



### **Mrs. Arzuda Karim**

Non-Executive Director

#### **Date of appointment as Director**

Mrs. Arzuda Karim joined the Board of Directors of the company in 1987.

#### **Educational Qualification(s)**

Mrs. Karim holds Master's degree in Social Science from University of Dhaka.

#### **Board Committee(s) served on**

Mrs. Karim is the member of the Audit Committee since 2008 and the Nomination and Remuneration Committee since 2018.

#### **Directorship(s) in other companies**

Mrs. Karim is the Chairman of Jafflong Tea Co. Limited and Integral Energy Limited and also holds the Directorship of Orion Pharma Limited, Kohinoor Chemical Co. (BD) Limited, Digital Power & Associates Limited, Dutch Bangla Power & Associates Limited, Orion Power Meghnaghat Limited, Orion Power Dhaka Limited, Orion Power Unit-2 Dhaka Limited, Orion Power Sonargaon Limited, Orion Infrastructure Limited, Orion Infrastructure Development Company Limited, City Centre, Orion Gas Limited, Orion Oil & Shipping Limited, Orion Renal & General Hospital, Orion Hospitals Limited, Orion Holdings Limited, Orion Footwear Limited, Noakhali Gold Foods Limited, Orion Agro Products Limited, Orion Vegetable Oil & Foods Limited, Orion Natural Care Limited, Orion Tea Company Limited, Orion Tourism & Entertainment Limited, ORION Quaderia Textiles Limited and Orion Consumer Products Limited.

#### **Responsibilities and achievement**

Mrs. Arzuda Karim has been one of the successful women entrepreneurs in Bangladesh over the years. She is the wife of Mr. Mohammad Obaidul Karim, Chairman of the company. Mrs. Karim has been associated with the company as well as with Orion Group since inception. She has vast working experience of more than 37 (thirty seven) years in diverse areas including production, commercial and administration. She leads several business units of Orion Group with her expertise in the areas of leadership, corporate management, organizational development, marketing and human resource management.

Mrs. Karim is one of those rare people who combine professionalism with warmth and humanity. Besides holding directorship in many companies, Mrs. Karim is actively involved in various religious and philanthropic activities in the fields of education, human resources and disaster relief. Mrs. Karim is also involved with the Orion Renal and General Hospital, which provides partly free medication to the underprivileged of the country.



### **Mrs. Zareen Karim**

Non-Executive Director

#### **Date of appointment as Director**

Mrs. Zareen Karim has been serving as the Director of the Board since 2000.

#### **Educational Qualification(s)**

Mrs. Zareen Karim holds an MBA in Marketing from North South University.

#### **Board Committee(s) served on**

Mrs. Zareen Karim is the member of the Audit Committee and the Nomination and Remuneration Committee since 2018.

#### **Directorship(s) in other companies**

Mrs. Zareen Karim sits on the Board of Orion Pharma Limited, Orion Holdings Limited and The Business Standard. She is also the Director of Star Associates Limited and Zeysha Fashionwear Limited.

#### **Responsibilities and achievement**

Mrs. Zareen Karim is one of the successful young entrepreneurs of the country and has been involved in different management roles in different business activities since her early career. She is the daughter of Mr. Mohammad Obaidul Karim, Chairman of the company. As 'Women Entrepreneur' she accepts challenging roles and has proven her worth beyond any doubt. She has expertise in the areas of strategic marketing, brand development across a wide variety of consumer products. She has a strong insights and research skills and a deep understanding of customer and consumer strategy.



### **Mr. Shafiqur Rahman**

Independent Director

#### **Date of appointment as Director**

Mr. Md. Shafiqur Rahman was appointed as an Independent Director of the company in 2018.

#### **Educational Qualification(s)**

Mr. Rahman holds Master's degree (M.Com) in Accounting from University of Dhaka.

#### **Board Committee(s) served on**

Mr. Rahman is the Chairman of the Audit Committee and the Nomination and Remuneration Committee since 2018.

#### **Directorship(s) in other companies**

Mr. Rahman does not hold any directorship of any other company except being the Independent Director of Orion Pharma Limited.

#### **Responsibilities and achievement**

Mr. Md. Shafiqur Rahman had an illustrious career in banking sector of Bangladesh for more than 40 (forty) years of experience with expertise in investment, trade finance, Branch in-Charge. Just before being appointed as the Independent Director of Orion Pharma Limited, Mr. Rahman was an Advisor in Bangladesh Finance and Investment Company Limited (BD Finance Ltd.) and before that he was the Managing Director and CEO of Social Islami Bank Limited. Mr. Rahman has undergone many national and international training sessions. He has acquired significant experience in banking sector while working at various positions and carrying out various assignments.



