

Directors' Report

for the year ended June 30, 2024

Dear Shareholders,

The Directors have pleasure in submitting hereunder their report, prepared under section 184 of the Companies Act, 1994, together with the Audited Financial Statements of the company for the year ended June 30, 2024 and Auditors' Report thereon.

INDUSTRY OUTLOOK

Locally produced cosmetics and toiletries products are now playing a significant role that was previously dominated by imports. Most of the products in this sector are common consumer goods which have a large demand in the domestic market. Local manufacturer is able to satisfy most of the local customers by offering quality products with reasonable price. While most of the manufacturers focus primarily on meeting the demands of the local market, some firms have started exporting cosmetics and toiletries products from Bangladesh.

The production and sales scenario of major manufacturers over recent periods suggest that all the major firms including KCCL have experienced steady growth. The demand for cosmetic and personal care products is now huge and these types of products are increasingly becoming essentials for people belonging to all classes in society.

KCCL is working really hard to build consumer trust through producing good quality products and competes with two leading brands Unilever Bangladesh Ltd and Square Toiletries Limited. KCCL is the market leader among all the local companies and has been successfully competing with one multinational brand, Unilever Bangladesh Ltd. Since most of the people of Bangladesh live in rural area and the majority of them belong to lower income class, KCCL aims at serving these lower income customers relentlessly keeping the nation's economic condition in mind through door to door marketing network.

HIGHLIGHTS ON FINANCIAL RESULTS

The Board of Directors takes pleasure in reporting the summary of the Financial Results of the company for the year ended June 30, 2024.

Amount in BDT

Particulars	2023-24	2022-23	Growth %
Net Sales Revenue	5,789,042,682	5,357,546,402	8.05%
Cost of Goods Sold	4,254,327,924	4,169,284,256	2.04%
Gross Profit	1,534,714,758	1,188,262,146	29.16%
Operating Profit	746,397,833	523,071,816	42.70%
Net Profit (BT)	705,061,358	525,496,567	34.17%
Net Profit (AT)	509,531,577	377,264,315	35.06%
Earnings per Share	15.12	* 11.19	35.03%

*Restated

The Company recorded 8.05% increase in net sales revenue during the financial year 2023-24 over previous year. The operating profit amounted to BDT 746.40 million showing a increase of 42.70% with respect to June 30, 2023. In addition, net profit after tax amounted to BDT 509.53 million showing a increase of 35.06% compared to previous year.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE

Kohinoor Chemical Company (Bangladesh) Limited, a member of the cosmetics and toiletries industry of Bangladesh, is operating its business in a single market segment i.e consumer goods market within and outside the territory of Bangladesh. All products of Kohinoor Chemical Company (Bangladesh) Limited are categorized under three product lines :

Washing soap, toilet soap, tooth paste, shaving cream, detergent powder are classified as toiletries products;

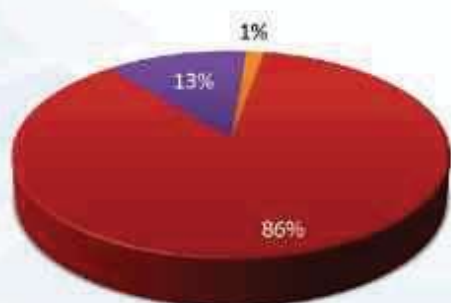
Snow & Cream, Powder and Hair oil are considered as cosmetics products; and

All other products are included under miscellaneous products.

Product Line wise Gross Sales:

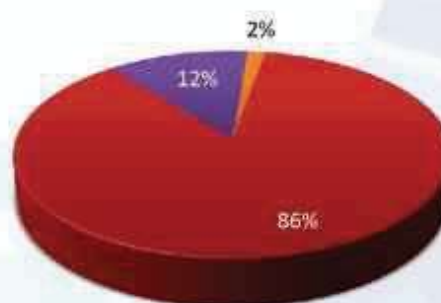
				Amount in BDT
Year	Toiletries Products	Cosmetics Products	Miscellaneous Products	Total Revenue
2023-24	5,813,877,951	870,941,486	100,785,833	6,785,605,271
2022-23	5,378,762,601	754,277,277	91,385,919	6,224,425,797

