Internship Report on

Financial and Regulatory Compliance of Ispahani Agro Limited

Submitted To

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Letter of Transmittal

Date: July 9, 2024

To,
Dr. Nurul Mohammad Zayed
Associate Professor, Department of Business Administration
Faculty of Business & Entrepreneurship
Daffodil International University

Subject: Submission of Internship Report on "Financial & Regulatory Compliance of Ispahani Agro Limited "

Dear Sir,

With all due respect, I would like to inform you that I have finished writing my internship report on Ispahani Agro Limited's financial and regulatory compliance. I am really excited to be able to present the report to you. I worked quite hard to complete the paper. I find dealing with these problems to be an amazing experience. Despite the time constraints and resource limitations, I made an effort to produce an exceptional and thorough report. Working on the internship report under your supervision is a pleasure for me. I've done my best to add more context to this report.

I would be happy to provide any extra explanations you might require. With any luck, this report will meet your standards. I appreciate your thoughtful oversight.

Sincerely Yours,

Nusrat Jahan Nova
ID: 203-11-6602
Major in Finance
Program: BBA, Batch: 57
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Letter of Acceptance

This is to confirm that Nusrat Jahan Nova, ID: 203-11-6602, a Daffodil International University BBA student, completed the internship report under my supervision. She finished her internship with Ispahani Agro Limited and prepared a report titled "**Financial and Regulatory Compliance of Ispahani Agro Limited**" in order to satisfy a prerequisite for her bachelor's degree. She is now able to turn in the report.

Nusrat Jahan Nova is an exceptionally responsible individual with notable personal strengths. It has undoubtedly been a pleasure working with her. I hope she succeeds in everything she does in life.

Dr. Nurul Mohammad Zayed
Associate Professor
Department of Business Administration
Faculty of Business & Entrepreneurship
Daffodil International University

Declaration of the Student

I declare that the internship report I turned in, entitled "Financial and Regulatory Compliance of Ispahani Agro Limited," was all my own work and hadn't been turned in for credit to any other college, university, or organization before. I attest that this report satisfies the requirements for the Daffodil International University Bachelor of Business Administration (BBA) degree, at least in part.

I have prepared this report after completing internship at Ispahani Agro, 7th Floor, Ispahani Building, 14 - 15 Motijheel C/A, Dhaka 1000, under the supervision of Dr. Nurul Mohammad Zayed, Associate Professor, Department of Business Administration, Faculty of Business & Entrepreneurship, Daffodil International University.

And Mohammad Imran ACCA (Deputy Manager - Accounts and Finance) , Md. Saimum Arefeen (Assistant Manager - Accounts and Finance), Sakhawat Hossain (Senior Executive - Human Resources), Sharmin Sultana Jyoti (Deputy Executive - Accounts and Finance),The work I have introduced does not violate the rights on any existing copyright. I furthermore agree to compensate for any harm caused by a breach of the preceding commitments.

Nusrat Jahan Nova
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Executive Summary

Ispahani Agro Limited, a prominent player in Bangladesh's agriculture sector, is part of the well-known Ispahani Group. It has four wings: Ispahani Seeds, Ispahani Biotech, Ispahani Crop Health, and Ispahani Agro Processing, all of which are focused on productivity and sustainability. This research investigates Ispahani Agro Limited's history, departmental duties, and their implications for product development and financial transactions.

The primary goal of this report is to provide an in-depth examination of the company's operations using my professional knowledge and insights gained from past annual reports. During my internship, I obtained substantial knowledge of financial and regulatory compliance, which helped me meet my superiors' expectations and grasp the complicated workings of Ispahani Agro Limited.

This report, based on my three-month internship, offers excellent insights into the real-world corporate climate of the agricultural industry. It addresses critical components of financial performance, supplier compliance, Ta/Da compliance, document management, and ratio analysis.Through this comprehensive study, I hope to highlight Ispahani Agro Limited's strengths and growth potential while also providing a detailed perspective on its contributions to Bangladesh's agricultural industry.

Acknowledgement

At the outset, my profound gratitude goes to the Almighty Creator for bestowing upon me the strength, confidence, and proficiency to complete my internship programme and internship report on time despite several obstacles. It gives me great pleasure to convey my gratitude to a huge number of people for their helpful assistance and motivation in preparing my internship report.

At this point, I'd want to express my heartfelt gratitude to those whose support and guidance were critical to the completion of this study. I express my best wishes to Dr. Nurul Mohammad Zayed, Associate Professor, Department of Business Administration, Faculty of Business & Entrepreneurship, Daffodil International University. It gives me great joy to have gotten his courteous directions, guidance, supervision, and ideas, all of which helped me complete my report.

