

DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Shareholders,
Assalamualikum,

The Board of Directors of Shahjibazar Power Co. Ltd. (SPCL) would like to welcome you all to the 7th Annual General Meeting of the Company. We hereby submit before you the audited financial statements of the Company for the year, which ended on June 30, 2014.

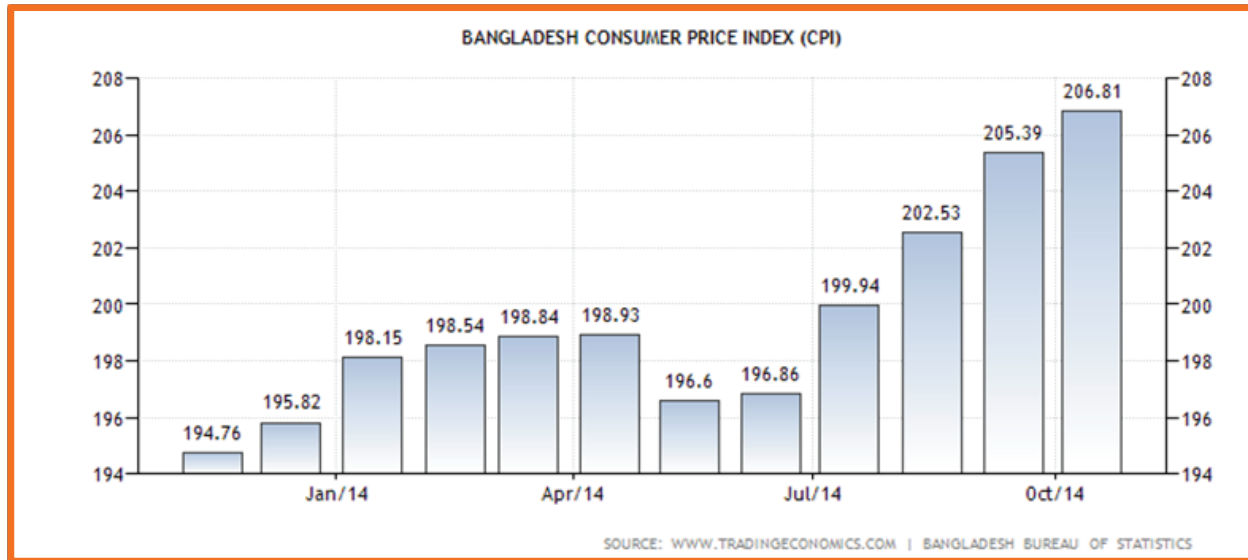
The Directors' Report is prepared in compliance with Section 184 of the Companies Act 1994, Rules and Regulations of the Institute of Chartered Accountants of Bangladesh (ICAB), Listing Rules of Dhaka Stock Exchange (DSE) Ltd. and Bangladesh Securities & Exchange Commission's (BSEC) notification no- SEC/CMRRCD/2006-158/134/ Admin/44 dated 07th August 2012.

10.1 ECONOMIC OUTLOOK

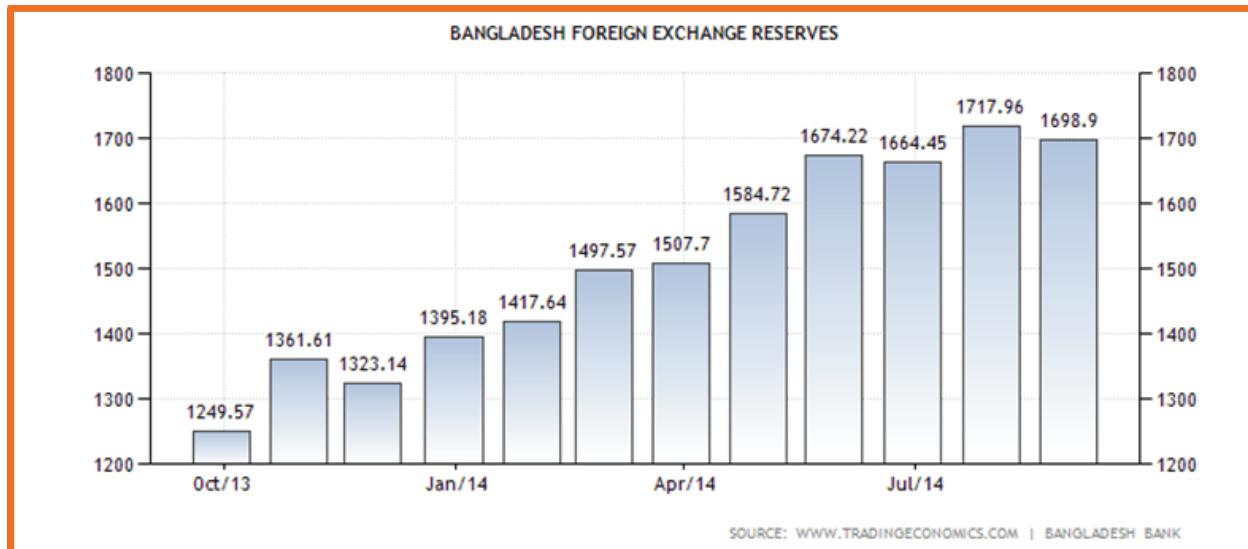
Bangladesh has achieved 6.01% growth for the Fiscal Year 2014 which is comparatively lower than that of the previous Fiscal Year. The growth was a little sluggish due to the political unrest at the early time of the year. Despite the fact of the aftermath of the worldwide recession of year 2009, Bangladesh has managed to sustain a consistent growth of around 5% from 2009 onwards. The projection of around 6.12% growth is evident for the coming year subject to good governance and political stability of the country.



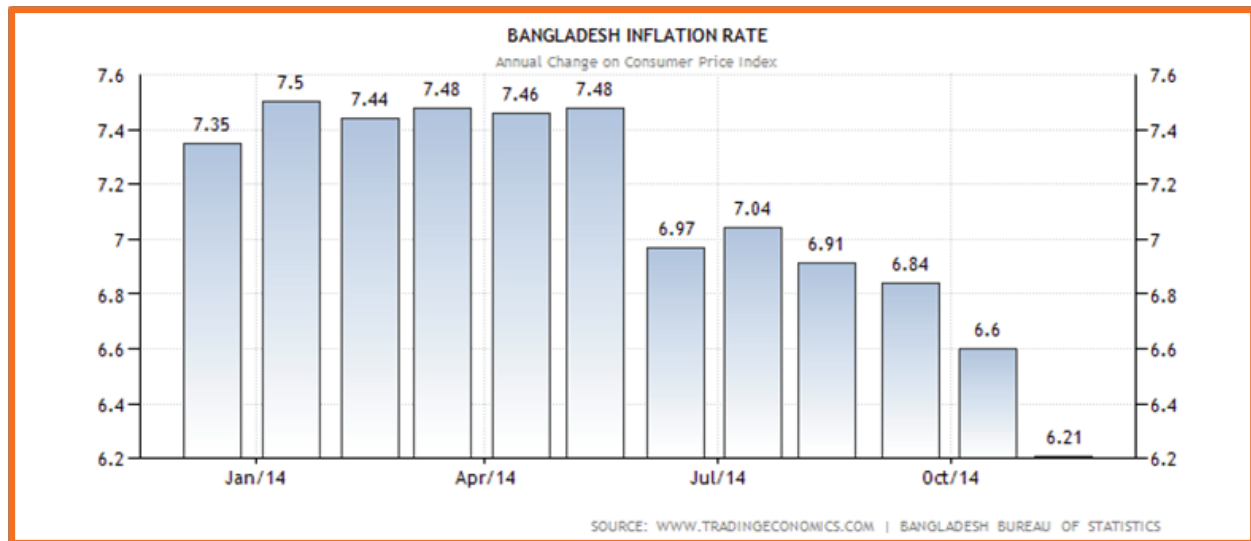
Consumer Price Index CPI in Bangladesh increased to 206.81 Index Points in October of 2014 from 205.39 Index Points in September of 2014. Consumer Price Index CPI in Bangladesh averaged 109.45 Index Points from 1993 until 2014, reaching an all-time high of 206.81 Index Points in October of 2014 and a record low of 51.99 Index Points in July of 1993.



Foreign Exchange Reserves in Bangladesh decreased to 1698.90 BDT Billion in August of 2014 from 1717.96 BDT Billion in July of 2014. Foreign Exchange Reserves in Bangladesh averaged 312.10 BDT Billion from 1990 until 2014, reaching an all-time high of 1717.96 BDT Billion in July of 2014 and a record low of 13.75 BDT Billion in May of 1990 which was reported by Bangladesh Bank.



The inflation rate measures a broad rise or fall in prices that consumers pay for a standard basket of goods.



The inflation rate in Bangladesh was recorded at 6.21 percent in November of 2014. Inflation Rate in Bangladesh averaged 6.64 percent from 1994 until 2014, reaching an all-time high of 12.71 percent in December of 1998 and a record low of -0.02 percent in December of 1996. Inflation Rate in Bangladesh is reported by the Bangladesh Bureau of Statistics.

To summarize the overall economic condition of Bangladesh, the development was challenged by some political unrest making the overall GDP and Foreign Exchange Reserve a little sluggish comparing to that of the previous year. In terms of Consumer Price Index and Inflation there is a notable growth that the Country has achieved.