Sales Portfolio in 2023-24



■ Toiletries ■ Cosmetics ■ Miscellaneous

Sales Portfolio in 2022-23



■ Toiletries ■ Cosmetics ■ Miscellaneous

RISKS AND CONCERNS

The company's management is well aware of the fact that business is subject to variety of risks and uncertainties. The management is responsible to identify, communicate, and mitigate risks in order to minimize their potential impact on the business for which a special risk management framework has been established, where policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

Industry risks, regulatory risks, market risk, operational risk, legal risk, interest rate risk, exchange rate risk, potential changes in global or national policies, threats arising from the negative impacts on environment are some of the risks that Kohinoor Chemical Company (Bangladesh) Limited takes into consideration.

Kohinoor Chemical Company (Bangladesh) Limited has well defined it's risk management policies and introduced periodic monitoring system that act as an effective tool in mitigating various risks to which our businesses are exposed to in the course of its day-to-day operations as well as in its strategic actions. These policies are reviewed regularly to take into consideration changes in market conditions and the company's activities.

COST OF GOODS SOLD, GROSS PROFIT MARGIN AND NET PROFIT MARGIN

The overall costs of direct materials as well as the cost of goods sold relative to net sales remained almost stable during the reporting year and the previous year. Direct material cost is 67% of net sales in reporting year and it was 70% in previous year. Cost of goods sold is 73% of net sales in reporting year and it was 78% in previous year..

Amount in BDT

COGS	Value in BDT		% of Total COGS	
	2023-24	2022-23	2023-24	2022-23
Direct Materials	3,904,726,517	3,767,918,347	91.78	90.37
Factory Overhead	377,867,328	377,771,271	8.88	9.06
Manufacturing Cost	4,282,593,845	4,145,689,618	100.66	99.43
WIP (Opening-Closing)	(8,060,775)	488,303	(0.19)	0.01
FG (Opening-Closing)	(20,205,146)	23,106,335	(0.47)	0.55
Cost of Goods Sold	4,254,327,924	4,169,284,256	100.00	100.00

Net Sales	
BDT 5,789.04 million	
↓	
Gross Profit	
BDT 1,534.71 million	Margin- 26.51%
↓	
Net Profit	
BDT 509.53 million	Margin- 8.80%

CAPITAL EXPENDITURES

Keeping in mind the importance to acquire or upgrade the physical assets to maintain or increase the scope of their operations, Kohinoor Chemical Company (Bangladesh) Limited made the following acquisitions during the year:

Amount in BDT

Additional Investment	2023-24	2022-23
Plant and Machinery	1,100,000	3,760,000
Vehicles	9,773,117	9,811,527
Other Assets	-	4,160,000
Total	10,873,117	17,731,527

KEY OPERATING AND FINANCIAL DATA OF PRECEDING FIVE YEARS

A summarized statement stating the key operating and financial data of preceding 5 (five) years have been disclosed in this annual report. Various financial information in terms of Statement of Profit or Loss and Other Comprehensive Income and Statement of Financial position, ordinary share related information and different financial ratios for preceding 5 (five) years are included in this statement. Key operating and financial data of the company of preceding 5 (five) years have been disclosed on page 53.

UTILIZATION OF PROCEEDS FROM PUBLIC ISSUES, RIGHT SHARES AND/OR THROUGH ANY OTHER INSTRUMENT

Initial Public Offering (IPO) of Kohinoor Chemical Company (Bangladesh) Limited was made in 1988 and the fund raised thereby has already been utilized and reported accordingly to the respective regulators. No further issue of any instrument was made during the year.

EXPLANATION IF FINANCIAL RESULTS DETERIORATE AFTER THE COMPANY GOES FOR IPO, RPO, RIGHT OFFER, DIRECT LISTING

As stated above, Kohinoor Chemical Company (Bangladesh) Limited went for IPO in 1988 and after that the company did not raise any fund by any sort of offerings like Repeated Public Offering, Right Issue, and Direct Listing during the financial year 2023-24. Therefore, no explanation is necessary in regards to this.

UNCLAIMED DIVIDEND

The unclaimed dividend, which is more than three years, is in process to transfer to the respective account.

BANGLADESH WORKERS WELFARE FOUNDATION:

Bangladesh workers welfare foundation was not yet transferred to the foundation as of June 30, 2024. However, this amount was subsequently paid after the reporting date.