# Management Team



**Mr. Salman Obaidul Karim**  
Managing Director and  
Chief Executive Officer



**Mr. Md. Ferdous Jaman**  
Company Secretary



**Mr. Samaresh Banik**  
Chief Financial Officer



**Mr. Binoy Krishna Barai**  
Senior Vice President  
Plant



**Mr. Md. Abbas Ali Khan**  
Vice President  
Tax & VAT



**Mr. Md. Ashfaqul Alam**  
Vice President  
Corporate Affairs



**Mr. Md. Faisal R Ferdous**  
Vice President  
Human Resources



**Mr. Md. Harun-Or- Rashid**  
Assistant Vice President  
Sales

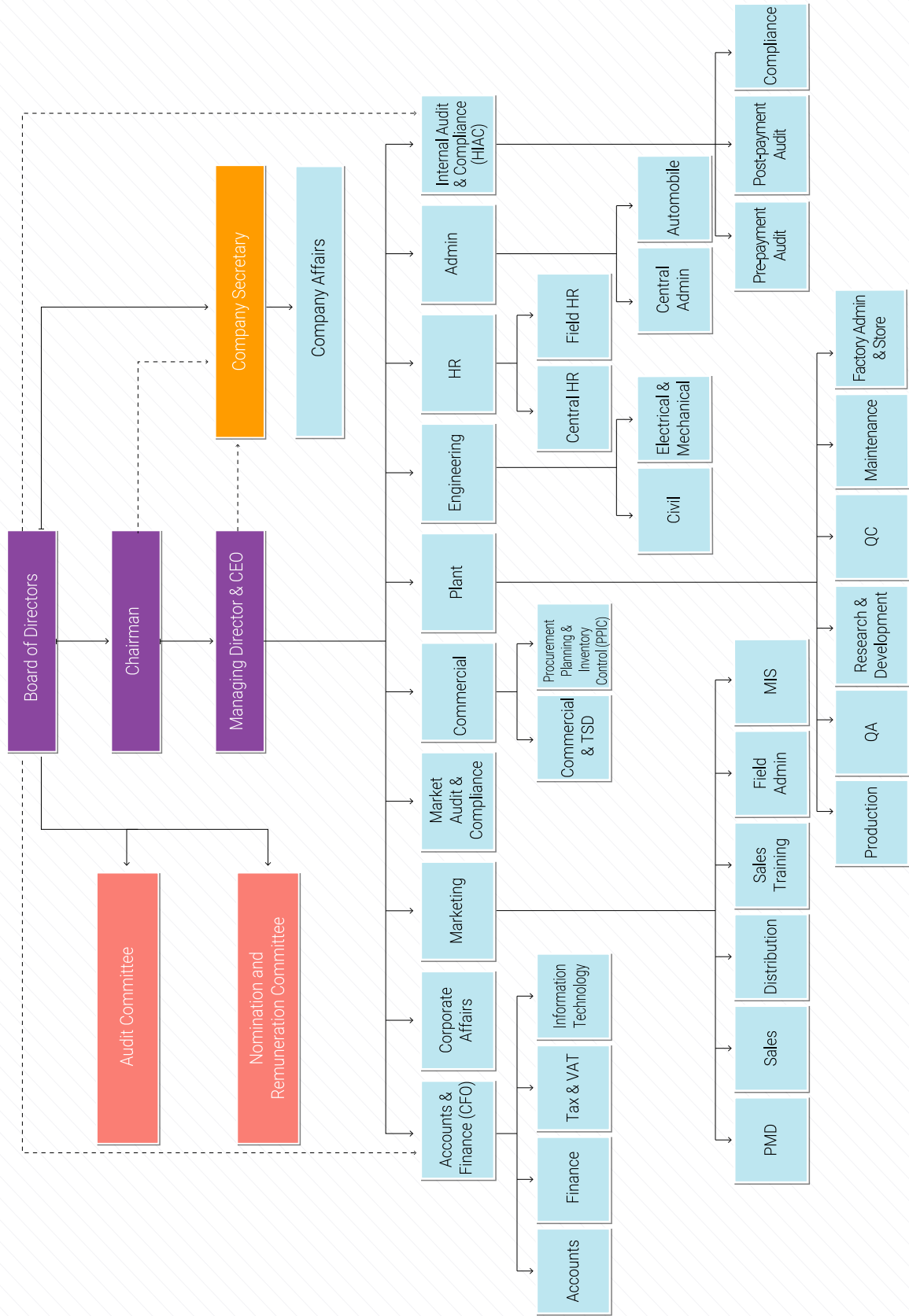


**Mr. Md. Abdus Salam**  
Assistant Vice President  
Internal Audit & Compliance



**Mr. Md. Forhad Hossain**  
Manager  
Administration

# Corporate Structure



# Corporate Governance Statement-2019

**Orion Infusion Limited (OIL)** is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability. OIL believes that raising the effectiveness of Corporate Governance is very important because simply creating systems and mechanisms is insufficient for increasing corporate value. In this regard, OIL has always strived to maintain the highest standards of corporate governance and business conduct so as to create and maintain sustainable shareholders' value, safeguard stakeholders' interest and maintain investors' trust and confidence. The Board of Directors of OIL and the management team realize the importance of corporate governance for a sustainable growth under good governance principles by conducting business with responsibility and enhancing confidence of all people and expectation of shareholders.

## Composition of the Board

The Board comprises of 5 (five) members including one Independent Director having diverse and professional expertise and experiences. Orion Infusion Limited believes that its Board has the optimum level of knowledge, composure and technical understanding about the company's business.

The composition of the Board of Directors of Orion Infusion Limited as on June 30, 2019, was as follows:

He is free from any business or other relationships with the company that might materially affect the exercise of his independent judgment. The Board believes his experience and knowledge will enable him to provide both effective and constructive contribution to the company. Mr. Md. Shafiqur Rahman fulfils the conditions specified in the Corporate Governance Code imposed by BSEC.

Sl.	Name	Status		
		Board of Directors	AC*	NRC*
1	Mr. Mohammad Obaidul Karim	Chairman	—	—
2	Mr. Salman Obaidul Karim	Managing Director	—	—
3	Mrs. Arzuda Karim	Director	Member	Member
4	Mrs. Zareen Karim	Director	Member	Member
5	Mr. Md. Shafiqur Rahman	Independent Director	Chairman	Chairman

\*AC- Audit Committee, NRC- Nomination and Remuneration Committee



The respective biographies of all members of the Board are set out on pages 16 to 20 of this Annual Report.

## Independent Director

The Board of Directors of Orion Infusion Limited appointed Mr. Md. Shafiqur Rahman as Independent Director of the company with the approval of the shareholders. He is a Non-Executive Director and a highly knowledgeable person.

Mr. Md. Shafiqur Rahman obtained his B.Com (Hon's) and M.Com degree from the University of Dhaka. He was the Managing Director and CEO of Social Islami Bank Limited. His experience spans over more than 4 (four) decade of illustrious career in the banking sector.

## Principal Responsibilities of the Board

The Board of Orion Infusion Limited establishes structures and processes to fulfil Board responsibilities that consider the interests of investors, regulators, management and employees among others. The Board directions are taken at its meetings held as per the Company's Memorandum and Articles of associations, the Companies Act, 1994 and guidelines and regulations imposed by various regulatory authorities.