I am grateful to " Mohammad Imran ACCA (Deputy Manager - Accounts and Finance) , Md. Saimum Arefeen (Assistant Manager - Accounts and Finance), Sakhawat Hossain (Senior Executive - Human Resources), Sharmin Sultana Jyoti (Deputy Executive - Accounts and Finance), Md. Atoar (Executive - Digital Marketing), and Md. Biplob Khan (Inventory Officer - Accounts & Finance)" of Ispahani Agro Limited for their counseling and for providing me with a comprehensive knowledge of teamwork.

Last but not least, I want to express my heartfelt gratitude to all of the members of Ispahani Agro Limited who helped me and made my work experience wonderful. I'd like to offer my deepest respect and gratitude to my family and friends. Their love, inspiration, and support have been incredible. This paper required several days of hard labor, and I am grateful to everyone who contributed significantly to its completion. Without their aid, this report would not have been completed successfully or on time.

Table of Content

Chapter-1:

Introduction

1.1 Introduction of IAL:

Four important divisions of Ispahani Agro Limited (IAL), a subsidiary of M. M. Ispahani LTD, have been steadily growing the company's agro-business: "Ispahani Seeds," "Ispahani Biotech," "Ispahani Crop Health," and "Ispahani Agro Processing." Since its founding in 2007, IAL has provided agricultural inputs with a comprehensive approach, guaranteeing a consistent supply of nutritious food. IAL was founded with the goal of "Committed to Developing a Safe and Nutrient-Enriched Food-Secure Bangladesh" and set out to provide high-quality agricultural solutions in this context. Ispahani Agro Limited is committed to providing farmers with environmentally conscious agro-inputs within the context of "One-Stop Agriculture," hence promoting secure food cultivation. At the same time, they are dedicated to building a sustainable supply chain and providing infrastructure support for agro-processing. Their main goal is to ensure the smooth

1.2 Origin of the study:

To graduate from the Business Administration Department, a student must fulfill a basic requirement of participating in an internship programme. Ispahani Agro Limited was my internship location. This report draws from theoretical research, my practical experience with day-to-day organizational tasks, and advice from my formal supervisor at Ispahani Agro Limited as well as my internal academic support system. I learned a lot about the agribusiness industry, witnessed the business's operations, and comprehended the strategic objectives that propel its success thanks to this internship.

1.3 Objectives of the study:

General Objective:

The general objective of this report is to examine the financial & regulatory compliance of Ispahani Agro Ltd.

Specific Objectives:

1. To show the breakdown of the components of the financial and regulatory compliance of Ispahani Agro Ltd.
2. To derive few findings and to suggest recommendations accordingly.

1.4 Scope of the study: The operational dynamics of Ispahani Agro Limited are examined in this study, with a particular emphasis on its major divisions—supply chain, market development, product development, and accounts and finance. It looks at the four primary wings of the company's strategic efforts and assesses how well they work to accomplish business goals. In addition, the study evaluates how well the business complies with financial and legal requirements, emphasizing the procedures put in place to make sure of it. It also offers insights into the product line, distribution network, and how technology might improve operational effectiveness.

1.5. Methodology of the study: Through practical experience, I gained a fundamental understanding of financial and regulatory compliance during my six-month internship. In order to comprehend the wider influence on the business, I conferred with my supervisor after identifying the organization's primary compliance areas. With the help of my supervisor, I was able to collect internal papers like audit results and compliance reports. To obtain firsthand knowledge, I spoke with department heads and compliance officers, among other important persons. I also looked into external regulations to put internal procedures into context. Both qualitative and quantitative techniques were used to analyze the data that had been gathered, and the results were assembled to show how compliance affected the organization and to offer suggestions for improvement.

1.6 Secondary Data Collection: The Ispahani Agro Limited website provided comprehensive company information, and internal company documents such annual reports, compliance reports, and marketing materials were among the many sources from which secondary data for this study was acquired. Google was also a useful tool for finding pertinent articles and industry studies. These resources provide a thorough understanding of the business's operations, goods, and compliance procedures.

1.7 Limitations of the Study: The internship's short duration limits the study and makes it less likely to identify long-term patterns and advancements. Access to certain financial information and some private company documents was prohibited. Furthermore, the results are based on the activities of a particular company, thus they might not apply to the whole agro-business industry.

Chapter 2:

Organizational Overview

2.1 Historical Background:

The four divisions that comprise Ispahani Agro Limited (IAL), a subsidiary of M. M. Ispahani LTD, are "Ispahani Seeds," "Ispahani Biotech," "Ispahani Crop Health," and "Ispahani Agro Processing." IAL was founded in 2007 with the mission of "Committed for Developing Safe and Nutrient Enriched Food Secured Bangladesh," with an emphasis on providing high-quality agricultural solutions. Founded in 1820, M. M. Ispahani Limited is certified to ISO 9001 and has key hubs in Khulna, Dhaka, and Chittagong. With over 10,000 employees across industries like tea, foods, and shipping, the company is firmly committed to upholding its excellent reputation. IAL ensures that customers have access to safe and wholesome while also supporting environmentally aware farming and providing infrastructure for agro processing.