REMUNERATION TO DIRECTORS INCLUDING INDEPENDENT DIRECTORS

The Directors including the Independent Directors of Kohinoor Chemical Company (Bangladesh) Limited did not receive any remuneration or other facilities or perquisites during the reporting financial year.

RELATED PARTY TRANSACTION

We have related party transaction with Orion Pharma Limited, Orion Infusion Limited, Reedisha Spinning Limited, Reedisha Printing and Packaging Limited and Becon Pharma.

CORPORATE AND FINANCIAL REPORTING

The Directors are pleased to conform to the following:

- The Financial Statements of the company present true and fair view of its state of affairs, the result of its operation, cash flows and changes of equity;
- Books of Accounts have been maintained properly as required by the law;
- Appropriate accounting policies have been consistently applied in formulating the financial statements and accounting estimates were reasonable and prudent;
- The financial statements were prepared in accordance with International Accounting Standards (IAS) / International Financial Reporting Standards (IFRS), as applicable in Bangladesh;
- Internal Control System is sound in design and implemented and monitored effectively;
- 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;
- No Bonus share or stock dividend has been or shall be declared as interim dividend; and Compliance report on IAS/IFRS is presented in Annexure E on page 81.

EXPLANATION ABOUT SIGNIFICANT VARIANCE

Significant variance has occurred in operating cash flows per share compared with previous year. Operating cash flows per share the reporting year is Tk. 28.67 where Tk. (27.64) was in previous year. The variance has occurred due to decrease of inventory and Increase of trade and other payable in to comparison with previous year.

APPROPRIATIONS OF PROFIT

Considering the annual accounts of Kohinoor Chemical Company (Bangladesh) Limited and also the interest of the Shareholders, the Board of Directors has proposed and recommended following appropriation of profit:

Net profit for the Year (2023-24)	509,531,577	
Add: Profit brought forward from previous year	<u>1,246,842,490</u>	
Profit available for distribution		1,756,374,067
Less: Appropriation proposed:		
Cash Dividend @ 50%	(168,503,693)	
Stock Dividend @ 10%	(33,700,738)	<u>(202,204,431)</u>
Transfer to retained earnings		<u>1,554,169,636</u>

GOING CONCERN

Subsequent to the conduction of appropriate enquiries and analysis of the significant operating and financials, the Board ensures that the Company has the ability to continue its operation for a foreseeable future. The Directors have a reasonable anticipation that the resources are adequate to continue its operation without any major interruptions. Therefore, all these analyses qualify the company as a going concern and consequently the financial statements are also prepared on the basis of going concern assumption.

CONTRIBUTION TO NATIONAL ECONOMY

During the financial year 2023-24, your company has contributed an amount of BDT 1,133.34 million Corporate Tax, Value Added Tax (VAT) and different other duties; compared to BDT 1,003.70 million in the last year. This contribution is equivalent to 19.58 % of the company's Net Revenue.

BOARD MEETINGS HELD

The number of Board Meetings and attendance of the Directors, CFO, CS and HIAC during the financial year 2023-24 were as follows:

Name	Status	Meeting held	Meeting Attended
Mr. Mohammad Obaidul Karim	Chairman	4	4
Mr. Md. Rezaul Karim	Managing Director	4	4
Mr. Md. Ebadul Karim	Director	4	3
Mrs. Arzuda Karim	Director	4	4
Mrs. Nurun Nahar	Director	4	4
Mrs. Shirin Akhter	Director	4	3
Prof. Dr. Anwar Hossain	Independent Director	4	3
Mr. Quazi Mamun-UL-Ashraf	Independent Director	4	3
Mr. Mohd. Shamim Kabir, FCMA	Company Secretary	4	4
Mr. Abu Bakar Siddique, FCMA	Chief Financial Officer	4	4
Mr. AKM Reaz Haider	Head of Internal Audit and Compliance	4	4

DECLARATION OF DIVIDEND

With the Directors' recommendation for a cash dividend of BDT 5.00 (50%) per share and stock dividend of 10% per share for the year under review, the Company will have a payout of BDT 202,204,431 from retained earnings subject to approval at the Annual General Meeting.

The dividend will be applicable for the shareholders whose names will appear in the share register of the Company and/or Depository Register of CDBL as on Record Date i.e. November 28, 2024.