10.2 INDUSTRY OUTLOOK & POSSIBLE FUTURE DEVELOPMENTS

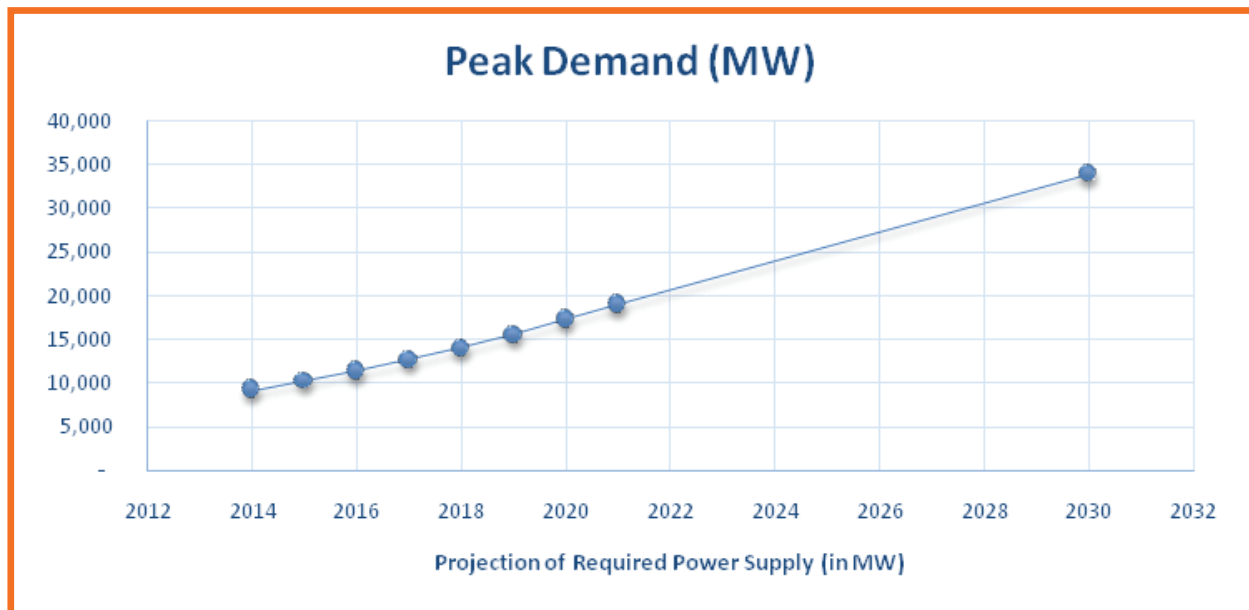
Electricity is playing the predominant role in the total energy sector of the country. Both the agricultural and industrial sector of the economy is depended on electricity. As of December, 2014 total installed capacity of the country has boosted at 10390 MW. 63 plants with a capacity of about 4,915 MW have been commissioned, 33 plants with a capacity of 6,986 MW are under construction. 22 projects with a capacity of about 5,272 MW are under tendering process. There are major barriers in Bangladesh to develop this sector due to high system loss, on time completion of new projects, inconsistency in power supply due to plant inefficiency, electricity theft and shortage of finance for high cost plant maintenance.

Nevertheless, the access to electricity has been raised from 47% to 62% (including RE) and per capita electricity generation improved dramatically (from 220 kWh to 321 kWh). 3.45 million People have newly been connected and System loss (distribution) reduced from 15.67% to 12.03%.

With proper load management, irrigation for agriculture has being given the fullest support which contributed to bumper harvests during the last crop seasons.

Government has prepared the Power System Master Plan 2010 (PSMP 2010). According to the PSMP 2010 the estimated demand for power would be 19,000 MW in 2021 and 34,000 MW in 2030.

Fiscal Year	Peak Demand (MW)
2014	9,268
2015	10,283
2016	11,405
2017	12,644
2018	14,014
2019	15,527
2020	17,304
2021	19,000
2030	34,000

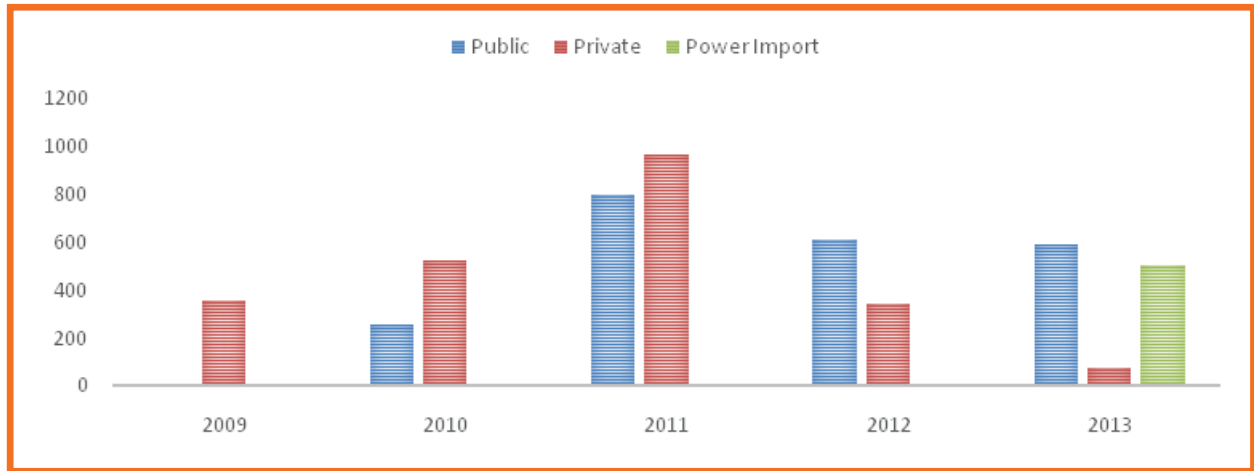


Considering the country's future energy security and low-carbon emission strategy, programs have been undertaken to promote use of renewable energy. Government has formulated pro-investment policy to encourage private sector investment in Renewable Energy (RE) Sector. Bangladesh has the fastest growing Solar Home System (SHS) in the world with over one million homes covered under the program being spear headed by IDCOL, a public infrastructure financing entity. Other projects include: 1 MW solar hybrid system along with 5 MW by diesel in Hatia island, 8 MW Solar PV plant in Kaptai, Solar Street lights in six City Corporation areas, replacement of diesel irrigation pump by Solar, 600 kW solar mini grid in a remote area Sullah, 11 KW solar power to the CHT area, nearly 230 W solar power in Angorpota and Dahagram Chitmahal Area. Solar PV with capacity of 21.2 KW at the Honble Prime Minister's office has been installed as a demonstration project. Other line ministries have also undertaken projects on solar lighting. Sustainable & Renewable Energy Development Authority Act-2012 has been enacted to set up nodal organization for renewable and energy efficiency issues.

Despite of financial constraints and gas supply shortages, the government designed a strategy to overcome the crisis and at the same time meet the ever increasing demand for power. It launched immediate, short, medium and long term programs to increase power supply through introduction of fuel mix (gas, coal, liquid fuel, nuclear energy and renewable), demand side management, energy efficiency and conservation. After assessing the latest demand, the government has revised its targets for increasing power generation. The year-wise details of the additional power generation programs, both in public and private, are listed below:

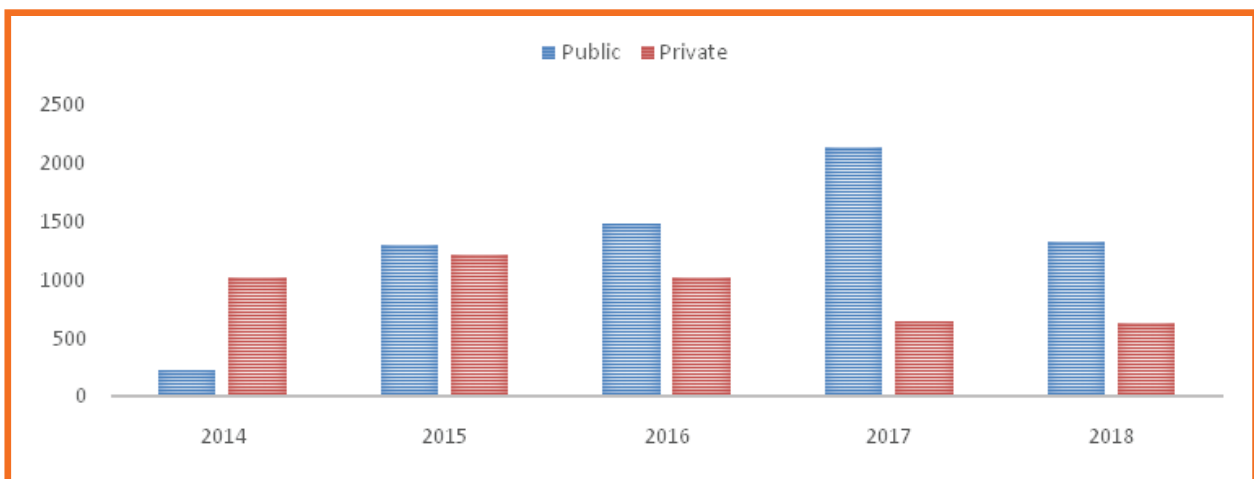
Plants Commissioned During 2009 - December 2013

