

**ANNEXURE-B**

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

**Report to the Shareholders of NAVANA Pharmaceuticals PLC.  
on Compliance to the Corporate Governance Code 2018;**

We have examined the compliance status to the Corporate Governance Code by NAVANA Pharmaceuticals PLC. for the year ended on 30 June 2024. This Code relates to the Notification No. BSEC/CMRRCD/2006 -158/207/ Admin/80, dated 03 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 a 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 conditions 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 except those mentioned in the statement of compliance status;
- 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.

MNA Associates  
Chartered Secretaries



M Nurul Alam FCS  
Chief Executive Officer  
Enrollment No. 015

Place: Dhaka  
Dated: October 24, 2024

# REPORT ON COMPLIANCE WITH CORPORATE GOVERNANCE CODE

[FOR THE YEAR ENDED 30TH JUNE 2024]

[As per Condition No. 1(5) (xxvii) as well as condition No. 9 and Annexure-C of the Corporate Governance Code issue by BSEC's Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018]

Condition No.	Title	Compliance Status		Remarks
		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 11 (Eleven) members
1(2)	Independent Directors: 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)	ID is not connected with the company' sponsor or director or shareholder who holds 1% or more share	√		
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 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)	Independent Directors are/were not the partners or executives during preceding three years of any statutory audit firm	√		
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).	√		
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	√		





1(2)(d)	The post of independent directors cannot remain vacant for more than 90 days	√		No such case occurred
1(2)(e)	The tenure of office of an independent directors shall be for a period of three years which may be extended for one term only & Independent director shall not be subject to retirement by rotation as per companies Act, 1994. After completing two term e.g. six (6) years, a time gap of one (1) tenure e.g. three (3) years independent director may be considered for reappointment.	√		
1(3)	<b>Qualification of Independent director (ID)</b>			
1(3)(a)	Independent Director shall be knowledgeable individual with integrity	√		
1(3)(b)	<b>Independent Director shall have following qualification:</b>			
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.	√		Two of our Independent Directors Mr. Khondaker Sabbir Mohammad Kabir & Mr. Mohammad Bul Hassan FCS has such qualification.
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5 <sup>th</sup> grade of the national pay scale (at least bachelor degree in economics or commerce or business or law)	-	-	Not applicable
1(3)(b)(iv)	University teacher who has an educational background in economics or commerce or business studies or law.	-	-	Not applicable
1(3)(b)(v)	Professional or who is or was an advocate practicing at least in the high court division of supreme court or a CA or CMA or CFA or CCA or CPA or CMA or CS or equivalent position.	√		Two of our Independent Directors Mr. Mohammad Bul Hassan FCS and Mr. Mohammad Arife Billah (Bar-At-Law) have such 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	<b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:</b>			
1(4)(a)	The Chairman of the Board and the Managing Director (MD) and /or Chief Executive Officer (CEO) shall be different individuals.	√		The Chairman and Managing Director of the company are 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 & responsibilities of chairperson and MD and/or CEO	√		
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	<b>The Directors' Report to Shareholders</b>			
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 Extra-ordinary activities and their implications (gain or loss)	√		No such extra ordinary gain or loss occurred
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.;	-	-	No such case occurred.
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)	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)	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)	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 the reasons thereof should be disclosed	√		
1.5 (xviii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reason thereof should be explained	√		
1.5 (xix)	Key operating and financial data of at least preceding 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	-	-	Not applicable since the Company has declared 14% Cash Dividend Only for general Shareholders
1.5 (xxi)	No bonus share or stock dividend has been or shall be declared as interim dividend	√		
1.5 (xxii)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	√		
1.5 (xxiii)	<b>Report on the pattern of shareholding disclosing the aggregate number of share held by-</b>			
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)	<b>Disclosure on the appointment /reappointment of directors-</b>			
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 directorship and the membership of committees of the board than this company	√		
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	√		
1.5(xxv)(c)	Comparative analysis (including effect of inflation) of financial performance or results and financial position as well as cash flows in the absolute figures	√		
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	√		
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 disclosed as per Annexure-A;	√		

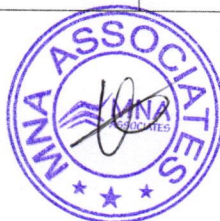




1.5(xxvii)	The report as well as certificate regarding compliance of conditions of the code as required under condition No.9 shall be disclosed as per Annexure-B & Annexure-C	√		
1(6)	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with BSS as adopted by the Institute of Chartered Secretaries of Bangladesh	√		
1(7)	<b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer:</b>			
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 & behavior; confidentiality; conflict of interest; compliance with laws , rules & regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency	√		
2.00	<b>Governance of Board of Directors of Subsidiary Company: The Company does not have any Subsidiary company</b>			
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	-	-	Not applicable
3.	<b>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):</b>			
3 (1)	<b>Appointment</b>			
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	√		The Managing Director of the Company obtained approval from concerned Authority of the Government to hold such position under Section 109(2) of the Companies Act, 1994
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)	<b>Requirements to attend BOD's Meetings-</b> 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:  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.	√		
3(3)	<b>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO):</b>			
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)(b)	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)(c)	The certification of the MD or CEO and CFO shall be disclosed in the annual report	√		Included in the Annual Report