SHAREHOLDING POSITION

None of the Executives (top five salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit and Compliance) and the Company Secretary, Chief Financial Officer and Head of Internal Audit and Compliance hold any shares of the company other than the Directors. The pattern of shareholding disclosed on Annual Report 2023-24 in Annexure-D of the Directors' Report.

ELECTION OF DIRECTORS

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 legislations. In order to comply with the provision mentioned under Section 91(2) of the Companies Act-1994, at least one third of the Directors shall retire from the office in each Annual General Meeting.

Pursuant to the above, Mrs. Nurun Nahar & Mrs. Shirin Akhter, Director of the company will retire by rotation and as being eligible, the Board has recommended to re-elect and re-appoint them as the Directors of the Company, subject to approval of the shareholders in the upcoming Annual General Meeting.

APPOINTMENT OF INDEPENDENT DIRECTOR

Prof. Dr. Anwar Hossain, the Independent Director, will complete his tenure with great success and the NRC has recommended to the Board of Directors to extend for 1 (one) tenure and to reappoint Mr. Prof. Dr. Anwar Hossain as the Independent Director, in compliance with the Notification No. BSED/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 issued by BSEC, subject to the approval of the shareholders in the ensuing AGM.

APPOINTMENT OF CHIEF FINANCIAL OFFICE

In order to comply with the CGS of BSEC, Mr. Mohd. Shamim Kabir was appointed as Chief Financial Officer by the Board.

APPOINTMENT OF COMPANY SECRETARY

In order to comply with the CGS of BSEC, Mr. Md. Kamruzzaman was appointed as Company Secretary by the Board in place of Mr. Mohd. Shamim Kabir.

DIVIDEND POLICY

At the end of yearly operation, the highest benefit i.e. dividend given to the shareholders by the management of the company after retaining a portion of earnings so that the company can maintain the ability to extend facilities to the shareholders in future also.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Detailed analysis of the company's position and operations have been presented in a Management's Discussion and Analysis signed by Mr. Rezaul Karim, Managing Director and Chief Executive Officer of the company. The statement depicts a brief discussion of changes in the financial statements, among others, focusing on:

- accounting policies and estimation for preparation of financial statements;
- changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;
- comparative analysis 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;
- compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;
- briefly explain the financial and economic scenario of the country and the globe;
- risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and
- future plan or projection or forecast for company's operation, performance and financial position.

A Management's Discussion and Analysis signed by Managing Director or MD has been presented on page 58 to 60.

DECLARATION OR CERTIFICATION BY THE CEO AND CFO TO THE BOARD

As per the corporate governance code prescribed by BSEC, it is the responsibility of both CEO and CFO to certify to the Board on the preparation of financial statements as per the applicable IAS and IFRS after and the presentation of true and fair view of company affairs.

Declaration or certification on the financial statements by the CEO and the CFO to the Board is disclosed on page 69 to 70.

APPOINTMENT OF STATUTORY AUDITORS

The Directors hereby report that as per Companies Act 1994 and the Articles of Association of the Company, Malek Siddiqui Wali, Chartered Accountants, who were appointed as auditors of the company in the last Annual General Meeting of the Company has carried out the audit for the year ended June 30, 2024.

Considering the necessary expertise, the Board has recommended Anil Salam Idris & Co., Chartered Accountants, to be appointed as the Statutory Auditors of Kohinoor Chemical Company (BD) Ltd. for the year 2024-2025 and to continue till the next AGM, subject to the approval of the shareholders in the upcoming AGM.

APPOINTMENT OF COMPLIANCE AUDITORS

In compliance with the notification no: SEC/CMRRD/2006-158/207/Admin/80 dated June 03, 2018 imposed by BSEC, a listed company requires to obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary), who shall be appointed by the shareholders of the company in the AGM.

Poddar & Associates, Cost and Management Accountants has been appointed by the shareholders in the last AGM as the Compliance Auditors of the company. In light with the said notification, related securities laws and necessary observation regarding efficiency, transparency of job and experience, the Board of Directors has recommended to re-appoint Poddar & Associates, Cost and Management Accountants as the Corporate Governance Compliance Auditors of the company for the next financial year to be ended on June 30, 2025 subject to the approval of shareholders at the ensuing AGM.