**The major responsibilities of the Board are as follows:**

- Retention of full and effective control of the company;
- Formulation of strategic objectives, goals and direction to the company;

- Taking decisions concerning certain policies, budgets, financing plan and major capital expenditures of the company;
- Monitoring management in implementing plans and strategies, as approved by the Board;
- Appointment of the CEO and other Directors and top executives of the company;
- Identification and monitoring of key risk areas and key performance indicators of the business;
- Confirmation of the fact that the company complies with relevant laws, regulations and codes of business practice;
- Providing assurance that the company communicates with shareholders and relevant stakeholders openly and promptly;
- Monitoring of the company's integrated performance;
- Establishment of a formal and transparent procedure for appointment to the Board;
- Regularly review the report provided by the Audit Committee;
- Assessment of the performance of the Board, its committees and its individual members on a regular basis.

### Separation of Work for the Chairman and the Chief Executive Officer (CEO)

In compliance with the corporate governance code imposed by BSEC, the positions of the Chairman and the Managing Director of the company are filled by different individuals and there are clear defined roles and responsibilities for the Chairman and Managing Director of Orion Infusion Limited.

Mr. Mohammad Obaidul Karim was elected as the Chairman of the Board from among the non-executive Directors of the company. The Chairman leads the Board and is responsible for ensuring the effectiveness of the Board and its governance processes.

On the other hand Mr. Salman Obaidul karim, Managing Director of the company is accountable to the Board and its committee to run and manage the company in accordance with the prescribed policies, principles and strategies established by the Board as well as rules, regulations and guidelines from the regulatory authorities.

Both the Chairman and the Managing Director are collectively accountable for the leadership of the company and for exercising the highest standards of ethics, integrity and governance.

### The Directors' Report to Shareholders

The Directors' Report to Shareholders is prepared in compliance with the Corporate Governance Code imposed by Bangladesh Securities and Exchange Commission and is duly approved by the Board of Directors in its Board meeting held on October 24, 2019.



Directors' Report for the financial year ended June 30, 2019 is disclosed on page 44

### Meetings of the Board of Directors

As per the provision mentioned under Section 96 of the Companies Act-1994, a meeting of the Board of Directors shall be held at least once in every three months and at least four such meetings shall be held in every year. The Board of Directors of Orion Infusion Limited accordingly met eight (8) times during the financial year ended on June 30, 2019.

The Board met for both scheduled meetings and on other occasions to deal with urgent and important matters that require attention. The Company Secretary finalized the agenda for meetings in consultation with the Chairman and the same was circulated to the Board members well in advance to ensure meaningful participation in the meetings.

Along with the Board of Directors, the Company Secretary (CS), Chief Financial Officer (CFO) and the Head of Internal Audit and Compliance (HIAC) also attended the meetings.



Details of Directors' attendance at Board meetings and AGM during the financial year ended June 30, 2019 is disclosed on page 47

### Company Secretary

The Company Secretary, Mr. Md. Ferdous Jaman is responsible for ensuring effective collection, compilation and timely flow of information to and from the Board. He assists and guides the Chairman and Board of Directors and acts as the Disclosure Officer of the Company and monitors the compliance of the acts, rules, regulations, notifications, guidelines, orders/directives, etc. issued by BSEC or Stock Exchange(s) and other regulatory authorities' applicable to the conduct of the business activities of the Company so as to protect the interests of the investors and other stakeholders.

Mr. Md. Ferdous Jaman is still acting as the Company Secretary of Orion Pharma Limited and Kohinoor Chemical Company (Bangladesh) though he cannot hold any executive position in any other company at the same time according to the Corporate Governance Code issued by BSEC. However, the Board of Directors are very much aware of this issue and are still working to appoint a different suitable individual in the position of the Company Secretary as required by the code.

#### The key responsibilities of the Company Secretary include:

- Responsible to advice on the corporate governance and other rules and regulations imposed by different regulatory authorities including RJSC, DSE, CSE, BSEC;
- Most notably, the responsibility for developing and implementing processes to promote and sustain good corporate governance has fallen largely within the remit of the Company Secretary;
- Facilitates the distribution of information to the concerned office or person in a timely manner like agenda items for Board meetings, investor communications and any other corporate announcement including Price Sensitive Information which may have significant material impact on the performance of the company;

- Maintains the necessary link and liaison with the internal organs like Board, Management, different divisions and department and also with the external agencies; and
- Performs company secretarial and legal matters-compliance with Companies Act and Memorandum & Articles of Association; arranging and holding the Board meeting, annual general meeting, extra ordinary meeting as well as taking correct record of proceedings; maintaining statutory books.

### Chief Financial Officer

The Chief Financial Officer of the company, Mr. Samaresh Banik is one of the key members of management team and has been serving as a credible, knowledgeable and trusted resource to the CEO. The CFO together with the MD reviews and certifies the financial statements of the company and place before the Board.

In Compliance with the new Corporate Governance Code, Mr. Banik cannot hold any executive position in any other company at the same time. As of now, Mr. Banik is also acting as the Chief Financial Officer of Orion Pharma Limited because these two companies including OIL are operating under the banner of Orion Group. However, the Board of Directors is still working to appoint a different suitable individual in the position of the Chief Financial Officer as required by the code.

#### Major duties and responsibilities of the CFO are as follows:

- Responsible for directing the financial functions of the company in accordance with the applicable rules and regulation;
- Works with management team on the strategic vision of the organization including cultivating and fostering strategic relationships and potential alliances;
- Responsible for oversight of financial internal controls and coordination of all financial audits;
- Collaborates with the CEO and other senior leaders on operational and strategic issues as they arise; provide strategic recommendations based on financial analysis and projections, and revenue/expense analysis;
- Oversees all financial transactions, including billing, finance, accounting and reporting; and prepares and communicates monthly, quarterly, half yearly and annual financial statements;
- Develops the budget or financial forecasting for upcoming year considering the long-term budgetary planning and cost management in alignment with the strategic plan; and
- Develops and promotes a framework to drive financial acumen and accountability across the organization.