Year	2009	2010	2011	2012	2013	Total
Public		255	800	607	587	2249
Private	356	520	963	344	76	2259
Power Import					500	500
Total	356	775	1763	951	1163	5008



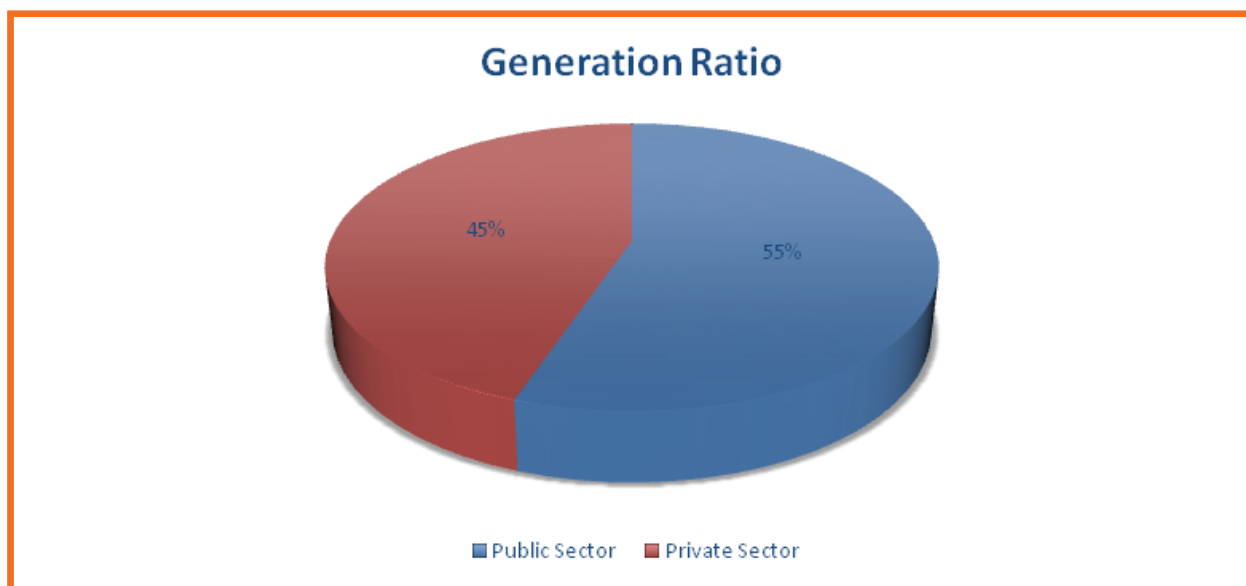
Calendar Year Wise Generation Addition program (From 2014 to 2018)

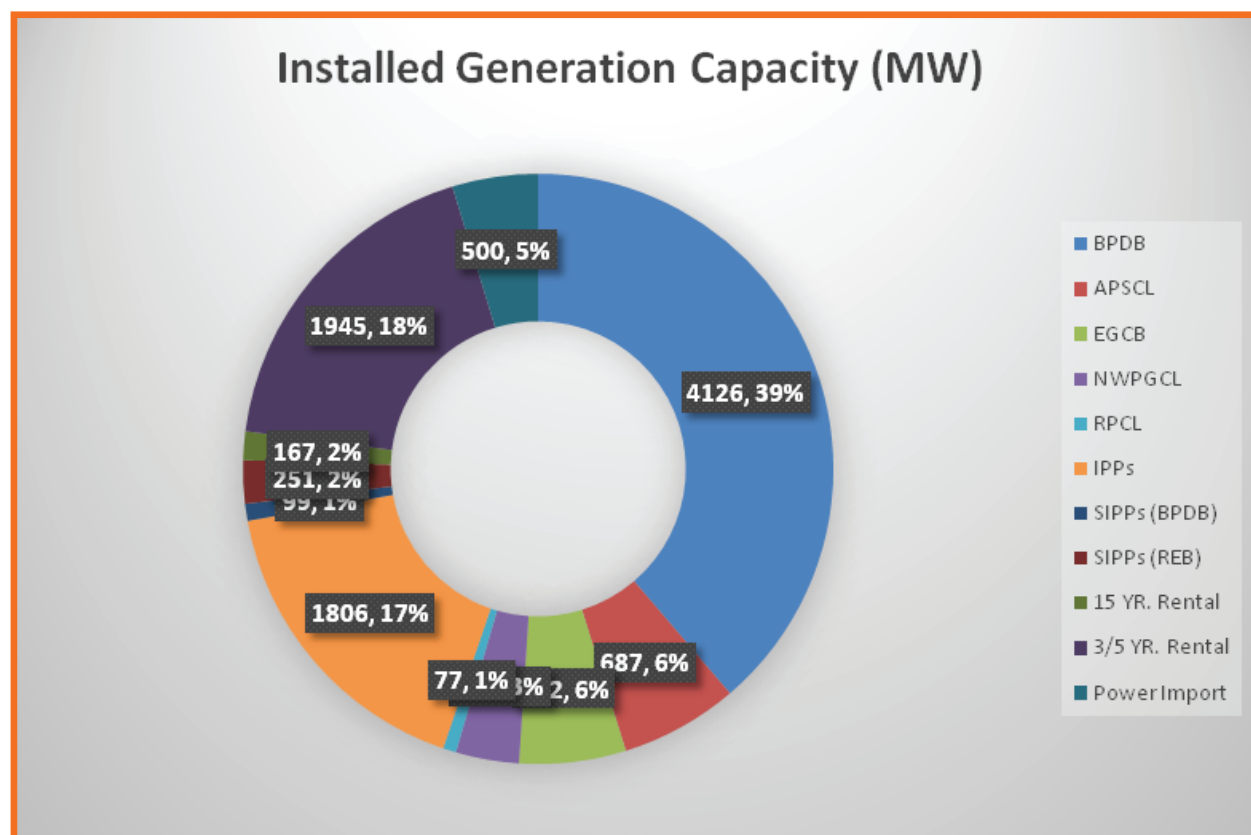
Year	2014	2015	2016	2017	2018	Total
Public	225	1293	1475	2131	1320	6219
Private	1024	1218	1014	640	630	4526
Total	1249	2511	2489	2771	1950	10745



Present Installed Generation Capacity (MW) as on August, 2014.

	Installed Generation Capacity (MW)	% of Total Generation
Public Sector	5880	55.22%
BPDB	4126	
APSCL	687	
EGCB	622	
NWPGCL	368	
RPCL	77	
Private Sector	4768	44.78%
IPPs	1806	
SIPPs (BPDB)	99	
SIPPs (REB)	251	
15 YR. Rental	167	
3/5 YR. Rental	1945	
Power Import	500	
Total	10648	



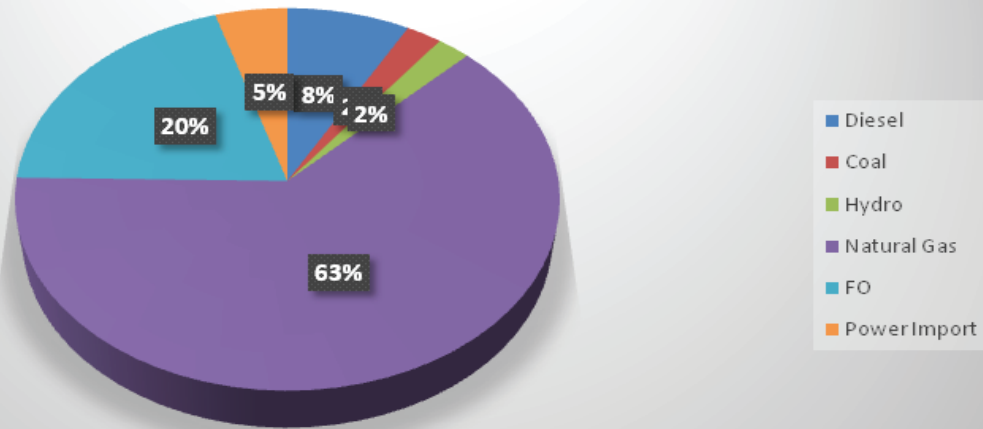


Public and private sector is contributing 55% and 45% respectively in the total generation of power as of August 2014. Amongst the public sector generation units BPDB is playing the champion role as usual.

Present Installed Generation Capacity (MW) as on November, 2014.