STATUS OF COMPLIANCE

Kohinoor Chemical Company (BD) Limited has been committed to abide high standards of Corporate Governance. We have the pleasure to confirm herewith that the Company has complied with all the necessary guidelines under the Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006- 158/207/Admin/80 dated June 03, 2018 and Notification No. issued under section 2CC of the Securities and Exchange Ordinance 1969. The certificate from the Compliance Auditors of Kohinoor Chemical Company (Bangladesh) Limited on the conditions of Corporate Governance Code imposed by BSEC is disclosed on Annual Report 2023-24 in Annexure-B of the Directors' Report and the Checklist on Compliance of the Corporate Governance Code has disclosed in Annexure-C.

AUDITED REPORT ANALYSIS

The auditor draw attention at some matters in emphasis of matter in there audited report. According to audited report the emphasis of matter as follows:

1. With reference to the note number 23.02 (Bangladesh workers welfare foundation) of the financial statements that describes Tk. 6,115,802 regarding payable to Bangladesh workers welfare foundation was not yet transferred to the foundation as of June 30, 2024. However, this amount was subsequently paid after the reporting date.
2. We draw attention to the note no. 24 which describes that the unclaimed dividend of Tk. 7,169,548 older than three years. According to BSEC directive no. BSEC/CBSEC/CMRRCD/2021-386/03, dated: 14 January 2021, the company is required to transfer the unclaimed dividend, which is older than three years, to Capital Market Stabilization Fund.

Annual General Meeting

The 37th Annual General Meeting of Kohinoor Chemical Company (Bangladesh) Limited will be held virtually on a digital platform on Tuesday, December 17, 2024, at 3:00 pm at the Company premises.

Annual Report

The appropriate number of copies of the Annual Report for the financial year 2023-24 will be submitted to the shareholders of the company, Bangladesh Securities Exchange Commission, Dhaka Stock Exchange and Chittagong Stock Exchange at least fourteen days before the ensuing Annual General Meeting.

ACKNOWLEDGEMENT

The Board of Directors record with deep appreciation the efforts made by the employees, workers, customers, creditors, suppliers, banks, insurance companies, utilities providers, Government Agencies, BSEC, RJSC, DSE, CSE and the Government in particular.

The Directors would also like to express profound gratitude to all other stakeholders including the Shareholders and Business Partners for their trust and confidence on the Company by supporting the activities of the Company and look forward to their continued support and cooperation in future.

On behalf of the Board



Mohammad Obaidul Karim
Chairman

ANNEXURE LIST:

- A. Declaration or Certification by the CEO and the CFO to the Board
- B. Certificate from Poddar & Associates, Chartered Accountants regarding compliance of conditions of the Corporate Governance Code
- C. Checklist on Compliance of the Corporate Governance Code
- D. Pattern of Shareholding
- E. Compliance Report on IAS and IFRS

[As per condition No. 1(5)(xxvi)]

Kohinoor Chemical Company (BD) Limited
Declaration by Managing Director and CFO

Date: November 05, 2024

The Board of Directors
Kohinoor Chemical Company (BD) Limited
36, ShahidTajuddin Ahmed Sarani, Tejgaon
Dhaka-1208

Subject: Declaration on Financial Statements for the year ended on June 30, 2024

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No.SEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

1. The Financial Statements of Kohinoor Chemical Company (BD) Limited for the year ended June 30, 2024 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 and 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 June 30, 2024 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 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,



Md. Rezaul Karim
Managing Director



Mohd. Shamim Kabir, FCMA
Chief Financial Officer (CFO)

**Annexure-B**

[Certificate as per condition No. 1(5)(xxvii)]

**Report to the Shareholders of Kohinoor Chemical Co. (Bangladesh) Limited
on compliance on the Corporate Governance Code**

We have examined the compliance status to the Corporate Governance Code by **Kohinoor Chemical Co. (Bangladesh) Ltd.** for the year ended on June 30, 2024. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207 Admin/80, Dated: 3 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The governance of the company is satisfactory

Place: Dhaka
Dated: 17 November 2024

For Podder & Associates

Jayanta Kumar Podder
Cost & Management Accountants

Kohinoor Chemical Co.(Bangladesh) Ltd.
Status of Compliance with the Corporate Governance Code (CGC)
For the year ended 30th June 2024