### Head of Internal Audit and Compliance

Mr. Md. Abdus Salam, the Head of Internal Audit & Compliance is an extremely self-driven who strives to be a diligent

professional through team work and relationships with the colleagues. He is responsible for performing the full audit cycle including determining internal audit scope and developing annual plans, risk management and control management over operations' effectiveness, financial reliability and compliance with all applicable directives and regulations.

#### Major duties and responsibilities of the HIAC are as follows:

- Responsible for evaluating the adequacy of the system of internal controls and recommending improvements in controls;
- Assesses compliance with policies and procedures and sound business practices;
- Assesses compliance with the laws, rules, regulations, guidelines etc;
- Reviews operations/programs to ascertain whether results are consistent with established objectives and whether the operations/programs are being carried out as planned;
- Reviews and appraises the soundness, effectiveness, and proper application of accounting process and assess the adequacy and extent of programs designed to safeguard organization assets; and
- Issues reports to the Audit Committee regarding planning of adequate internal control and financial reporting.

### Board of Directors' Committee

To assist the Board and for ensuring good governance in the company, the Board of Orion Infusion Limited has established the following sub-committees:

- i) Audit Committee
- ii) Nomination and Remuneration Committee

The role of Board of Directors' committees is to review and appraise in the respective areas and then to advise and make recommendations to the Board.

#### Board's Sub-committee: Audit Committee

The Audit Committee assists the Board in discharging its supervisory responsibilities with respect to internal control, financial reporting, risk management, auditing matters and monitoring compliance with applicable legal & regulatory requirements.

The Audit Committee is constituted according to the conditions of the Corporate Governance Code imposed by BSEC. The Committee comprises of 2 (two) Non-Executive Directors Mrs. Arzuda Karim and Mrs. Zareen Karim with a minimum requirement of 1 (one) Non-Executive Independent Director Mr. Md. Shafiqur Rahman. Mr. Md. Shafiqur Rahman was duly appointed by the Board as the Chairman of the committee. The Company Secretary Mr. Md. Ferdous Jaman acts as the Secretary to the committee.



All members of the Audit Committee are 'financially literate' as per regulatory requirement and are able to analyze and interpret financial statements to effectively discharge their duties and responsibilities as members of the committee.



Details of the Audit Committee are disclosed on page 28

### Board's Sub-committee: Nomination and Remuneration Committee

The Nomination and Remuneration Committee supports the Board in formulating the nomination criteria or policy for identifying and recommending the qualified candidates to become members of Board and key managerial personnel as well as sets policy for formal process of considering remuneration of the directors, key managerial personnel and other employees of the company.

The Nomination and Remuneration Committee consists of 2 (two) Non-Executive Directors Mrs. Arzuda Karim and Mrs. Zareen Karim with a minimum requirement of 1 (one) Non-Executive Independent Director Mr. Md. Shafiqur Rahman. Mr. Md. Shafiqur Rahman is the Chairman of the committee, duly appointed by the Board. The Company Secretary Mr. Md. Ferdous Jaman acts as the Secretary to the committee.



Details of the Nomination and Remuneration Committee are disclosed on page 31

### Management Team

The Management Team of Orion Infusion Limited comprises of visionary, experienced, and passionate members. The team is responsible for the strategic direction and operations of the company focused on serving and delivering results for the shareholders and customers.

The Management Team comprises of the following members:

1. Mr. Salman Obaidul Karim	Managing Director and CEO
2. Mr. Md. Ferdous Jaman	Company Secretary
3. Mr. Samaresh Banik	Chief Financial Officer
4. Mr. Binoy Krishna Barai	SVP - Plant
5. Mr. Md. Abbas Ali Khan	VP - Tax & VAT
6. Mr. Md. Ashfaquul Alam	VP - Corporate Affairs
7. Mr. Md. Faisal R Ferdous	VP - Human Resources
8. Mr. Md. Harun-Or-Rashid	AVP - Sales
9. Mr. Md. Abdus Salam	AVP - Internal Audit & Compliance
10. Mr. Md. Forhad Hossain	Manager - Administration

The Management Team is in full control of the company's affairs and is also accountable to the Board of Directors. It builds the confidence of the Board by ensuring that all the activities carried out by them are consistent with high ethical standards.

### Independence of Board of Directors

At Orion Infusion Limited, the Board of Directors is independent of management and has no association that can interfere with their judgment or scope of work. The Nomination and Remuneration Committee (NRC) has been assigned to assist the Board to review the independence of the Directors as well as the sub-committee members. The Independent Director has submitted a signed and dated declaration to demonstrate his independence to the Board of Directors. The Board of OIL determines and declared at the end of the year that all of its members along with those of its sub-committees are independent.

### Induction of Directors

The Board of OIL ensures that Directors are continuously being developed to acquire or enhance the requisite knowledge and skills to discharge their duties effectively.

The new Directors including the Independent Director appointed to the Board attend a formal induction programme to familiarize themselves with the company's strategy, understanding of the line of business and corporate functions etc., so that they can perform their roles in an efficient manner within the shortest practicable time. The programme is conducted by the Company Secretary and Chief Executive Officer when they join the Board.

### Evaluation of the Board's Performance

The Board members of OIL always take decisions for the benefit of the company as well as for the stakeholders including the shareholders and always perform their duties accordingly. However, at Orion Infusion Limited, an annual evaluation of the performance of the Board, Board members as well as the committees is carried out as the Directors believe that this assessment measures how the Board, Board members and its committees have performed on the parameters of strategic direction, management control and support. The responsibility of evaluation of the Board, Board members and its Committees is conducted under the stewardship of Nomination and Remuneration Committee.