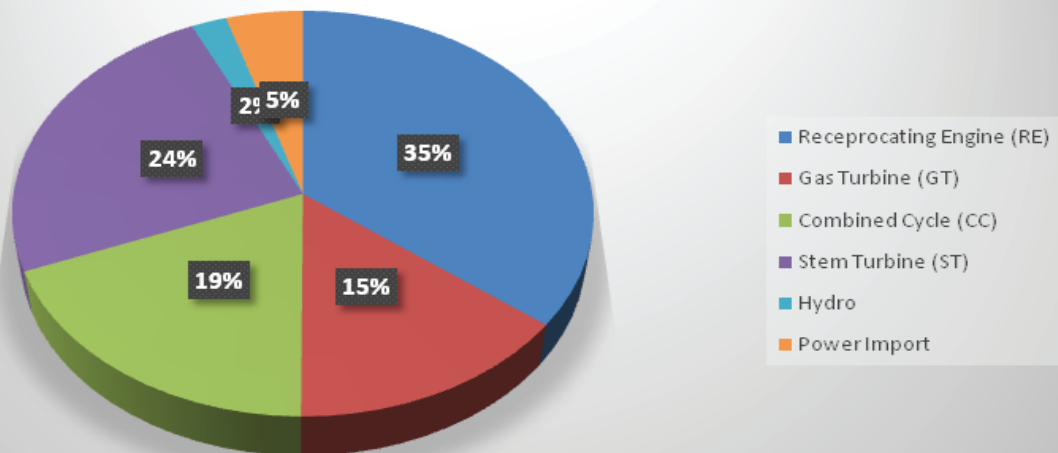
By Fuel Type	
Fuel Type	Installed Capacity (MW)
Diesel	854
Coal	250
Hydro	230
Natural Gas	6681
FO	2133
Power Import	500
Total	10648

Installed Capacity By Fuel Type



By Plant Type	
Plant Type	Installed Capacity (MW)
Reciprocating Engine (RE)	3780
Gas Turbine (GT)	1554
Combined Cycle (CC)	2006
Steam Turbine (ST)	2578
Hydro	230
Power Import	500
Total	10648

Installed Capacity By Fuel Type



SHAHJIBAZAR POWER CO. LTD.

If we analyze the above in terms of fuel type natural gas is still leading the table in 2014 by producing around 63% of total installed capacity and in terms of Engine type reciprocating engine by contributing 35% of total installed capacity. Your company is in that slot of power business.

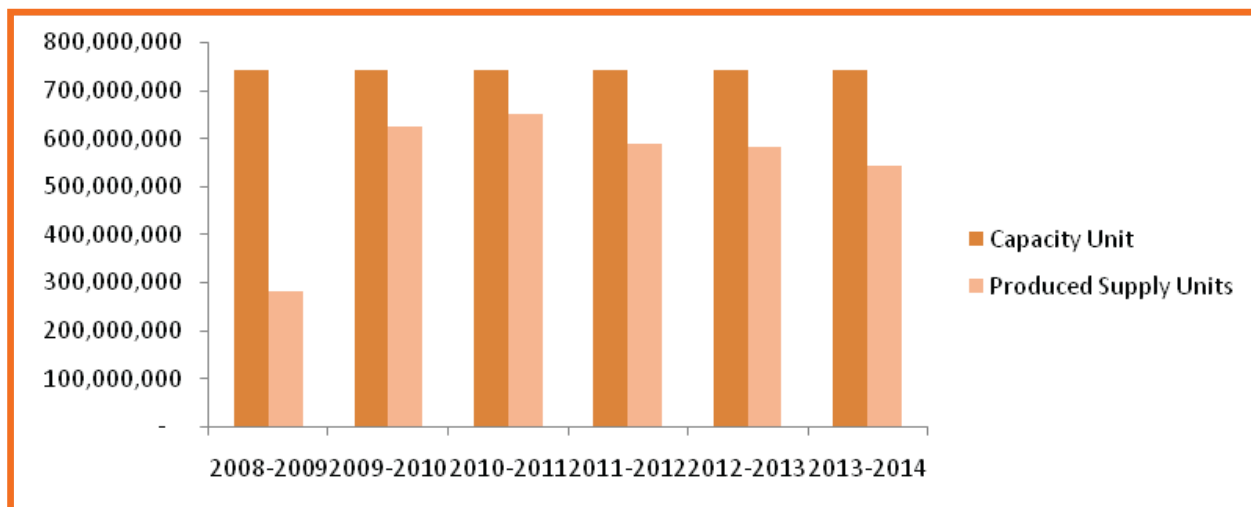
10.3 BUSINESS ACTIVITIES INCLUDING ITS OPERATING PERFORMANCE

Shahjibazar Power Co. Ltd. (SPCL) is one of the most modern power generation companies of Bangladesh. The legacy starts in the year 2007 by the incorporation of SPCL as private limited company subsequently the Company starts its commercial operation from February - 2009. SPCL has emerged as public limited company at the same year of its commercial operation.

As of June 30, 2014 the company is producing 73.46% of total capacity on an average. The operational performance of the Company is shown in the below charts.

Fiscal Year	Capacity Unit (Kwh)	Produced Supply Units (Kwh)	Utilized %
2008-2009	743,040,000	281,147,347	37.84%
2009-2010	743,040,000	625,518,348	84.18%
2010-2011	743,040,000	651,615,360	87.70%
2011-2012	743,040,000	589,434,211	79.33%
2012-2013	743,040,000	584,089,568	78.61%
2013-2014	743,040,000	543,261,043	73.11%

The generation report of Shahjibazar Power Co. Ltd. (SPCL)



The generation report of Shahjibazar Power Co. Ltd. (SPCL)

In the fiscal year 2013-2014 your company has added a total of 543,261,043 Kwh to the national grid as compared to 584,089,568 of the Fiscal Year 2012-2013. Like other power projects of the country the only customer of your company is Bangladesh Power Development Board (BPDB). Total revenue for the year under account stands at Tk.1,432.20 Million as compared to that of the previous year 1,446.88 Million which is slightly lower due to lower demand of BPDB.

In our 06th AGM, we have shown and discussed the project status of Petromax Refinery Ltd (PRL) a subsidiary of your company and Midland Power Company Ltd (MPCL) a 49% joint venture of SPCL and Viyellatex Group. Both of the project has been successfully in commercial operation. Petromax Refinery Ltd (PRL) was established for the purpose manufacturing of petroleum and petro chemical products from gas condensate which is available from local source

or import. At the outset the project set for an import substituting 2500 BBL/day condensate fractionation plant and associate facilities.

From October 2013 your Company with its subsidiary Petromax Refinery (PRL) Ltd which has been in commercial operation since October 2013 has consolidated revenue of Tk. 5,055.73 Million. Net profit of your company with its subsidiary stands at Tk. 449.29 Million. It should be noted here that, subsidiary of your company Petromax Refinery Ltd generated the said revenue for around 9 months within the year under account hence didn't performed a full financial year till June 30, 2014. PRL has sold around 49.13 Million Liter of different grade of products including Octane, MS and HSD garnering a revenue of Tk.3623.53 Million.

From December 2013 another associate of your company Midland Power Co. Ltd (MPCL) has started their commercial operation after successful commissioning. MPCL has generated 15,45,98,686 Kw against its total capacity 29,37,60,000 Kw for the year under account. The company has generated 52.63% of its total capacity. It should be noted here that, associate of your company Midland Power Co. Ltd. (MPCL) generated the said revenue for around 8 months within the year under account hence didn't performed a full year till June 30, 2014.

10.4 SEGMENT WISE PERFORMANCE

Segment/Product	Quantity		Sales in Million Tk.
Power	543,261,043	Kwh	1432.20
Oil & Gas	49,139,467	Ltr	3623.53
Total			5055.73

10.5 CONTRIBUTION TO THE NATIONAL EXCHEQUER

Energy sector has been playing the pivotal role for the development of the economy. Your company thus has been contributing in boosting macro-economic parameters of the country as a whole by generating power and producing Oil and gas. As of June 30, 2014 your company has contributed Tk. 78.87 Million as corporate income tax and subsidiary of your company has added Tk. 313.5 Million in the form VAT to the national exchequer.

EXTRA-ORDINARY GAIN OR LOSS

Bank interest and wastage sale can be termed as Extra-Ordinary Gain which may fluctuate time to time.

10.6 RELATED PARTY TRANSACTION

The related party transactions have been taken place on arm's length basis during the year have been disclosed in the notes 35 to the financial statements.

10.7 UTILIZATION OF PROCEEDS FROM PUBLIC ISSUES, RIGHTS ISSUES AND/OR THROUGH ANY OTHER INSTRUMENT

Your company has collected Tk. 317,000,000 by issuing 1,26,80,000 shares through Initial Public Offering (IPO) at a face value of Tk.10 with a premium of Tk. 15. Full amount of the collected fund has been utilized for the repayment of outstanding loan as provided in the prospectus and reported accordingly to the regulators.

10.8 COMPANY SECRETARY, CHIEF FINANCIAL OFFICER, HEAD OF INTERNAL AUDIT

As per corporate governance of BSEC, the Company has allocated the responsibilities as follows:

Chief Financial Officer	- Mr. Bhulon Bhowmik
Company Secretary	- Mr. Yeasin Ahmed
Head of Internal Audit	- Mr. Khawja Abul Basher

10.9 AUDIT COMMITTEE

The audit committee as a subcommittee of the Board of Directors has been constituted with the Independent Director as Chairman and two other directors. The Company Secretary acts as secretary to the audit committee. This committee assists the Board in ensuring that the financial statements reflects true and fair view of the state of affairs of the Company. Audit committee is responsible to the Board of Directors and its roles and responsibilities are clearly set forth. The role of the audit committee has been stated in the annual audit committee report.

10.10 EXTERNAL STATUTORY AUDITORS

The BSEC guidelines are being strictly followed in engaging statutory Auditors.

10.11 SUBSIDIARY COMPANY

The Company has one subsidiary company named as Petromax Refinery Ltd and one associate company named Midland Power Co. Ltd.

10.12 DUTIES OF CEO AND CFO

The provision of BSEC regulations have been complied.

10.13 SIGNIFICANT VARIANCE BETWEEN QUARTERLY AND ANNUAL FINANCIAL STATEMENTS

No significant variations have occurred between quarterly and final financial results of the Company during the year under report if considered separate performance. In the consolidated performance, significant variances have occurred due to commercial operation date of subsidiary and associate company lies within the year under report.