Status of compliance with the conditions imposed by the Commission's Notification No.BSEC/CMRRCD/2006-159/207/Admin/60, dated 03 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1989

(Report under Condition No. 9.00)

Condition No.	Title	Compliance Status (Put v in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	Board of Directors.-			
1(1)	Size of the Board of Directors			
	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	✓		The KCCL's Board is comprised of 08 Directors including the Managing Director.
1(2)	Independent Directors			
1(2)(a)	At least 2 (two) directors or One-fifth (1/5) of the total number of directors in the company's board, whichever is higher, shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s).	✓		02 out of 08 directors are appointed as Independent Director.
1(2)(b)	Without contravention of any provision of an other laws, for the purpose of this clause,an "independent director" means a director:-			
1(2)(b)(i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓		
1(2)(b)(ii)	Who is not a sponsor of the company and 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;	✓		
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years;	✓		
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	✓		
1(2)(b)(vi)	Who is not a shareholder, director 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)	Who is not an independent director in more than 5 (five) listed companies;	✓		
1(2)(b)(ix)	Who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh bank for non-payment of any loan or advance or obligation to a bank or a financial institution;and"	✓		
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	✓		
1(2)(c)	The independent director(s) shall be appointed by the board and approved by the shareholders in the Annual General Meeting (AGM);	✓		
1(2)(c)(1)	"Provided that the Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of recommendation of the Nomination and Remuneration Committee(NRC) of the company;"	✓		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days;	✓		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only;	✓		
1(3)	Qualification of Independent Director.-			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business;	✓		
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. 100.00 million or any listed company or a member of any national or international chamber of commerce or registered business association;or"			N/A

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
1(3)(b)(i)	Corporate Leader who is or was a top level executive not lower than Chief Executive officer or Managing Director or Deputy Managing Director or Chief Financial Officer 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 Tk. 100.00 million or of a listed company;	-	-	-
1(3)(b)(ii)	Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law; Provided that in case of appointment of existing official as independent director, it requires clearance from the organization where he or she is in service or"	-	-	N/A
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law;	✓	-	-
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;	-	-	N/A
1(3)(c)	The independent director(s) shall have at least 10(ten) years of experiences 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.	-	-	N/A
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:-			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	✓	-	-
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓	-	-
1(4)(c)	The Chairperson 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 the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	-	-	No such event arose
1(5)	The Directors' Report to the Shareholders			
1(5)(i)	An industry outlook and possible future developments in the industry;	✓	-	-
1(5)(ii)	The Segment-wise or product-wise performance;	✓	-	-
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and 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 any extraordinary activities and their implications (gain or loss);	-	-	No such event arose
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 through any others instruments;	-	-	No such case during the year
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.;	-	-	No such case during the year
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial Performance and Annual Financial Statements;	✓	-	-
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓	-	-
1(5)(xi)	A statement that 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)	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) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓	-	-

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
1(5)(xv)	A statement that 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 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)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized.	✓		-
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year.	-	-	The Board of Directors has recommended 50% Cash and 10% Stock Dividend for the year ended on June 30, 2024
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend.	-	-	N/A
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director.	✓		-
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			
1(5)(xxiii)(a)	Parent or Subsidiary or 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 Compliance their spouses and minor children (name-wise details);	✓		-
1(5)(xxiii)(c)	Executives;	✓		-
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	✓		-
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:-			
1(5)(xxiv)(a)	a brief resume of the director	✓		-
1(5)(xxiv)(b)	nature of his/her expertise in specific functional areas;	✓		-
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	✓		-
1(5)(xxv)	A management's 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 financial statements, among others, focusing on:			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	✓		-
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes.	-	-	No such charges during the year
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 and concerns issues 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 justification 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 disclosed as per Annexure-A .	✓		-
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C ;	✓		-
1(5)(xxviii)	The Directors' report to the Shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality.*	✓		-

