		
1.2.2 (h)	Not Convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a Bank or a Non-Bank Financial Institution	√		
1.2.2 (i)	Not convicted for a Criminal offence	√		
1.2.3	Appointment by the Board and approved in AGM	√		
1.2.4	Post cannot remain vacant more than 90 days	√		
1.2.5	Lay down a code of conduct and annual compliance	√		
1.2.6	Tenure of the Independent Director	√		
1.3	QUALIFICATION OF INDEPENDENT DIRECTOR			
1.3 (a)	Independent Director shall be knowledgeable	√		
1.3 (b)	Should be a Corporate Leader/Business Leader	√		
1.3 (c)	Special cases for relaxation of qualifications.	√		
1.4	The posts of Chairman of the board and Chief Executive Officer are filled by different individuals	√		

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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)	Risks and concerns	√		
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin	√		
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss	-	-	N/A
1.5 (vi)	Basis for related party transactions- a statement of all related party transactions	√		
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments	-	-	N/A
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc	-	-	N/A
1.5 (ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report	√		
1.5 (x)	Remuneration to Directors including Independent Director	√		No Remuneration paid to any Director including Independent Director except Managing Director
1.5 (xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity	√		
1.5 (xii)	Proper books of account of the issuer company have been maintained	√		
1.5 (xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment	√		
1.5 (xiv)	International Accounting Standard (IAS)/ Bangladesh Accounting Standard (BAS)/ International Financial Reporting Standard (IFRS)/Bangladesh Financial Reporting standard (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed	√		

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1.5 (xv)	The system of internal control is sound in design and has been effectively implemented and monitored	√		
1.5 (xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed	√		
1.5 (xvii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained	-	-	N/A
1.5 (xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized	√		
1.5 (xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given	-	-	N/A
1.5 (xx)	The number of Board meetings held during the year and attendance by each Director shall be disclosed	√		
1.5(xxi) a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details)	-	-	N/A
1.5(xxi) b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details)	√		
1.5(xxi) c)	Executives	√		
1.5(xxi) d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details)	√		
1.5 (xxii)	In case of appointment/re-appointment of a director, the company shall disclose the following information to the shareholders	√		
1.5(xxii) a)	A brief resume of the Director	√		
1.5(xxii)b)	Nature of his/her expertise in specific functional areas	√		
1.5(xxii) c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board	√		
2.00	CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPANY SECRETARY			
2.1	Appointment of CFO, Head of Internal Audit and Company Secretary	√		
2.2	Requirement of CFO and Company Secretary to attend Board Meeting	√		

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3.00	AUDIT COMMITTEE			
3.00 (i)	The Company shall have an Audit Committee as a sub-committee of the Board of Directors	√		
3.00 (ii)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system within the business	√		
3.00 (iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing	√		
3.1	CONSTITUTION OF THE AUDIT COMMITTEE			
3.1 (i)	The Audit Committee shall be composed of at least 3 (three) members	√		
3.1 (ii)	The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) Independent Director	√		
3.1 (iii)	All members of the Audit Committee should be “financially literate” and at least 1 (one) member shall have accounting or related financial management experience	√		
3.1 (iv)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until expiration of the term of service	√		
3.1 (v)	The Company Secretary shall act as the Secretary of the Committee	√		
3.1 (vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) Independent Director	√		
3.2	SELECTION OF THE CHAIRMAN OF THE AUDIT COMMITTEE			
3.2 (i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an Independent Director	√		
3.2 (ii)	Chairman of the Audit Committee shall remain present in the Annual General Meeting (AGM)	√		
3.3	ROLE OF AUDIT COMMITTEE			
3.3 (i)	Oversee the financial reporting process	√		
3.3 (ii)	Monitor choice of accounting policies and principles	√		

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3.3 (iii)	Monitor Internal Control Risk Management process	√		
3.3 (iv)	Oversee hiring and performance of external auditors	√		
3.3 (v)	Review along with the management, the annual financial statements before submission to the Board for approval	√		
3.3 (vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval	√		
3.3 (vii)	Review the adequacy of internal audit function	√		
3.3 (viii)	Review statement of significant related party transactions submitted by the Management	√		
3.3 (ix)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors	√		
3.3 (x)	When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue the company shall disclose to the Audit Committee, on a quarterly basis and annual basis	√		
3.4	REPORTING TO THE AUDIT COMMITTEE			
3.4.1 (i)	The Audit Committee shall report on its activities to the Board of Directors	√		
3.4.1 (ii)	Report on conflict of interest	-	-	N/A
3.4.1 (ii)(a)	Suspected or presumed fraud or irregularity or material defect in the internal control system	-	-	N/A
3.4.1 (ii)(b)	Suspected infringement of laws	-	-	N/A
3.4.1 (ii)(c)	Any other matter	-	-	N/A
3.4.2	Reporting to the authorities	-	-	N/A
3.5	Reporting to the shareholder and general investors	√		
4.00	EXTERNAL / STATUTORY AUDITORS			
4.00 (i)	Appraisal or valuation services of fairness opinions	√		Not Engaged
4.00 (ii)	Financial information systems design and implementation	√		Not Engaged
4.00 (iii)	Book keeping or other services related to the accounting records	√		Not Engaged
4.00 (iv)	Broker-dealer services	√		Not Engaged
4.00 (v)	Actuarial Services	√		Not Engaged
4.00 (vi)	Internal audit services	√		Not Engaged

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4.00 (vii)	Any other services that the audit committee determines	√		
4.00 (viii)	No Partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company	√		
5.	SUBSIDIARY COMPANY:			
5.00(i)	Provisions relating to the composition of the Board of Directors of the holding Company shall be made applicable to the composition of the Board of Directors of the subsidiary Company	-	-	N/A
5.00 (ii)	At least 1 (One) Independent Director on the Board of Directors of the holding company shall be director on the Board of Directors of the subsidiary company	-	-	N/A
5.00 (iii)	The minutes of the Board meeting of the subsidiary Company shall be placed for review at the following Board meeting of the holding Company	-	-	N/A
5.00 (iv)	The minutes of the respective Board meeting of the holding Company shall state that they have also reviewed the affairs of the subsidiary Company	-	-	N/A
5.00 (v)	The Audit Committee of the holding Company shall also review the financial statements, in particular the investments made by the subsidiary Company	-	-	N/A
6.	DUTIES OF CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO):			
6.00 (i) a)	Certify that no materially untrue statement that might be misleading	√		
6.00 (ii) b)	Certify that these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws	√		
6.00 (iii)	Certify that no transaction entered into by the Company during the year which are fraudulent, illegal or violation of the Company's code of conduct	√		
7.	REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE:			
7.00 (i)	Obtain Certificate relating to Complied Corporate Governance Guidelines form practicing professional Accountant	√		
7.00 (ii)	Attached in the directors report whether the company has complied with these conditions	√		