

Compliance Report to BSEC Notification

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No.SEC/CMRRCD/2006-158/134/Admin/44dated 07 August, 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

Condition No	Title Complied	Compliance status (Put ✓ in the appropriate column)		Remarks (if any)
		Not complied		
1	BOARD OF DIRECTORS:			
1.1	Board's Size [number of Board members to be 5 - 20]	✓		
1.2	Independent Directors			
1.2 (i)	Number of Independent Directors [at least 1/5]	-	-	Appointed 1 Independent Director and to follow the Insurance ACT'2010 & Compliance of BSEC notification another Independent Director appointments are under porcess.
1.2(ii)	Independent Director (ID) means a director:	✓		
1.2(ii)(a)	Holding no share or holding less than 1% shares	✓		
1.2 (ii) (b)	Not being a sponsor and connected with any sponsor or director or shareholder holding 1% or more shares	✓		
1.2 (ii) (c)	Not having any pecuniary or otherwise relationship with the Company or its subsidiary/associated companies	✓		
1.2 (ii) (d)	Not being member/director/officer of any stock exchange	✓		
1.2 (ii) (e)	Not being shareholder/director/officer of any member of stock exchange or intermediary of capital market	✓		
1.2 (ii) (f)	Not being partner/executive at present or during the preceding 3 years of the Company's statutory audit firm	✓		
1.2 (ii) (g)	Not being an ID in more than 3 listed companies	✓		
1.2 (ii) (h)	Not convicted as defaulter in any loan of a bank or NBFi	✓		

Condition No	Title Complied	Compliance status (Put ✓ in the appropriate column)		Remarks (if any)
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1.2 (ii) (i)	Not convicted for a criminal offence	✓		
1.2 (iii)	To be appointed by BOD and approved in the AGM	✓		
1.2 (iv)	The post cannot remain vacant for more than 90 days	-		No such situation occurred
1.2 (v)	Laying down of code of conduct of Board members and recording of annual compliance of the code	✓		
1.5(xxii)	Pattern of shareholding (along with name wise details) by-			
1.5(xxii)(a)	Parent/Subsidiary/Associate Companies & related parties	✓		
1.5(xxii)(b)	Directors, CEO, CS, CFO, HOIA, their spouses & children	✓		
1.5(xxii)(c)	Executives (Top 5 salaried employees other than above)	✓		
1.5(xxii)(d)	Shareholders holding 10% or more voting interest	✓		
1.5(xxii)	In case of the appointment/re-appointment of a director			
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 he/she holds directorship and the membership of committees of the board	✓		
2	CFO, HEAD OF INTERNAL AUDIT AND CS:			
2.1	Appointment of a CFO, a Head of Internal Audit and a CS and defining their roles, responsibilities & duties	✓		
2.2	Attendance of CFO and CS in the meetings of the Board	✓		
3	AUDIT COMMITTEE:			
3(i)	Having Audit Committee as a sub-committee of the BOD	✓		
3 (ii)	Audit Committee to assist the BOD in ensuring fairness of financial statements and a good monitoring system	✓		
3 (iii)	Audit Committee being responsible to the BOD; duties of Audit Committee to be clearly set forth in writing	✓		
3.1	Constitution of the Audit Committee			

Condition No	Title Complied	Compliance status (Put ✓ in the appropriate column)		Remarks (if any)
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3.1(i)	Audit Committee to be composed of at least 3 members	✓		
3.1(ii)	Audit Committee members to be appointed by BOD and at least one Independent Director to be included	✓		
3.1(iii)	Audit Committee members to be “financially literate” and at least one to have accounting/ financial experience	✓		
3.1(iv)	Vacancy in Audit Committee making the number lower than 3 to be filled up immediately and within 1 month	✓		
3.1 (v)	The CS to act as the secretary of the Audit Committee	✓		
3.1 (vi)	No quorum in Audit Committee meeting without one ID	✓		
3.2	Chairman of the Audit Committee			
3.2 (i)	Chairman to be an ID, selected by the BOD	✓		
3.2 (ii)	Chairman of Audit Committee to remain present in 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	✓		
3.3 (iii)	Monitor Internal Control Risk management process	✓		
3.3 (iv)	Oversee hiring and performance of external auditors	✓		
3.3 (v)	Review the annual financial statements	✓		
3.3 (vi)	Review the quarterly and half yearly financial statements	✓		
3.3 (vii)	Review the adequacy of internal audit function	✓		
3.3 (viii)	Review statement of significant related party transactions	✓		
3.3 (ix)	Review Letters issued by statutory auditors	✓		
3.3 (x)	Review disclosures/statements/declarations about uses of funds raised through IPO/RPO/ Rights Issue	-	-	N/A
3.4	Reporting of the Audit Committee			
3.4.1	Reporting to the Board of Directors			
3.4.1 (i)	Reporting on the activities of Audit Committee	✓		
3.4.1 (ii) (a)	Reporting on conflicts of interests	-	-	No Such Event occurred.

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3.4.1 (ii) (b)	Reporting on suspected/presumed fraud or irregularity or material defect in the internal control system	-	-	No Such Event occurred.
3.4.1 (ii) (c)	Reporting on suspected infringement of laws	-	-	No Such Event occurred.
3.4.1(II) (d)	Reporting on any other matter to disclose immediately	-	-	No Such Event occurred.
3.4.2	Reporting to BSEC	-	-	No Such Event occurred.
3.5	Reporting to the Shareholders and General Investors	✓		
4	EXTERNAL / STATUTORY AUDITORS			
4.00 (i)	Non-engagement in appraisal/valuation/fairness opinions	✓		
4.00 (ii)	Non-engagement in designing & implementation of FIS	✓		
4.00 (iii)	Non-engagement in Book Keeping or accounting	✓		
4.00 (iv)	Non-engagement in Broker-Dealer services	✓		
4.00 (v)	Non-engagement in Actuarial services	✓		
4.00 (vi)	Non-engagement in Internal Audit services	✓		
4.00(vii)	Non-engagement in services determined by Audit Committee	✓		
4.00 (viii)	Possessing no share by any partner or employee of the external audit firm during the tenure of assignment	✓		
4.00 (ix)	Non-engagement in Audit/Certification Services on Compliance of Corporate Governance as required under clause (i) of condition No. 7	✓		
5	SUBSIDIARY COMPANY			
5 (i)	Composition of BOD to be similar to holding Company	-	-	N/A
5 (ii)	One ID to be in both holding and subsidiary Company	-	-	N/A
5 (iii)	Minutes of Board meetings of subsidiary Company to be placed at following Board meeting of holding Company	-	-	N/A
5 (iv)	Minutes of respective Board meeting of holding Company to state that affairs of subsidiary Company be reviewed	-	-	N/A
5 (v)	Audit Committee of holding Company to review financial statements/ investments of subsidiary Company	-	-	N/A

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6	DUTIES OF CEO AND CFO:			
6(i)	They have reviewed Financial Statement for the year and that to the best of their knowledge and belief.	✓		
6(i) (a)	These statements do not contain any materially untrue statement or omit any material facts or contain statements that be misleading.	✓		
6(i) (b)	To certify that the statements present a true and fair view of affairs and are in compliance with accounting standards and applicable laws.	✓		
6(ii)	To certify that no transaction is fraudulent, illegal or violation of Company's code of conduct	✓		
7	REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE:			
7(i)	Obtaining certificate regarding compliance and sending it to shareholders along with the Annual Report	✓		
7 (ii)	To state, in accordance with annexure, in directors' report whether the conditions has been complied with	✓		