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
1(6)	Meetings of the Board of Directors			
	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 the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓		
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 Nomination and Remuneration Committee (NRC), for the Chairperson of the Board, other board members and Chief Executive Officer of the company.	✓	-	
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company.	✓	-	
2	Governance of Board of Directors of Subsidiary Company:-			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company.			N/A
2(b)	At least 1 (one) independent director of the Board of the holding company shall be a director on the Board of the subsidiary company.			N/A
2(c)	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
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.			N/A
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.			N/A
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)(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)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS.	✓		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓		
3(2)	Requirement to attend Board of Director's Meetings -			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board.	✓		
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;	✓		
3(3)(a)(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 violation of the code of conduct for the company's Board or its member.	✓		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
3(3)(c)(i)	Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group reduction of cost or for technical expertise, with prior approval of the commission. Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies proportionately."	✓		CFO & CS are different person
4.	Board of Director's Committee.- For ensuring good governance in the company, the Board shall have at least following sub-committees:			
4(i)	Audit Committee;	✓		
4(ii)	Nomination and Remuneration Committee	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
5.	Audit Committee.-			
5(1)	Responsibility to the Board of Directors			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board.	✓		-
5(1)(b)	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;	✓		-
5(1)(c)	The Audit Committee shall be responsible to the Board, the duties of the Audit Committee shall be clearly set forth in writing.	✓		-
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		Audit Committee (AC) is comprised of 3 (Three) members including 01 (One) Independent Directors.
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 1 (one) member shall have accounting or related financial management background 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 60 (sixty) days 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)(a)	The Board of Directors 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)	Chairperson of the Audit Committee shall remind present in the Annual General Meeting (AGM).	✓		-
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year. 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;	✓		-
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)	The Audit Committee shall:-			
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 all related party transactions submitted by the management;	✓		-

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (If any)
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors.	✓		-
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 auditors.	✓		-
5(5)(m)	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 purpose stated in relevant offer document or prospectus approved by the Commission.	-	-	N/A
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.	✓		-
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any -			
5(6)(a)(i)(a)	report on conflicts of interests.	-	-	No such Incidence arose
5(6)(a)(i)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements, control system;	-	-	No such Incidence arose
5(6)(a)(i)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations;	-	-	No such Incidence arose
5(6)(a)(i)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately.	-	-	No such Incidence arose
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 has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	-	-	No such reportable incidence arose
5(7)	Reporting to the Shareholders and General Investors			
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition 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)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	✓	-	
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of 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 three members including an independent director;	✓	-	
6(2)(b)	At least 02(two) 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 in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	-	-	No such case arose
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 and/or member(s) of staff shall be required or valuable for the Committee;	-	-	No such occurrence during the year
6(2)(g)	The company secretary shall act as the secretary of the Committee;	✓	-	

Condition No.	Title	Compliance Status (Put v in the appropriate column)		Remarks (if any)
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director.	✓	-	
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓	-	
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1(one) member of the NRC to be Chairperson of the Committee, who shall be an independent director.	✓	-	
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓	-	
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders.	✓	-	
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one 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.	-	-	No such case arose after formation of 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 to the 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 a director and recommend a policy to the Board, relating to the 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 the 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 who may be appointed in top level executive position 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 performance 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 and promotion criteria;	✓	-	
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	✓	-	
6(5)(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.	✓	-	
7.	External or Statutory Auditors			
7(1)	The issuer shall not engage its external or statutory auditors to perform the following services of the company, namely :-			
7(1)(i)	Appraisal or valuation services or fairness opinions.	✓	-	
7(1)(ii)	Financial information system design and implementation.	✓	-	
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statement.	✓	-	
7(1)(iv)	Broker-dealer services;	✓	-	
7(1)(v)	Actuarial services;	✓	-	
7(1)(vi)	Internal audit services or special audit services.	✓	-	
7(1)(vi)	Any services that the Audit Committee determines.	✓	-	

Condition No.	Title	Compliance Status (Put v in the appropriate column)		Remarks (if any)
7 (1) (vii)	Audit or certification services on compliance of corporate governance as required under condition No 8(1).	v		-
7 (1) (ix)	Any other service that creates conflict of interest.	v		-
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.	v		-
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.	v		-
8.	Maintaining a website by the Company.-			
8(1)	The Company shall have an official website linked with the website of the stock exchange.	v		-
8(2)	The company shall keep the website functional from the date of listing.	v		-
8(3)	The company shall make available the detailed disclosures on its website as required under the regulations of the concerned stock exchange(s)	v		-
9.	Reporting and Compliance of Corporate Governance.-			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	v		-
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the Shareholders in the annual general meeting.	v		-
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 or not.	v		-