10.14 REMUNERATION OF DIRECTORS

Remuneration, performance and other related perquisites/benefits of managing director is disclosed in Note 27.02. Other directors are not entitled to remuneration and other facilities for their directorship.

10.15 CORPORATE AND FINANCIAL REPORTING FRAMEWORK

As per law the financial statements of your Company would follow International Financial Reporting Standards (IFRS) as adopted by ICAB as Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS). This has been completely followed to fairly present the financial position and performance of the Company. While preparing the financial statements, the following points were considered -

- I. Selection of suitable accounting policies and then applying them consistently,
 - II. Making judgments and estimates that are reasonable and prudent,
 - III. Ensuring that the financial statements have been prepared in accordance with Bangladesh Financial Reporting Standards (BFRS) and Bangladesh Accounting Standards (BAS),
 - IV. Preparing the financial statements in an ongoing concern basis unless it is appropriate to presume that the Company will not continue in business. Proper accounting records have been kept so that at any given point the financial position of the Company is reflected with reasonable accuracy, which will enable them to ensure that its financial statements comply with Companies Act 1994 and other required regulatory authorities.
- In compliance with the requirements of the BSEC's Notification dated 07th August 2012, the Directors are also pleased to make the following declarations in their report:

- a. The financial statement prepared by the management of your Company fairly presents its state of affairs, the result of its operations, cash flows and changes in equity;
- b. Proper books of accounts of your Company have been maintained;
- c. 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;
- d. International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements and any discrepancies have been adequately disclosed;
- e. The system of internal control is well structured and has been effectively implemented and monitored;
- f. There are no significant doubts upon your Company's ability to continue as an ongoing concern basis;
- g. Significant deviations from last year in operating results of the Company are highlighted and the reasons have been explained in financial results & profit appropriation;
- h. Key operating and financial data has been summarized for the preceding five years;
- i. Significant plans and decisions, such as corporate restructuring, business expansion and discontinuation of operations as appropriate, future prospects, risks and uncertainties surrounding the Company has been outlined under the related captions of this report;

- j. The number of Board meetings held during the year and attendance of each director has been disclosed;
k. The pattern of shareholding has been reported in Page No. 31 to disclose the aggregate number of shares.

10.16 FINANCIAL RESULTS AND PERFORMANCE OF THE COMPANY

Consolidated and separate Financial Result compared with last year is detailed below:

Particulars	2013	2014	% Change
	(in Million Taka) Re-Styled	(in Million Taka)	
Revenue	1,446.88	5,055.73	249%
Cost of Sales	815.86	3,901.71	378%
Gross Profit	631.02	1,154.01	83%
Finance Costs Net	277.39	501.08	81%
General and Administrative Expenses	49.46	158.10	220%
Operating Profit	599.07	1,041.39	74%
Other Income Net	17.52	45.48	160%
WPPF	13.64	12.16	-11%
Net Profit Before Income Tax	308.04	528.15	71%
Income Tax	64.88	78.87	22%
Net Profit After Income Tax	243.17	449.29	85%
Share of Profit from Associate	-	23.01	0%
Total Comprehensive Income	243.17	472.29	94%

Consolidated Summary of Financial Statement of Shahjibazar Power Co. Ltd.

Particulars	2013	2014	% Change
	(in Million Taka)	(in Million Taka)	
Revenue	1,446.88	1,432.20	-1%
Cost of Sales	815.86	810.63	-1%
Gross Profit	631.02	621.56	-1%
Finance Costs Net	277.39	246.60	-11%
General and Administrative Expenses	40.49	85.86	74%
Operating Profit	599.07	580.77	-3%
Other Income Net	17.52	45.07	157%
WPPF	13.64	12.16	-11%
Net Profit Before Income Tax	317.01	322.01	5%
Income Tax	64.88	78.72	21%
Net Profit After Income Tax	252.13	243.29	0%
Share of Profit from Associate	-	23.01	0%
Total Comprehensive Income	252.13	266.30	10%

Separate Summary of Financial Statement of Shahjibazar Power Co. Ltd.

10.17 SIGNIFICANT VARIANCE OF FINANCIAL STATEMENTS

There are significant deviations between the last year operating results in the consolidated summary of financial statement of your company since Petromax Refinery Ltd (PRL) subsidiary of your company has come into the commercial operation from October 2013 and Midland Power Company Limited associate of your company has started commercial operation from December 2013. Apart from that Tk. 25.71 Million was earned as bank interest against Initial Public Offering from Bank Asia Ltd. which has been recorded as Non-Operating Income.

10.18 A DISCUSSION ON COST OF GOODS SOLD, GROSS PROFIT MARGIN AND NET PROFIT MARGIN

Particulars	2013		2014		% Change
	(in Million Taka) Re-Styled	% on Sales	(in Million Taka)	% on Sales	
Revenue	1,446.88		5,055.73		249%
Cost of Sales	815.86	56%	3,901.71	77%	378%
Gross Profit	631.02	44%	1,154.01	23%	83%
Net Profit After Income Tax	243.17	17%	449.29	9%	85%
Share of Profit from Associate	-	0%	23.01	0%	0%
Total Comprehensive Income	243.17	17%	472.29	9%	94%
Less: Minority Interest	-	0%	1.37	0%	0%
Net Profit (After Tax & Minority Interest)	243.17	17%	470.92	9%	94%

Consolidated

As per the consolidated brief of accounts during the year under report, the revenue of the company has increased by 249% against a raise of cost of sales of 378% due to the addition of revenue of subsidiary company and therefore, gross profit margin was 23% as compared to 44% of the previous year and Net Profit Margin was 9% as compared to 17% of the previous year.

Particulars	2013		2014		% Change
	(in Million Taka)	% on Sales	(in Million Taka)	% on Sales	
Revenue	1,446.88		1,432.20		-1%
Cost of Sales	815.86	56%	810.63	57%	-1%
Gross Profit	631.02	44%	621.56	43%	-1%
Net Profit After Income Tax	243.17	17%	243.29	17%	0.1%

Separate

As per the separate brief of accounts during the year under report, the revenue of the company has decreased by 1% against a decrease of cost of sales of 1% due to lesser demand of power by the government therefore, gross profit margin was 43% as compared to 44% of the previous year and Net Profit Margin was 17% as compared to 17% of the previous year.

10.19 PROFIT APPROPRIATION

In the year under report the net profit of your company is Tk. 470.91 Million as compared to Tk. 243.17 Million. However, the Company needs availability of funds for continuous progress and investments in new projects. Keeping these in view, the Directors would like to report the Company's financial results for the year then ended on June 30, 2014 with the recommendations for appropriation as follows:

Particulars	Amount in Million Taka
Net Profit for the year 2014	470.91
Profit brought Forward	695.60
Profit available for appropriation	1166.51
Appropriations:	
Proposed Stock and Cash Dividend	380.39
Transferred to Retained Earning	786.12
Profit available for appropriation	1166.51

10.20 DIVIDEND

Your Board recommends a final cash dividend of 25% and also a 5% stock dividend for the year 2014 i.e. 5 (Five) Ordinary shares of Taka 10 each for 100 shares held on the record date, subject to approval by the shareholders at the 7th Annual General Meeting.

Dividend Trend					
Dividend Type	30-Jun-14	30-Jun-13	30-Jun-12	30-Jun-11	30-Jun-10
Cash Dividend (%)	25%	15%	0%	0%	0%
Stock Dividend (%)	5%	0%	100%	0%	60%
Total	30%	15%	100%	0%	60%

Note: Dividend for the Year Ended June 30, 2012 was other than Directors & Sponsors

10.21 DIRECTORS' MEETING & ATTENDANCE

During the year ended June 30, 2014 The Board of Directors held 5 meetings. Directors who attended the board meetings are shown below:

Name of Directors	Attended
Mr. Rezakul Haider	5
Mr. Feroz Alam	5
Mr. Anis Salahuddin Ahmad	5
Mr. A.K.M Badiul Alam	4
Mr. Shamsuzzaman	4
Mr. Mohammad Liaquat Ali	3
Mr. Dr. Mohammad Quamruzzaman	3

Directors who could not attend the meetings were granted leave of absence.