### Code of Conduct for Directors and Chief Executive Officer

All the Directors are required to abide by and conduct their fiduciary responsibilities towards the company as well as towards the shareholders in accordance with the code of conduct set for them as per the guidelines of corporate governance code of BSEC. The Chief Executive Officer also adheres to the code of conduct while performing his/ her duties with care, skill and diligence.

## Succession Planning

At Orion Infusion Limited, the Board of Directors through its Nomination and Remuneration Committee is responsible for overseeing the succession planning. The management team is particularly assigned to assist the Board and the committee with senior leadership succession planning as and when necessary. The company always plans ahead the succession keeping factors such as skills and knowledge, diversity, professional background, expertise etc. into consideration.

## External or Statutory Auditors

**FAMES & R**, Chartered Accountants, was appointed as the Statutory Auditors of the company in the last Annual General Meeting. They have conducted the systematic examination of the books of accounts and records of the company and ascertain, verify and report based on the facts in connection with the financial operation and the results of the company. In order to comply with the Corporate Governance Code imposed by BSEC, the company did not involve its statutory auditors to perform the services other than statutory services specified as appointed for.

## Company Website

To keep all the stakeholders informed about the Company's key performance indicators as well as other relevant financial and non-financial data, Orion Infusion Limited maintains an official website and the website address is [www.orioninfusion.com](http://www.orioninfusion.com). All shareholders have access to the annual report, share related information, PSI, Quarterly, Half-yearly and the annual financial statements of the company thorough the Company's website.

## Reporting and Compliance of Corporate Governance

In order to make sure the integrity of the corporate governance with accountability for inspiring the confidence of investors, regulators and other stakeholders, Orion Infusion limited is committed to comply with the requirements of the Corporate Governance Code issued by BSEC. In this connection, **ARTISAN**, Chartered Accountants, was appointed by the shareholders in the last AGM as the Compliance Auditors of the company and their report regarding compliance of conditions of Corporate Governance Code of the BSEC has been published in details to "Annexure to the Directors' Report".

## Investor Relation

Orion Infusion Limited always pays great importance to its investors community. The Company always tries to keep informed the investors about the Company's financial results, regulatory landscape, growth opportunities and strategic ambitions while objectively sharing the associated risk to bridge the gap between the Company and investors.

## Communication with Shareholders and Stakeholders

To ensure good corporate governance and build trustworthy relationship with all stakeholders including the owners of the Company—the Shareholders, Orion Infusion Limited always keep informed the shareholders of all major developments that impact

the business of the Company. The company believes in promoting effective and transparent communication with all stakeholders, ensuring consistency and clarity of disclosure at all times.

Moreover, all information provided to BSEC and stock exchanges are also immediately made available to the Shareholders and the market through newspapers and the website of the company.

## Redressal of Investors' Complaints

Shareholders of Orion Infusion Limited can communicate with the share department of the organization directly or address their queries/ complaint by the following ways:

- The company has a designated e-mail ID [orion.share@orion-group.net](mailto:orion.share@orion-group.net) on which investor/s can lodge their grievance/complaint. The designated person in the share department monitors the said e-mail ID on a daily basis to check whether any new complaint has been lodged.
- Orion Infusion Limited has also designated telephone number i.e. +88-02-8870133 (Ex. 160 and 161) of share department for receiving verbal complaints and grievances of the investors.
- An investor may make a written complaint through fax of the company on +88-02-8870147.
- An investor can make a written complaint through a letter also which shall be submitted to the following address:

### Share Department

Orion Infusion Limited  
153-154, Tejgaon Industrial Area  
Dhaka – 1208

The Company Secretary monitors regularly the status of pending complaints along with the settlement status. OIL believes that poor communication with shareholders can lead to losing their trust and confidence from the business. Hence, Orion Infusion Limited leaves no stones unturned in order to establish a strong and regular flow of information and communicate the results that create value for the shareholders.

## Annual General Meeting

To report on the activities of the company to the shareholders, Orion Infusion Limited holds Annual General Meeting at the end of every financial year as per law with adequate notice. Shareholders are welcome to attend the Company's interactive and informative Annual General Meetings at which they have the opportunity to ask questions. The Chairman and other members of the Board answer the questions of the shareholders and note the views and suggestions offered at the AGM with utmost seriousness. Orion Infusion Limited gives a lot of importance to the participation of shareholders in the AGMs and also try to ensure their presence in these meetings to notify them about how their company is performing.

The company aims to earn the trust of the shareholders by regularly engaging with them and facilitating a mutual understanding of respective objectives, by ensuring effective communication not only prior to the Annual General Meeting (AGM) but throughout the course of the year.

# Report on the Activities of Audit Committee

## Dear Shareholders,

It is a pleasure on the part of the Audit Committee to introduce this report, which the Committee hopes to be a useful insight into the work of the Audit Committee and the issues it considered during the year. The report takes into account of the Guidance on Audit Committees by the Bangladesh Securities & Exchange Commission's (BSEC) Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969 (XVII of 1969) under Condition No 5.

## Constitution of the Audit Committee

The Audit Committee of Orion Infusion Limited was formed as a sub-committee of Board as per the terms of reference approved by the Board in accordance with the notification of BSEC. The Audit Committee is delegated with the authority from the Board of Directors of the company to provide independent oversight of the company's financial reporting, effectiveness of the risk management and internal control system, related governance and compliance matters and the adequacy of the external and internal audits.

**The composition of the Audit Committee as on June 30, 2019, is set out below:**

Sl.	Members	Status with the committee	Status with the Board
1	Mr. Md. Shafiqur Rahman	Chairman	Independent Director
2	Mrs. Arzuda Karim	Member	Non-Executive Director
3	Mrs. Zareen Karim	Member	Non-Executive Director

Secretary to the Committee: Mr. Md. Ferdous Jaman, Company Secretary

Members of the Audit committee are independent and appointed by the Board of Directors of the company. All the members satisfied the requirements to serve as members of an audit committee as provided in the Corporate Governance Code imposed by BSEC and have adequate knowledge and experience.