The Pattern of Shareholding

as on June 30, 2024

Categories	Name	Status	No. of Shares held	% of holding
(a) Parent or Subsidiary or Associated Companies and other related parties	-			
(b) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children	Mr. Mohammad Obaidul Karim	Chairman	6,427,298	19.07
	Mr. Md. Rezaul Karim	Managing Director	1,837,700	5.46
	Mr. Md. Ebadul Karim	Director	2,637,723	7.83
	Mrs. Arzuda Karim	Director	2,766,245	8.21
	Mrs. Nurun Nahar	Director	1,686,403	5.00
	Mrs. Shirin Akhter	Director	1,685,862	5.00
	Prof. Dr. Anwar Hossain	Independent Director	Nil	Nil
	Mr. Quazi Mamun-Ul-Ashraf	Independent Director	Nil	Nil
	Mr. Md. Rezaul Karim	Chief Executive Officer	1,837,700	5.46
	Mr. Abu Bakar Siddique	Chief Financial Officer	Nil	Nil
	Mr. Mohd. Shamim Kabir	Company Secretary	Nil	Nil
	Mr. AKM Reaz Haider	Head of Internal Audit and Compliance	Nil	Nil
(c) Executives	Mr. Md. Abul Khair	Director (Company Affairs)	Nil	Nil
	Mr. Ziaul Hafiz	Head of Sales & Marketing	Nil	Nil
	Mr. Shah Md. Abdul Wadood	Head of Production	Nil	Nil
	Mr. A.S.M. Zaman	Head of Distribution	Nil	Nil
	Mr. Md. Aslam Hossain Baig	Head of HR & Admin	Nil	Nil
(d) Shareholders holding ten percent (10%) or more voting interest in the company	Mr. Mohammad Obaidul Karim	Chairman	6,427,298	19.07

The Composition of Shareholding

as on June 30, 2024

Type of Shareholders	No. of Shares held	% of Shareholding
Sponsors	17,041,231	50.57
Foreign Investors	14,617	0.04
Institution	4,593,987	13.63
General Public	12,050,903	35.76
Total	33,700,738	100.00

Compliance Report on IAS and IFRS

IAS No.	IAS Title	Remarks
01	Presentation of Financial Statements	Applied
02	Inventories	Applied
07	Statement of Cash Flows	Applied
08	Accounting Policies, Changes in Accounting Estimates and Errors	Applied
10	Events after the reporting period	Applied
12	Income Taxes	Applied
16	Property, Plant and Equipment	Applied
19	Employee Benefits	Applied
20	Accounting of Government Grants and Disclosure of Government Assistance	N/A
21	The Effects of Changes in Foreign Exchange Rates	Applied
23	Borrowing Costs	Applied
24	Related Party Disclosures	Applied
26	Accounting and Reporting by Retirement Benefit Plans	N/A
27	Consolidated and Separate Financial Statements	N/A
28	Investment in Associates	N/A
29	Financial Reporting in Hyperinflationary Economics	N/A
32	Financial Instruments: Presentation	Applied
33	Earnings per share	Applied
34	Interim Financial Reporting	Applied
36	Impairment of Assets	Applied
37	Provisions, Contingent Liabilities and Contingent Assets	Applied
38	Intangible Assets	Applied
39	Financial Instruments: Recognition and Measurement	N/A
40	Investment Property	N/A
41	Agriculture	N/A
IFRS No.	IFRS Title	Remarks
01	First-time Adoption of International Financial Reporting Standards	N/A
02	Share-based Payment	N/A
03	Business Combinations	N/A
04	Insurance Contracts	N/A
05	Non-current Assets Held for Sale and Discontinued Operations	N/A
06	Exploration for and Evaluation of Mineral Resources	N/A
07	Financial Instruments: Disclosures	Applied
08	Operating Segments	Applied
09	Financial Instruments	Applied
10	Consolidated Financial Statements	N/A
11	Joint arrangements	N/A
12	Disclosure of Interests in Other Entities	N/A
13	Fair Value Measurement	N/A
15	Revenue from Contracts with Customers	Applied
16	Leases	Applied