10.22 THE PATTERN OF SHAREHOLDING

Pattern of Shareholding as on June 30, 2014				
Name of Shareholders	Status	Relation	Share Held	Percentage (%)
i) Parent/Subsidiary/Associated Companies and other related parties	-		-	-
ii) Directors				
A. Mr. Rezakul Haider	Chairman		13,440,000	10.60%
B. Mr. Feroz Alam	Managing Director		12,480,000	9.84%
C. Mr. Anis Salahuddin Ahmad	Director		12,480,000	9.84%
D. Mr. A.K.M.Badiul Alam	Director		9,600,000	7.57%
E. Mr. Md. Shamsuzzaman	Director		14,400,000	11.36%
F. Ms. Shahida Alam	Sponsor	Spouse of Mr. A.K.M.Badiul Alam	4,800,000	3.79%
G. Mr. Akbor Haider	Sponsor	Son of Mr. Rezakul Haider	4,800,000	3.79%
H. Mr. Faridul Alam	Sponsor	Son of Mr. Feroz Alam	4,800,000	3.79%
I. Ms. Rezina Alam	Sponsor	Daughter of Mr. Feroz Alam	4,800,000	3.79%
J. Mr. Faisal Alam	Sponsor	Son of Mr. Feroz Alam	4,800,000	3.79%
K. Mr. Asgar Haider	Sponsor	Son of Mr. Rezakul Haider	4,800,000	3.79%
L. Ms. Israt Azim Ahmad	Sponsor	Spouse of Mr. Anis Salahuddin Ahmad	4,800,000	3.79%
M. Mr. Mohammad Liaquat Ali	Independent Director		Nil	Nil
N. Mr. Dr. Mohammad Quamruzzaman	Independent Director		Nil	Nil
iii) Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit and their Spouses and Minor Childrens:				
A. Bhulon Kumar Bhowmik	CFO		46,000	0.04%
B. Yeasin Ahmed	Company Secretary		0	0.00%
C. Khawja Abul Basher	Head of Internal Audit		0	0.00%
iv) Executives			Nil	Nil
v. Shareholders Holding 10% or more voting interest in the company:			Nil	Nil

10.23 DIRECTORS' ELECTION & RE-APPOINTMENT:

As per Memorandum and Articles of Association Mr. Feroz Alam and Mr. Rezakul Haider shall retire in 7th Annual General Meeting by rotation and being eligible to offer themselves for re-election as director of the Company.

10.24 RESUME OF THE DIRECTORS & THEIR EXPERTISE IN SPECIFIC FUNCTIONAL AREA

Described in Directors Profile

10.25 APPOINTMENT OF MANAGING DIRECTOR

On relinquish of the position as Managing Director Mr. Feroz Alam, the Board re-appointed Mr. Feroz Alam, as the Company's Managing Director from November 10, 2014. As per section 110 of the Company's Act 1994, the Directors recommend for the re-appointment of Mr. Feroz Alam by the shareholders in the ensuing AGM for a term of Five (5) years from the date of 10th November 2014 of the Company as Managing Director.

10.26 HOLDING OF DIRECTORSHIP AND MEMBERSHIP OF THE COMMITTEES OF THE BOARD OTHER THAN THIS COMPANY

Companies >>	Petromax Refinery Ltd.	Midland Power Company Ltd.	Comfit Composite Knit Ltd.	Youth Fashion Ltd.	Youth Garments Ltd.	Chowdhury Apparels (Pvt.) Ltd.	Islamic Finance & Investment Ltd.	Garments Export Village Ltd.	Grey Stone Sweater Ltd.	Power Vantage Wear Ltd.	Shirts Mine Ltd.	Apparel Marketing & Trading Network Ltd.	Orbital Accessories Ltd.	Eden Multi Care Hospital (Pvt.) Ltd.	Orient Chem-Tex Ltd.	Micro Fiber Ltd.	Liberty Knitwear Ltd.	Midland Knitwear Ltd.	A-One Polar Ltd.	Midland Bank Limited
Name of Directors																				
Mr. Rezakul Haider	✓	✓	✓	✓	✓	✓	✓													
Mr. Feroz Alam	✓	✓	✓	✓	✓	✓														
Mr. Anis Salahuddin Ahmad	✓		✓				✓													
Mr. A.K.M Badiul Alam	✓							✓	✓	✓	✓	✓	✓	✓						✓
Mr. Shamsuzzaman	✓														✓	✓	✓	✓	✓	✓

10.27 AUDIT COMMITTEE

The Company has an audit committee with an established charter. The audit committee has met four times this year and the committee members' attendance record is disclosed below:

Name of Directors	Status	Attended
Mr. Mohammad Liaquat Ali	Chair	4
Mr. Anis Salahuddin Ahmad	Member	3
Mr. A.K.M Badiul Alam	Member	4

10.28 AUDITORS

Howladar Yunus & Co, Chartered Accountants was appointed as the auditors of the Company in the 06th Annual General Meeting. They have carried out the audit for the year 2014 and the auditors of the Company will retire in the 07th Annual General Meeting. Being eligible under section 212 of the Companies Act, 1994 they have expressed their willingness for reappointment for the year 2015. As recommended by the Board, the resolution to re-appoint Howladar Yunus & Co. as auditors will be placed at the forthcoming Annual General Meeting of the Company.

10.29 BUSINESS RISK & UNCERTAINTIES

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board oversees how management monitors compliance with risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risks faced by the group. The Board is assisted in its oversight role by Audit Committee. Internal Audit, under the purview of Audit Committee, undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

SHAHJIBAZAR POWER CO. LTD.

Your company operates in a field of involving some internal/external risk factors and some of those are avertible; others are beyond control, which may be causes of loss. The management of Shahjibazar Power Company Limited perceives the risk factors which are as follows simultaneously:

Now private sector power producer is highly competitive in Bangladesh. Government goes to produce electricity through the independent power producer/private sector power producer. Lots of local investor have interest to invest in this sector. That is per unit electricity price goes to downwards trend. The company faces a number of aggressive competitors within the country.

Interest/financial charges are paid against any kind of borrowed fund. Volatility in money market and increased demand for loan process interest rate structure to be fixed at high. Raising of interest rate increases the cost of fund for a company, which has borrowed fund, consequently profit is squeezed.

The management of the company is always aware of interest rate, which is connected to the cost of fund of the Company the Management prefers procuring the long-term fund with minimum fixed interest rate and the short term fund with reasonable competitive rate. On the other hand management of the company is emphasizing equity based financing.

Technology always plays a vital role for existence of any industrial concern. Innovation of new and cost effective technology may obsolescence existent technology, which may cause negative impact. The project is equipped with world's modern and latest machineries and technology and to cope with the pace in harmony with modern power sector, the company is continuing modernization program of its machinery.

The company operates under companies act, taxation policy adopted by NBR, Security and Exchange Commission's rule and rules adopted by other regulatory organizations. Any abrupt changes of the policies formed by those bodies will impact the business of the Company adversely. Unless adverse policies are taken, which may materially affect the industry as a whole; the business of the company will not be effected.

Government emphasizes on the growth of electricity production in Bangladesh. Yet the promoters and the sponsors have to endeavor to convince the policy makers for adopting favorable terms and conditions, which will eventually help the power production of Bangladesh to complete with the firms at low cost.

The performance of the Company may be affected by the political and economic instability both in Bangladesh. Any instance of political turmoil and disturbance in the country may adversely affect the power production of the company and can adversely impact the profitability of the company.

10.30 GOING CONCERN

While approving the financial statements, the Directors have made appropriate enquires and analyzed significant operating and indicative financials which enabled them to understand the ability of the Company to continue its operations for a foreseeable future. The Directors are convinced and have a reasonable expectation that the company has adequate resources and legal instruments to continue its operations without interruptions. Therefore the Company adopted the going concern basis in preparing these financial statements.

10.31 CORPORATE GOVERNANCE

Corporate Governance is the system through which companies are directed, guided and controlled by the Board while keeping in view its accountability to the shareholders. Your Company strives to maintain full compliance with the laws, rules and regulations that govern our business and to uphold the highest standards. Since corporate governance is not a static process, we will always continue to improve our practices.

10.32 CORPORATE SOCIAL RESPONSIBILITY

As a part of the ongoing commitment to the society and environment in which the company conducts its business, your company continues to perform its obligations. As in the previous years, the Company remains committed to support the following CSR activities that included:

- Regular contributor to Bangladesh Scout Annually
- Regular contributor of IEB

10.33 HUMAN RESOURCE MANAGEMENT

Your company recognizes that people are the most important resource and key to success of any organization. To develop and equip the employees with key skills, the company places great emphasis on the development of its people and hence regular courses and workshops are arranged at regular interval for their training and updating knowledge on the respective functional areas.

10.34 STATUS OF COMPLIANCE

In accordance with the requirement stipulated in condition no-7.00 of the Securities & Exchange Commission's notification no-SEC/ CMRRCD/2006-158/Admin/44 dated 07 August 2012 issued under section 2CC of the Ordinance 1969 the Corporate Governance Compliance Report is shown in Page No.41-43 . A certificate from Mazumdar Sikder and Associates confirming compliance of conditions of Corporate Governance Guidelines as stipulated under condition 7(i) is also annexed to this report in Page Number-40.

10.35 KEY OPERATING AND FINANCIAL DATA:

The summarized key data for last five years is set out in the page number 36-37.

10.36 ACKNOWLEDGEMENT:

The board of Directors would like to express its deep gratitude to the shareholders for their continuous support and trust upon the business of the Company.

The board would further like to express their graceful appreciation for the assistance and co-operation received from Bangladesh Power Development Board (BPDB), Power Cell of the Power Division, MPEMR, Jalalabad Gas T&D System Limited. Banks and financial institutions, Insurance Companies, Service Providers, the Bangladesh Securities and Exchange Commission (BSEC), registrar of Joint Stock Companies & Firms, Dhaka Stock Exchange Ltd (DSE), Chittagong Stock Exchange Ltd (CSE), various government authorities, individual and agencies.

The Board of Directors would like to acknowledge the effort of its employees to the Business of the Company. Their commitment, passion and teamwork towards the dream of the Company have helped to stand the company where it is today.

Looking forward for a better future and sustainable growth.