The committee is Chaired by Mr. Md. Shafiqur Rahman (an Independent, Non-executive Director). The Board is confident that the leadership of Mr. Md. Shafiqur Rahman as chairman of the Audit Committee is in the best interests of the company, based on his extensive knowledge of the specific areas of responsibilities of that committee. Mr. Md. Shafiqur Rahman will attend the ensuing AGM to answer shareholder's questions on the Committee's activities.

The Company Secretary, Mr. Md. Ferdous Jaman, supports the Committee as its secretary as well which ensures compliance with the Corporate Governance Guidelines issued by the BSEC. The requirements regarding the Quorum of the Committee have also been fulfilled.

Regarding the expiration of terms of service or inability to hold the office till expiration period by any Committee members, there was no such situation arose during the year under review making the number of Committee members lower than 3 (three) persons.

## Meeting of the Audit Committee

The committee met 7 (seven) times during the financial year ended June 30, 2019 and attendance of the members at the meetings is noted below :

Members	Status	Meeting details	
		Held	Attended
Mr. Md. Shafiqur Rahman	Chairman	7	7
Mrs. Arzuda Karim	Member	7	7
Mrs. Zareen Karim	Member	7	7

## Scope of Work of the Audit Committee

The authorities, duties and responsibilities of Audit Committee, among others, include:

- Reviewing the quarterly, half yearly and annual financial statements of the Company and upon satisfaction of the review, recommend them to the Board for approval.

- Monitoring and reviewing the integrity of the financial reporting process ensuring compliance to the accounting policies and principles, internal control risk management process.
- Ensuring the adequacy of internal audit and compliance function and considering the major findings of the internal audit and compliance report.
- Reviewing Management Letter or Letter of Internal Control weakness issued by the statutory auditors on the effectiveness of the systems for internal financial control, financial reporting and risk management.
- Reviewing statement of significant related party transactions submitted by management.
- Recommending to the Board the appointment, re-appointment or removal of external auditors and overseeing their performance as well.
- Holding meeting with external auditors for review of the annual financial statements before submission to the Board for approval.
- Reviewing the management's discussion and analysis before disclosing in the annual report.
- Monitoring and overseeing the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit.

### Reporting of the Audit Committee:

The Audit Committee reports to the Board of Directors from time to time and is responsible to inform Board of Directors about its regular activities and about any material defects in internal control, conflict of interest and any other matters necessary to ensure the true and fair view of the financial statements. Apart from reporting to the Board, it also needs to report the Regulatory Authorities regarding any issue having material financial impact if the Board and the management have unreasonably ignored such issues without making any rectification. It reports to shareholders and other interested parties on annual basis by means of presenting a summary of its activities in the form of this report.

During the financial year ended June 30, 2019, the Audit Committee met to discharge its duties and responsibilities accordingly and forwarded its report to the Board of Directors. Board of Directors of Orion Infusion Limited was accepted and approved the same in its meeting held on October 24, 2019. Besides, no other issue arose in the financial year ended June 30, 2019, having significant material impact on Company's financial statements which needed to be disclosed to the Board or the Regulatory Authorities.



# Report from the Audit Committee

Dated: October 22, 2019

The Board of Directors  
Orion Infusion Limited  
153-154, Tejgaon Industrial Area  
Dhaka-1208

**Subject: Audit Committee Report for the financial year ended June 30, 2019.**

Dear Sirs,

In terms of the condition No.5.7 conferred by the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 issued by Bangladesh Securities and Exchange Commission under section 2CC of the Securities and Exchange Ordinance, 1969 (XVII of 1969), I, the undersigned Independent Director and Chairman of Audit Committee on behalf of the members of Audit Committee, do hereby declare that the committee, on a quarterly basis, reviewed the financial statements of the Company and statement of significant re-current related party transactions entered into by the Company throughout the year under report.

The committee reviewed the financial reporting process and the application of accounting policies and principles, reviewed effectiveness of both the external audit process and the internal audit function as part of the continuous improvement of financial reporting and risk management across the company.

The committee also monitored the hiring, determination of audit fees and performance of the external auditors as well as met with external auditors for review of the Quarterly and Annual Financial Statements before submitting to the Board.

Moreover, the committee did not find any material deviation, discrepancies or any adverse findings in the areas of reporting and disclosures and did not receive any findings of management through management letter or any weakness in internal control through letter issued by statutory auditors.

FAMES & R, Chartered Accountants, were appointed as the Statutory Auditors of the Company in the last Annual General Meeting. The Auditors will retire in the forthcoming Annual General Meeting. Meanwhile, the existing Auditors expressed their interest to carry on their office as the Statutory Auditors of the Company for the next financial year to be ended on June 30, 2020. Being eligible and experienced, the Audit Committee has recommended FAMES & R, Chartered Accountants, to be appointed as the Statutory Auditors of the Company for the financial year to be ended on June 30, 2020.

On behalf of the Audit Committee

Sd/-

**Md. Shafiqur Rahman**  
Chairman

# Report on the Activities of Nomination and Remuneration Committee

## Dear Shareholders,

It is a pleasure on the part of the Nomination and Remuneration Committee to introduce this report, which the Committee hopes to be a useful insight into the work of the Nomination and Remuneration Committee and the issues it considered during the year. The report takes into account of the Guidance on Nomination and Remuneration Committees by the Bangladesh Securities & Exchange Commission's (BSEC) Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969 (XVII of 1969) under Condition No 6.

## Constitution of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee of Orion Infusion Limited was formed as a sub-committee of Board as per the terms of reference approved by the Board in accordance with the notification of BSEC. The task of the committee is to assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of Directors and top level executives. The committee also support and assist the Board to formulate policy with regard to determining the remuneration criteria mainly for the Directors and top level executives.