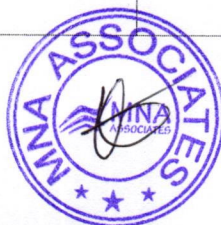




4	<b>Board of Directors' committee:</b> For ensuring good governance in the company, the Board shall have at least following sub-committees:	√		
4(i)	Audit Committee	√		
4 (ii)	Nomination and Remuneration Committee	√		
5	<b>Audit Committee</b>			
5(1)	Responsibility to the Board of Directors			
5 (1)(a)	Audit Committee shall be the sub-committee of the Board of Directors	√		
5 (1)(b)	The 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 of Directors. The duties of the Audit Committee shall be clearly set forth in writing	√		
5 (2)	<b>Constitution of the Audit Committee:</b>			
5 (2)(a)	The Audit Committee shall be composed of at least three (3) members	√		Audit committee comprised with the six members including Two 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;	√		Audit committee comprised by the six Non-executive Directors including Two Independent Directors.
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)	<b>Chairperson of the Audit Committee</b>			
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)	Presence of Chairman of the Audit Committee in the Annual General Meeting	√		
5 (4)	<b>Meeting of the Audit Committee:</b>			
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)	<b>Role of Audit Committee:</b>			
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;	-	-	No such case occurred
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; and	√		
5 (5) (m)	<p>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</p> <p>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:</p> <p>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.</p>	√		
5 (6)	<b>Reporting of the Audit Committee:</b>			
5 (6) (a)	<b>Reporting to the Board of Directors:</b>			
5 (6) (a) (i)	The audit committee shall report on its activities to the board of directors	√		



5 (6) )(a) (ii)	Audit committee immediately report to the Board on the following findings-			
5 (6) (a) (ii) (a)	Report on conflict of interest	-	-	No such case occurred
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 occurred
5 (6) (a) (ii) (c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	-	-	No such case occurred
5 (6) (a) (ii) (d)	Any other matter which deems necessary shall be disclosed to the board of directors immediately	-	-	No such case occurred
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 occurred
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	√		NRC comprised with the five Non-Executive Directors including one Independent Director.

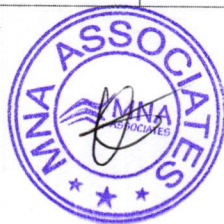




6(2)(b)	All members of the committee shall be non-executive directors	✓		
6(2)(c)	Members of the committee shall be nominated and appointed by the board	✓		
6(2)(d)	The board shall have authority to remove and appoint any member of the committee	✓		
6(2)(e)	In case of death, resignation, disqualification, 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	-	-	No such case occurred
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 case occurred
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)	<b>Chairperson of the NRC:</b>			
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 occurred.
6(3)(c)	The chairperson of NRC shall attend the AGM and in the absence of regular chairperson, any member from the NRC shall be selected to attend in AGM	✓		
6 (4)	<b>Meeting of the NRC</b>			
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;	-	-	No such meeting held.

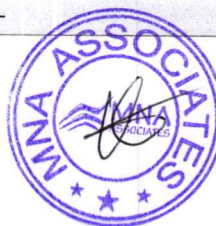


6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	√		
6(4)(d)	The proceedings of each meeting 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)	<b>Role of the NRC</b>			
6(5)(a)	NRC shall be independent and responsible or accountable to the board and shareholders	√		
6 (5) (b)	<b>NRC shall oversee among others the following matters and make report with recommendation to the Board-</b>			
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	√		
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies	√		





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.	√		
<b>7</b>	<b>External or Statutory Auditors-</b>			
<b>7 (1)</b>	<b>The Company shall not engage its external or statutory auditors to perform the following services-</b>			
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)	Non-engagement in Broker-dealer services	√		
7 (1) (v)	Non-engagement in Actuarial services	√		
7 (1) (vi)	Non-engagement in 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 required under condition: 9(1) and	√		
7 (1) (ix)	Non-engagement any other service that creates conflict of interest.	√		
7 (2)	No partner or employees and family members 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.	√		
7 (3)	Representative of external or statutory auditors shall remain present in the shareholders meeting (AGM or EGM) to answer the queries of the shareholders	√		
<b>8</b>	<b>Maintain a Website by the Company-</b>			
8.(1)	The company shall have an official website linked with the websites of the stock exchange	√		
8.(2)	The company shall keep the website functional from the date of listing	√		
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)	√		
<b>9</b>	<b>Reporting and Compliance of Corporate Governance-</b>			



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	√		
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	√		