For and On Behalf of the Board



Feroz Alam
Managing Director

10. COMPLIANCE REPORT

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No: SEC/CMRRCD/2006-158/134/admin/44 dated August 07, 2012 issued under section 2CC of the Securities and Exchange Ordinance 1969 is presented Page No: 41-43.

11. REPORT OF AUDIT COMMITTEE

The Audit Committee of Shahjibazar Power Company Ltd (SPCL) a subcommittee of Board of Directors (BOD) was formed in Company's Board meeting held on 27th January 2014 and its Charter was approved by the Company's Board. The Audit Committee of SPCL comprises of the following Board members:

1. Mr. Mohammad Liaquat Ali (Chair)
2. Mr. Anis Salahuddin Ahmad (Member)
3. Mr. A.K.M Badiul Alam (Member)

A total of 4 (four) meetings were held since the last Annual General Meeting of SPCL, the last being on 15th April 2014. Besides Company Secretary who supports the committee as its secretary as well, permanent invitees to the meetings were the CFO and Head of Internal Audit. Relevant heads of other functions. The Audit Committee's authorities, duties and responsibilities flow from the Board's oversight function and the terms of reference are detailed in Committee Charter approved by the Board. The major responsibilities of the Committee, among others, include:

1. Reviewing the quarterly, half-yearly and annual financial statements and other financial results of the company and, upon its satisfaction of the review, recommend them to the board for approval.
2. Monitoring and reviewing the adequacy and effectiveness of the company's financial reporting process, internal control and risk management system.
3. Monitoring and reviewing the arrangements to ensure objectivity and effectiveness of the external and internal audit functions. Examine audit findings and material weaknesses in the system and monitor implementation of audit action plans.
4. Recommending to the Board the appointment, re-appointment or removal of external auditors.
5. Reviewing and monitoring the Company's ethical standards and procedures to ensure compliance with the regulatory and financial reporting requirements.

Activities of the Committee On Company's affairs for the period under report. The Committee during the period under report met four times and its activities include:

1. Reviewed, among other issues, the quarterly and half yearly financial statements of the Company and recommended to the Board for adoption and circulation as per the requirement of Bangladesh Securities and Exchange Commission.
2. Also reviewed the audited financial statements of the Company together with consolidated statements with its associate and subsidiary for the year ended June 30, 2014 and being satisfied that the critical accounting policies, significant judgments and practices used by the Company are compliant with the required laws and regulations, also confirmed by the external auditor in their independent report, recommended to Board for adoption.
3. Committee recommended Howladar Yunus & Co, Chartered Accountants, for re-appointment as the external auditors of the Company for the year ending on June 30, 2015.
4. Reviewed the external auditors' findings arising from audit, particularly comments and responses given by the management.
5. Reviewed the matters as per requirement from the Bangladesh Securities and Exchange Commission (BSEC).
6. The committee is of the opinion that reasonable controls and procedures are in place to provide reasonable assurance that the company's assets are safeguarded and the financial position of the Company is adequately managed.

On behalf of the Committee



Mr. Mohammad Liaquat Ali
Chairman of the Audit Committee

12. KEY OPERATING AND FINANCIAL DATA OF PRECEDING 5 (FIVE) YEARS

SHAHJIBAZAR POWER CO. LTD. (SEPARATE)

Operational Result	Jun 30,2014	Jun 30,2013	Jun 30,2012	Jun 30,2011	Jun 30,2010
Turnover	1,432,197,494	1,446,883,344	1,367,020,938	1,422,053,369	1,346,922,636
Gross Profit	621,564,944	631,020,517	578,064,299	589,430,184	693,857,260
Profit From Operation	289,110,272	313,139,998	251,770,143	268,729,631	396,521,633
Net Profit Before Tax	322,012,261	317,016,347	281,514,607	292,864,915	398,197,839
Net Profit After Tax	243,290,555	252,139,843	273,333,257	286,227,711	397,736,882
Net Cash Flow From Operation	327,593,795	147,929,586	14,187,308	81,654,640	331,536,475

Financial Position	Jun 30,2014	Jun 30,2013	Jun 30,2012	Jun 30,2011	Jun 30,2010
Non-Current Assets	3,489,616,840	3,232,458,036	3,412,215,437	3,296,624,530	3,375,581,576
Current Assets	2,347,865,332	1,883,098,408	1,427,361,579	1,456,563,384	483,581,501
Inventories	128,064,872	130,994,934	133,633,550	139,267,294	143,980,679
Shareholders' Equity	2,930,976,936	2,835,856,350	2,583,716,507	2,310,383,250	1,208,845,538
Long Term Liability	1,405,543,397	1,397,566,480	1,532,477,007	1,738,293,766	2,266,646,996
Current Liabilities	1,500,961,838	882,133,614	723,383,502	704,510,898	383,670,543
Total Liabilities	2,906,505,235	2,279,700,094	2,255,860,509	2,442,804,664	2,650,317,539

Key Financial Ratio	Jun 30,2014	Jun 30,2013	Jun 30,2012	Jun 30,2011	Jun 30,2010
Current Ratio	1.56	2.13	1.97	2.07	1.26
Quick Ratio	1.48	1.99	1.79	1.87	0.89
Debt to Equity Ratio	0.99	0.80	0.87	1.06	2.19
Net Income Ratio (%)	16.99%	17.43%	20%	20%	30%
Return on Equity (%)	8.30%	8.89%	11%	12%	33%
Earnings Per Share	2.33	2.21	2.60	2.88	5.04

SHAHJIBAZAR POWER CO. LTD. (CONSOLIDATED)

Operational Result	Jun 30,2014 Consolidated	Jun 30,2013 Consolidated Re-Styled	Jun 30,2012 Separate	Jun 30,2011 Separate	Jun 30,2010 Separate
Turnover	5,055,725,129	1,446,883,344	1,367,020,938	1,422,053,369	1,346,922,636
Gross Profit	1,154,012,136	631,020,517	578,064,299	589,430,184	693,857,260
Profit From Operation	494,834,849	304,166,086	251,770,143	268,729,631	396,521,633
Net Profit Before Tax	528,152,702	308,042,435	281,514,607	292,864,915	398,197,839
Net Profit After Tax	449,285,444	243,165,931	273,333,257	286,227,711	397,736,882
Net Cash Flow From Operation	1,873,897,290	463,907,732	14,187,308	81,654,640	331,536,475

Financial Position	Jun 30, 2014 Consolidated	Jun 30, 2013 Consolidated Re-Styled	Jun 30, 2012 Separate	Jun 30, 2011 Separate	Jun 30, 2010 Separate
Non-Current Assets	6,836,447,741	6,320,805,822	3,412,215,437	3,296,624,530	3,375,581,576
Current Assets	4,275,808,552	1,887,815,472	1,427,361,579	1,456,563,384	483,581,501
Inventories	1,125,663,025	130,994,934	133,633,550	139,267,294	143,980,679
Shareholders' Equity	3,214,152,921	2,914,410,607	2,583,716,507	2,310,383,250	1,208,845,538
Long Term Liability	2,609,313,244	3,268,408,647	1,532,477,007	1,738,293,766	2,266,646,996
Current Liabilities	5,286,889,808	2,025,274,883	723,383,502	704,510,898	383,670,543
Total Liabilities	7,896,203,052	5,293,683,530	2,255,860,509	2,442,804,664	2,650,317,539

Key Financial Ratio	Jun 30, 2014 Consolidated	Jun 30, 2013 Consolidated Re-Styled	Jun 30, 2012 Separate	Jun 30, 2011 Separate	Jun 30, 2010 Separate
Current Ratio	0.81	0.93	1.97	2.07	1.26
Quick Ratio	0.60	0.87	1.79	1.87	0.89
Debt to Equity Ratio	2.46	1.82	0.87	1.06	2.19
Net Income Ratio (%)	9%	17%	20%	20%	30%
Return on Equity (%)	14%	8%	11%	12%	33%
Earnings Per Share	4.13	2.13	2.60	2.88	5.04

**Note: Consolidation of Accounts was started from FY June 2012-2013



CEO AND CFO'S DECLARATION TO THE BOARD

Dated: October 28, 2014

The Board of Directors
Shahjibazar Power Co. Ltd.
822/2 Rokeya Sarani, Mirpur,
Dhaka-1216

Subject: CEO and CFO's Declaration to the Board

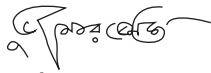
Dear Sirs,

Compliance with the condition no. 6 imposed by Bangladesh Securities & Exchange Commission's Notification No SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969.

We do hereby certify to the Board that:

1. We have reviewed financial statements for the year ended 30th June, 2014 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 together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
2. 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 Company's code of conduct.

Sincerely yours,



Bhulon Bhowmik
Chief Financial Officer



Feroz Alam
Managing Director

COMMITTEES

Audit Committee

Mr. Mohammad Liaquat Ali (Independent Director)
Mr. Anis Salahuddin Ahmad (Director)
Mr. A.K.M Badiul Alam (Director)
Mr. Yeasin Ahmed (Company Secretary)

-Chair
-Member
-Member
-Secretary

Purchase Committee

Mr. Rezakul Haider (Chairman)
Mr. Feroz Alam (Managing Director)
Mr. Engr. Md. Hafizur Rahman (Executive Director)
Mr. Bhulon Bhowmik (CFO)

-Chair
-Member
-Member
-Member

Operation & Maintenance Committee

Mr. Engr. Md. Hafizur Rahman (Executive Director)
Mr. Engr. Shariful Islam (General Manager)
Mr. Engr. Md. Tamiz Uddin (AGM)

-Chair
-Member
-Member





MAZUMDAR SIKDER AND ASSOCIATES

Cost & Management Accountants

CERTIFICATE ON CORPORATE GOVERNANCE COMPLIANCE

To The Members of Shahjibazar Power Co. Ltd. and its subsidiary

We have examined the compliance to the BSEC guidelines on Corporate Governance by **Shahjibazar Power Co. Ltd.** and its **subsidiary** for the year ended 30 June 2014. These guidelines relate to the Notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012 of Bangladesh Securities and Exchange Commission (BSEC) on Corporate Governance.