The composition of the Nomination and Remuneration Committee as on June 30, 2019, is set out below:

Sl.	Members	Status with the committee	Status with the Board
1	Mr. Md. Shafiqur Rahman	Chairman	Independent Director
2	Mrs. Arzuda Karim	Member	Non-Executive Director
3	Mrs. Zareen Karim	Member	Non-Executive Director

Mr. Md. Shafiqur Rahman, the Independent Director of the company acts as Chair of the committee. The Board is confident enough that the leadership of Mr. Md. Shafiqur Rahman as Chairman of the NRC is in the best interests of the company, based on his extensive knowledge of the specific areas of responsibilities of that committee. Mr. Md. Shafiqur Rahman will attend the ensuing AGM to answer shareholder's questions on the committee's activities.

As per regulatory guidelines, the Company Secretary, Mr. Md. Ferdous Jaman acts as Secretary to the committee.

Members of the Nomination and Remuneration committee are appointed by the Board of Directors of the company. Regarding the death, resignation, disqualification or removal of any members or any other reasons by any committee members, there was no such situation during the year under review occurring vacancy in the committee.

The Nomination and Remuneration Committee, accordingly, performs in coherence and ensures compliance with the Corporate Governance Code imposed by Bangladesh Securities and Exchange Commission (BSEC).

## Meeting of the Nomination and Remuneration Committee

The committee met 2 (two) times during the financial year ended June 30, 2019 and attendance of the members at the meetings is noted below :

Members	Status	Meeting details	
		Held	Attended
Mr. Md. Shafiqur Rahman	Chairman	2	2
Mrs. Arzuda Karim	Member	2	2
Mrs. Zareen Karim	Member	2	2

## Scope of Work of Nomination and Remuneration Committee

- 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:
  - the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;

- the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - 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;
2. Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;
  3. 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/or removal to the Board;
  4. Formulating the criteria for evaluation of performance of independent directors and the Board;
  5. Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and
  6. Developing, recommending and reviewing annually the company's human resources and training policies.

## Nomination and Remuneration Policy

The committee formulated and recommended, to the Board for its approval, a nomination and remuneration policy as the guidelines to determine attributes and qualifications for appointment as well as appropriate pay package for the Board Members and top executives including the Key Managerial Personnel (KMP) and other senior executives of the company. Accordingly, the Board at its meeting held on April 06, 2019 has approved the same.

The remuneration and nomination policy consists of 3 (three) sections.

- The first section describes the matters to be dealt with, pursued and recommended to the Board by the committee;
- The second section is related to the determination of the criteria of nomination, appointment, performance evaluation and removal of Directors, KMP and Other Senior Executives; and
- The third section deals with the remuneration structure for Directors, KMP and Other Senior Executives.

The details of the Nomination and Remuneration Policy is also posted in our company's website: [www.orioninfusion.com](http://www.orioninfusion.com).

## Directors' Remuneration and Fees

All the Non-Executive Directors and the Independent Director have been remunerated by way of only Board and Committee meeting attendance fees during the reporting year. The Executive Director of Orion Infusion Limited did not receive any remuneration including any other facilities or perquisites from the company during the reporting year. The following table demonstrates the meeting attendance fees received by each Board and committee members for the financial year ended June 30, 2019:

Sl.	Name of the Directors	Status with the Board	Attendance fee	
			Board meeting	Committee meeting
1	Mr. Mohammad Obaidul Karim	Non-Executive Director	BDT 5,250	N/A
2	Mrs. Arzuda Karim	Non-Executive Director	BDT 5,250	BDT 5,250
3	Mrs. Zareen Karim	Non-Executive Director	BDT 4,500	BDT 5,250
4	Mr. Md. Shafiqur Rahman	Independent Director	BDT 6,000	BDT 5,250

## Activities of NRC during the Reporting Period

- Proposed to re-appoint Mr. Salman Obaidul Karim as the Managing Director of the company for the next 5 (five) years upon successfully completion his tenure by evaluating his strong business development skills, managing capability and eligibility as per applicable laws, rules and regulations with post facto effect, subject to the approval of the Shareholders in the forthcoming Annual General Meeting.
- Established successfully the Code of Conduct for the Board members and the CEO of the company which was duly approved by the Board of Directors of the company.
- Considered the Terms of Reference (ToR) of the Nomination and Remuneration Committee covering the areas stated at the condition no: 6(5)(b) of the Corporate Governance Code imposed by BSEC.

- Formulated NRC policy for the nomination and remuneration of Directors and the top level executives.
- Reviewed the fees of the Non-Executive Directors including Independent Director and the members of the sub-committees to attend the Board meeting and committee meeting. The committee also proposed to revise the attendance fees of the members from BDT 750.00 to BDT 10,000.00 for each Board and committee meeting to ensure the remuneration level of the members of the Board and sub-committees in line with market expectations.
- Proposed the name of the Board members for retirement by rotation and re-election (being eligible) with regard to the appointment, retirement and re-appointment of Directors governed by the Articles of Association, the Companies Act 1994 and other related rules and regulations.
- Evaluated the performance of the Board, its committees, individual members of the Board and the top level executives of the company.
- Prepared and recommend a Nomination and Remuneration Committee report to the Board of Directors for publishing in the Annual Report 2018-19 of the company.

Subsequently, the Board of Directors of Orion Infusion Limited was accepted and approved the Nomination and Remuneration Committee report for the financial year ended June 30, 2019 in its meeting held on October 24, 2019.

In conclusion, the Nomination and Remuneration Committee has fulfilled their duties as specified in the Corporate Governance Code imposed by BSEC, by employing their knowledge, ability with due care and independence as sufficient to provide the opinions and suggestions for the overall benefits of the company.

On behalf of the Nomination and Remuneration Committee

Sd/-

**Md. Shafiqur Rahman**  
Chairman



# Code of Conduct & Business Ethics

The purpose of our Code of Conduct and Business Ethics is to provide guidance to all of the employees (whether regular, contractual or casual) and partners of the Company on the conduct of our business according to the highest ethical standards. Moreover, the Code of Conduct for the Board members and the CEO has been duly approved by the Board of Directors and posted the same in the company's website.

