

M.I. CEMENT FACTORY LTD.

As per Notification dated 20 February 2006, the Securities and Exchange Commission, the Directors state compliance with the condition as follows:

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/ Admin/02-08 dated 20 February 2006 issued under section 200 of the Securities and Exchange Ordinance, 1969:

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Explanation for non-Compliance with the condition
		Complied	Non Complied	
1.1	Board directors should not be less than 5(five) and more than 20(Twenty)	✓		
1.2(i)	1/10 th of the total Directors, minimum of one to be Independent Director	✓		
1.2(ii)	Elected Directors to appoint Independent Director	✓		
1.3	Chairman and Chief Executive Officer to preferably be different individual etc	✓		
1.4(a)	Financial statements present fairly the state of affairs etc	✓		
1.4(b)	Proper books of account maintained	✓		
1.4(c)	Appropriate accounting policies consistently applied	✓		
1.4(d)	International Accounting Standards followed	✓		
1.4(e)	The system of internal controls is sound in Design	✓		
1.4(f)	No significant doubts to continue as a going concern	✓		
1.4(g)	Significant deviations from last year in operating results	✓		
1.4(h)	Key operating and financial data for preceding three years	✓		
1.4(i)	Declaration of dividend	✓		
1.4(j)	Number of Board Meetings and attendance by Directors	✓		
1.4(k)	Pattern of shareholding	✓		
2.1	Appointment of CFO, Head of Internal Audit and Company Secretary	✓		
2.2	CFO and Company Secretary to attend Board Meetings	✓		
3.0	Audit Committee	✓		
3.1(i)	Audit Committee to have at least three members	✓		
3.1(ii)	Board to appoint Directors as members of Audit Committee with at least one Independent Director	✓		
3.1(iii)	Board to immediately fill up vacancy in Audit Committee	✓		
3.2(i)	Board to select one member of Audit Committee as Chairman	✓		
3.2(ii)	Chairman of the Audit Committee should have a professional qualification or experience	✓		
3.3.1(i)	Audit Committee report on its activities to the Board	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Explanation for non-Compliance with the condition
		Complied	Non-Complied	
3.3.1(ii)(a)	Report on conflicts of interests			No Such Incidence was occurred
3.3.1(ii)(b)	Suspected or presumed fraud or irregularity			
3.3.1(ii)(c)	Suspected infringement of laws			
3.3.1(ii)(d)	Any other matter which should be disclosed			
3.3.2	Report to the Authorities	✓		
3.4	Reporting to the shareholders and General Investors	✓		
4.00(i)	No appraisal or valuation services or fairness opinion by external / Statutory Auditors	✓		
4.00(ii)	No financial information system design and implementation by external / Statutory Auditors	✓		
4.00(iii)	No book keeping or other services related to the accounting records or financial statements by external / Statutory Auditors	✓		
4.00(iv)	No broker-dealer services by external / Statutory Auditors	✓		
4.00(v)	No actuarial services by external / Statutory Auditors	✓		
4.00(vi)	No internal audit services by external / Statutory Auditors	✓		
4.00(vii)	No other service, that the Audit Committee determines to be performed by external / Statutory Auditors	✓		

Dated: Dhaka
15 November 2012

On behalf of the Board



(Mohammed Jahangir Alam)
Chairman