Such compliance to the codes of Corporate Governance 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 Corporate Governance.

In our opinion and to the best of our information and according to the explanations provided to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned guidelines is issued by BSEC with the exceptions of appointment of Independent Director to Board of Directors to its Subsidiary.

Place -Dhaka.
Date- January02, 2015

Mazumdar Sikder and Associates
Cost & Management Accountants

STATUS REPORT ON COMPLIANCE WITH THE CONDITIONS IMPOSED BY BSEC

(Report Under Condition No. 7.00)

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

Condition No.	Title	Compliance Status		Remarks (If any)
		Complied	Not Complied	
1.	Board of Directors:			
1.1	Board's Size: The number of the board members shall not be less than 5(Five) and more than 20 (Twenty)	✓		
1.2	Independent Directors:			
1.2(i)	One fifth(1/5) of the total number of directors	✓		
1.2(ii) a)	Does not hold any share or holds less than 1% shares of the total paid-up shares.	✓		
1.2(ii) b)	Not connected with any Sponsor/ Director/ Shareholder who hold 1% or more shares of the total paid -up shares on the basis of family relationship	✓		
1.2.(ii) c)	Does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies.	✓		
1.2(ii) d)	Not a member, director or officer of any stock exchange.	✓		
1.2 (ii) e)	Not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market.	✓		
1.2(ii) f)	Not a partner or an executive or was not a partner or an executive during the preceding 3(three) years Of any statutory audit firm.	✓		
1.2(ii) g)	Not be an independent director in more than 3 (three) listed companies.	✓		
1.2(ii) h)	Not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a NBFI.	✓		
1.2(ii) i)	Not been convicted for a criminal offence involving moral turpitude.	✓		
1.2(iii)	Nominated by the board of directors and approved by the shareholders in the AGM.	✓		
1.2(iv)	Not remain vacant for more than 90 (ninety) days.	✓		
1.2(v)	Board shall lay down a code of conduct of all Board members and annual compliance of the code to be Recorded.	✓		
1.2(vi)	Tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	✓		
1.3	Qualification of Independent Director (ID):			
1.3(i)	Knowledge of Independent Directors.	✓		
1.3(ii)	Background of Independent Directors.	✓		
1.3(iii)	Special cases for qualifications.			N/A
1.4	Individual Chairman of the Board and CEO.	✓		
1.5	The Directors' Report to Shareholders:			
1.5(i)	Industry outlook and possible future developments in the industry.	✓		
1.5(ii)	Segment-wise or product-wise performance.	✓		
1.5(iii)	Risks and concerns.	✓		
1.5(iv)	Discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	✓		
1.5(v)	Discussion on continuity of any Extra-ordinary gain or loss.	✓		
1.5(vi)	Basis for related party transactions.	✓		
1.5(vii)	Utilization of proceeds from public issues, rights issues and/or through any others.	✓		
1.5(viii)	Explanation of the financial results deteriorate after the			N/A

	company goes for IPO, RPO, Rights Offer, and Direct Listing.			
1.5(ix)	Explanation about significant variance occurs between Quarterly Financial performance and Annual Financial Statements.	✓		
1.5(x)	Remuneration to directors including independent directors.	✓		
1.5(xi)	Fairness of Financial Statement.	✓		
1.5(xii)	Maintenance of proper books of accounts.	✓		
1.5(xiii)	Adoption of appropriate accounting policies and estimates.	✓		
1.5(xiv)	Followed IAS, BAS, IFRS and BFRS in preparation of financial statements.	✓		
1.5(xv)	Soundness of internal control system.	✓		
1.5(xvi)	Ability to continue as a going concern.	✓		
1.5(xvii)	Significant deviations from the last year's.	✓		
1.5(xviii)	Key operating and financial data of at least preceding 5 (five) year.	✓		
1.5(xix)	Reasons for not declared dividend.			N/A
1.5(xx)	Number of board meetings held during the year and attendance.	✓		
1.5(xxi)	Pattern of shareholding:			
1.5(xxi)a)	Parent/Subsidiary/Associated Companies and other related parties.	✓		
1.5(xxi)b)	Directors, CEO, CS, CFO, HIA and their spouses and minor children.	✓		
1.5(xxi)c)	Executives.	✓		
1.5(xxi)d)	10% or more voting interest.	✓		
1.5(xxii)	Appointment/re-appointment of director:			
1.5(xxii)a)	Resume of the director	✓		
1.5(xxii)b)	Expertise in specific functional areas.	✓		
1.5(xxii)c)	Holding of directorship and membership of committees of the board other than this company.	✓		
2.	CFO, Head of Internal Audit (HIA) and CS:			
2.1	Appointment of CFO, HIA and CS and defining their responsibilities.	✓		
2.2	Attendance of CFO and CS at the meeting of the Board of Directors.	✓		
3.	Audit Committee:			
3(i)	Constitution of Audit Committee	✓		
3(ii)	Assistance of the Audit Committee to Board of Directors.	✓		
3(iii)	Responsibility of the Audit Committee.	✓		
3.1	Constitution of the Audit Committee:			
3.1(i)	At least 3 (three) members.	✓		
3.1(ii)	Appointment of members of the Audit Committee.	✓		
3.1(iii)	Qualification of Audit Committee members.	✓		
3.1(iv)	Vacancy in Audit Committee making the number lower than 3 to be filled up immediately and within one month			N/A
3.1(v)	Secretary of the Audit Committee.	✓		
3.1(vi)	Quorum of the Audit Committee.	✓		
3.2	Chairman of the Audit committee:			
3.2(i)	Board of Director shall select the Chairman.	✓		
3.2(ii)	Chairman of the audit committee shall remain present in the AGM.	✓		
3.3	Role of Audit Committee:			
3.3(i)	Oversee the financial reporting process.	✓		
3.3(ii)	Monitor choice of accounting policies and principles.	✓		
3.3(iii)	Monitor Internal Control Risk management process.	✓		
3.3(iv)	Oversee hiring and performance of external auditors.	✓		
3.3(v)	Review the annual financial statements before submission	✓		

	to the board for approval.			
3.3(vi)	Review the quarterly and half yearly financial statements before submission to the board for approval.	/		
3.3(vii)	Review the adequacy of internal audit function.	/		
3.3(viii)	Review statement of significant related party transactions.	/		
3.3(ix)	Review Management Letters/Letter of Internal Control weakness issued by statutory auditors.	/		
3.3(x)	Disclosure about the uses/applications of funds raised by IPO/RPO/Right issue.	/		
3.4	Reporting of the Audit Committee:			
3.4.1	Reporting to the Board of Directors.			
3.4.1(i)	Activities of Audit Committee.	/		
3.4.1(ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any			
3.4.1(ii)a	Conflicts of interests.			N/A
3.4.1(ii)b	Material defect in the internal control system.			N/A
3.4.1(ii)c	Infringement of laws, rules and regulations.			N/A
3.4.1(ii)d	Any other matter.			N/A
3.4.2	Reporting to the Authorities.			N/A
3.5	Reporting to the Shareholders and General Investors.	/		
4	Engagement of External/Statutory Auditors:			
4(i)	Non-engagement in appraisal or valuation services or Fairness opinions.	/		
4(ii)	Non-engagement in designing and implementing of Financial Information Systems.	/		
4(iii)	Non engagement in Book-keeping or accounting	/		
4(iv)	Non-engagement in Broker-Dealer services.	/		
4(v)	Non-engagement in Actuarial services	/		
4(vi)	Non engagement in Internal Audit services.	/		
4(vii)	Non-engagement in services that the audit committee determines	/		
4(viii)	Possessing no share by any partner or employee of the external audit firm during the tenure of their audit assignment of that company	/		
5	Subsidiary Company:			
5(i)	Composition of the Board of Directors.	/		
5(ii)	At least 1 (one) independent director to the subsidiary company.		/	Necessary Documents regarding appointment of Independent Director to the Board of Directors of the subsidiary has been submitted to RJSCF
5(iii)	Submission of Minutes to the holding company.	/		
5(iv)	Review of Minutes by the holding company.	/		
5(v)	Review of Financial Statement by the holding company.	/		
6	Duties of Chief Executive Officer and Chief Financial Officer:			
6(i)a)	Reviewed the materially untrue of the financial statement.	/		
6(i)b)	Reviewed about compliance of the accounting standard.	/		
6(ii)	Reviewed about fraudulent, illegal or violation of the company's code of conduct.	/		
7	Reporting and Compliance of Corporate Governance:			
7(i)	Obtain certificate about compliance of conditions of Corporate Governance Guidelines.	/		
7(ii)	Annexure attached in the directors' report.	/		


Feroz Alam
 Managing Director