## Our commitments to each other

### Mutual Respect

OIL respects everyone as individuals and treats them with dignity. By treating each other with respect, dignity, courtesy and fairness, OIL continues to succeed through effective teamwork and collaboration.

### Equal Opportunity

OIL provides equal opportunity in employment to all employees and applicants. Equal opportunity rights are applicable to recruitment, employment, and employment-related decisions including, but not limited to, hiring, firing, transfers, promotions, wage/salary adjustments, and/or bonuses.

### Families and Relatives

In our company employment is done on a basis of merit. Immediate family members of employees may be hired only if the appointment is based on qualifications, performance, skills and experience and provided that there is no direct or indirect reporting relationship between the employee and his or her relative. These principles of fair employment apply to all aspects of the employment, including compensation, promotions and transfers, even if the relationship develops after the respective employee has joined the company.

### Free Of Discrimination and Harassment

The company is committed to maintaining a workplace free of discrimination, harassment, intimidation or inappropriate conduct based on gender, race, color, religion, age, disability and/or any other category.

Therefore, the company does not tolerate any behavior, whether verbal or physical that creates an intimidating, offensive or hostile work environment, or that interferes with work performance. If employees experience or are aware of any conduct being violated

this section, they are encouraged to raise their concern through the human resources department immediately.

### Workplace Safety

OIL believes that workplace safety is of utmost importance in any organization as it benefits both the company and the employees. Human loss and suffering is immeasurable. Occupational injuries and illnesses can provoke major crises for the families in which they occur. In addition to major financial burdens, they can impose substantial time demand on rest of the family members. Safety transforms a company and the employees into a team of people with a common goal.

When a company prioritizes their employees first and implements proper safety training and education and then enforces it, several positive results happen. Our company has taken many initiatives to ensure safety such as safe equipment and a healthy working environment.

We have metal detectors to ensure no one is bringing guns, knives or any other dangerous weapons into the workplace. Also proper record is maintained whenever outsiders pay a visit to the company. Time and again, it has been established that companies that put safety first turn out higher quality products and our company is no exception to this thought.

### Prudent Conduct and Behavior

Behind every successful company there is role of employees and management who are responsible for their honesty, performance and discipline they have shown to the company for a considerable span of time. OIL believes in the same notion and gives high importance to these factors and keep motivating the employees to maintain prudent conduct and behavior in compliance with the ethical standards of behavior. In addition, HR continues to analyze how to boost the performances and incorporate more rules and regulations to keep the employees to act in a more disciplined manner and provide various incentives to retain the loyalty of the employees towards the company. Our HR department focuses on personnel development and therefore conducts regular trainings and monthly management meetings.

## Our commitments to our company and shareholders

### Conflict of Interest

A conflict of interest occurs when personal interests of an employee or the interests of a third party compete with the interests of the company. In such a situation, it can be difficult for the employee to act fully in the best interests of company. Employees over here avoid conflicts of interest whenever possible. If a situation that may involve or lead to a conflict of interest, the employees at OIL disclose it to the Line Manager and/or the divisional head to resolve the situation in a fair and transparent manner.

### Corporate Business Opportunities

Employees of OIL are prohibited from taking for themselves opportunities that are discovered through the use of company's property, information or position, using company's property, information or position for personal gain, and/or competing with the company. The extent that an employee learns of an investment opportunity because of their position with the company, they must not disadvantage fund or client accounts by personally taking advantage of the private business opportunity. In compliance with the ethical code of conduct management of OIL protects the company's assets and ensures they are used for legitimate business purposes instead of investing in private interests or activities

### Protection and Proper Use of Company Assets

Everyone at OIL is conscious and committed to ensure the efficient use of the company assets and always tries to protect these from misappropriation, loss and destruction.

We safeguard and make only proper and efficient use of our property and seek to protect property from loss, damage, misuse, theft, fraud, embezzlement and destruction. These obligations cover both tangible and intangible assets, including trademarks, know-how, confidential or proprietary information and information systems.

### Confidentiality

Confidential business information about our business strategies and operations is a valuable company asset. "Confidential business information" includes trade secrets, business, marketing and service plans, consumer insights, engineering and manufacturing ideas, product recipes, designs, databases, records, salary information and any non-published financial or other data. Also, our customers, suppliers and

others also may share their confidential and proprietary information with us. It is our duty to properly use and safeguard business information belonging to and shared with the company.

### Accuracy and Retention of Business Records and Documents

All business information including business and financial records of OIL are reported in a timely and accurate manner. Financial information of our company reflects actual transactions. Business documents and records include paper documents such as letters and printed reports.

They also include electronic documents such as e-mail and any other medium that contains information about our company and/or its business activities. We encourage all employees to use all of this information wisely and carefully to get the best value from it.

### Inside Information and Stock Trading

Employees of OIL who have access to confidential (or "inside") information are not permitted to use or share that information for stock trading purposes or for any other purpose except to conduct our business. All nonpublic information about the company or about companies with which we do business is considered inside information. Such information may include new marketing initiatives, sales and earnings results or projections, major contracts with customers or suppliers and/or potential acquisitions or mergers or other significant developments or any other information that a reasonable investor would consider important in deciding whether to buy, sell or hold securities. To use material nonpublic information in connection with buying or selling securities, or "tipping" others including friends and family who might make an investment decision on the basis of this information, is not only unethical, it is illegal. Our employees exercise the utmost care when handling material inside information.

### Intellectual Property

Intellectual property is considered to be reserved with utmost sincerity. OIL has full respect for the intellectual property because it plays a significant role in promoting a creative and competitive environment OIL's innovation is identified through its intellectual property thus the company is responsible to protect its intellectual property by exercising proper code of ethics. Keeping company related information, trade mechanisms, production techniques, technological development confidential and using the public domain like newspaper or websites as source for gathering general information. OIL ensures to protect its intellectual property by maintaining confidentiality, not allowing any data which is