

# AUDIT COMMITTEE REPORT

The Audit Committee of Grameenphone, being one of its prime Board sub-committees, assists the Board in discharging its governance responsibilities. A brief of the Audit Committee and its roles, responsibilities and functions are as under:

## Composition and Meetings

The Audit Committee of Grameenphone comprises of two (2) Non-Executive Directors and one (1) Independent Director. All members possess adequate qualifications as determined in the Corporate Governance Code promulgated by the Bangladesh Securities and Exchange Commission (BSEC). The Committee includes:

1. Dr. Salehuddin Ahmed, Chair [effective from 12 December 2018]
2. Mr. M Shahjahan, Member
3. Mr. Oivind Burdal, Member [effective from 30 January 2018]

The Independent Director, Dr. Salehuddin Ahmed acts as Chair of the Committee. As per the regulatory guidelines, the Company Secretary, Mr. S M Imdadul Haque acts as Secretary to the Committee. The Audit Committee, accordingly, performs in coherence and ensures compliance with the Corporate Governance Code promulgated by the BSEC.

A total of nine (9) meetings were held during 2018. Mr. Md. Ashraf Hassan (Managing Director, Grameen Telecom) attended the meetings as a special invitee. A record of the Members' attendance at the Audit Committee meetings during 2018 is set out on page 44 of this Annual Report. Permanent invitees to the meetings were the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), the Head of Internal Audit and the Company Secretary. Relevant heads of divisions and other members of the Management and the internal audit team also attended the meetings on occasions, as required.

## Major Responsibilities of the Audit Committee

The purpose, authority, composition, duties and responsibilities of the Audit Committee are delineated in its Charter. Some of the major responsibilities of the Audit Committee are as follows:

- Review the annual, half-yearly and quarterly Financial Statements and other financial results, and upon its satisfaction of the review, recommend the same to the Board for approval.
- Review the adequacy and effectiveness of financial reporting process, internal control system, risk management, auditing matters, and the Company's processes for monitoring compliance with laws and regulations and the Code of Conduct.
- Recommend appointment, termination and determination of audit fees for statutory auditors. Consider the scope of work, and oversee and evaluate the works performed by statutory auditors. Review permitted non-audit services performed by statutory auditors.
- Exercise its oversight of the work of Grameenphone Internal Audit. Review the effectiveness of internal audit functions including performance, structure, adequacy of resources, and compliance with professional standards. Examine audit findings and material weaknesses and monitor implementation of audit action plans.
- Exercise its oversight of the work of Grameenphone Ethics & Compliance. Review the Compliance Plan.

## Major Activities of the Audit Committee during the reporting period

- Reviewed and recommended the quarterly and annual Financial Statements for the year ended 31 December 2018.
- Approved the Internal Audit Plan 2018 and its subsequent revision and monitored the progress.
- Discussed Internal Audit reports and findings and guided completion of annual audit plan.
- Monitored the status of implementation of audit action plans and provided guidance to ensure timely completion of action plans.
- Reviewed and recommended related party transactions for foreign remittance.
- Reviewed compliance of Code of Conduct of the Company.
- Reviewed Management Letter issued by the External Auditors in their presence.
- Considered and made recommendation to the Board on the appointment and remuneration of statutory auditors, A Qasem & Co, Chartered Accountants.
- Reviewed and received report on the matters as per requirement from the Bangladesh Securities and Exchange Commission (BSEC).
- Reviewed other matters and incidents of significance as per Audit Committee Charter.

For and on behalf of the Board Audit Committee of Grameenphone Ltd.



**Dr. Salehuddin Ahmed**  
Chair  
Audit Committee

27 January 2019