2.2 Corporate Information:

2.2.1. Ispahani Agro Limited:

Ispahani Agro Limited is an agro management company that deals with sustainable agro inputs – seeds, bio-pesticides, and bio-based lures for safe food production in Bangladesh.

2.2.2. Wings:

- Ispahani Seeds
- Ispahani Biotech
- Ispahani Crop Health
- Ispahani Agro Processing

2.2.3. Product:

Seed List:

- Hybrid Seeds
- OP Seeds
- Hybrid Rice
- Hybrid Maize
- Cotton Seeds

Biotech List:

- Pheromones
- Bio-Insecticide
- Bio-fungicides
- Bio-Virucide
- Bio-Bactericide
- Sticky Trap
- Ispahani Fruit Bag
- Mulching Sheet
- I-Bracon
- Pheromone Trap

Agro Processing:

- Aromatic Rice
- Mustard Oil
- Non Aromatic Rice

Crop Health:

- Gypsum
- Vermicompost
- PGR
- Zinc
- Magnesium Sulfate
- Boron
- Potassium Sulfate

2.2.4. Distribution Network of IAL:

- Barisal
- Bogura
- Comilla
- Dhaka
- Dinajpur
- Jashore
- Mymensingh
- Rangpur

Chapter 3

Organizational Hierarchy

3.1 Functioning Department

Group Designation	**Director, DGM**
CEO/COO, GM, DGM	Senior Manager/ Business Manager/ Chief Scientific Office/ Advisor/ Consultant
Sr. Manager	
Manager	Manager/ Station in charge/ Principal Scientific officer (Level-2) National Sales Manager/Principal Scientific Officer (Level-1)
Dy. Manager	Deputy Manager/ Regional Manager (Level-2)/ Senior scientific Officer (Level-2) Regional Manager (Level-1)/ Senior Scientific Officer (Level-1)
Assistant Manager	Assistant Manager/ Area Manager (Level-2)/ Scientific Officer (Level-2)
Senior Executive	Senior Executive/ Area Manager (Level-1)/Scientific Officer(level-1)
Executive	Executive/ Jr. Scientific Officer (Level-2)
Dy. Executive	Dy. Executive/ Jr. Scientific Officer (Level-1), VCD Executive, VCD Incharge

	Sr. Assistant (Level-2)/ Sr. Territory Officer (S&M)/ Scientific Assistant (level-2) Sr. Assistant (Level-1)/ Sr. Territory Officer (S&M)/ Scientific Assistant (level-1) Assistant (Level-2)/ Territory Officer (S&M)/ Scientific Assistant (level-2) Assistant (Level-1)/ Officer (S&M)/ Scientific Assistant (level-1) Jr. Assistant/ Asst. officer (S&M)/ Jr. Scientific Assistant
Master Role	Office assistant, Cleaner, Lab Assistant, Delivery Man, etc.

3.2 Functioning Departments

Production		Processing	
Wing	Designation	Wing	Designation
Vegetable Seed	SR. Manager production	Seed Processing	Sr. Manager Processing
Vegetable Seeds (Hybrid)	Manager, Production	Dispatch	Manager, Processing
Rice Seeds (OP)	Dy. Manager, Production	Packaging	Dy. Manager, Processing
Rice Seeds (Hybrid)	Assistant Manager, Production	Others	Assistant Manager, Processing
Seed Potato	Senior Executive, Production	Others	Senior Executive, Processing
Others	Executive, Production		Executive, Processing
	Dy. Executive, Production		Dy. Executive
	Block Supervisor, Production		Sr. processing Assistant (Level-2)
	Sr. Production Assistant		Sr. processing Assistant (Level-1)

	Production Assistant (Level-2)		Processing Assistant (Level-2)
	Jr. Production Assistant		Jr. Processing Assistant

Functioning Departments

R&D		Sales & Marketing	
Wings	Designation	Wing	Designation
Plant Breeding	Sr. Manager, R& D	Seeds	Senior Manager, Sales & Marketing
Screeing	Manager R&D	Biotech	Manager, Sales & Marketing
Germplasm Maintenance	Dy. Manager, R & D		Dy. Manager, Sales & Marketing
Others	Assistant Manager, R & D	Others	Assistant Manager, Sales & Marketing
	Senior Executive, R & D		Senior Executive, Sales & Marketing
	Executive		Sales &

			Marketing
	Dy. Executive, R & D		Dy. Executive, Sales & Marketing
	Sr. R & D Assistant (Level-2)		Sr. Territory officer (Level-2)
	Sr. R & D Assistant (Level-1)		Sr. Territory officer (Level-1)
	R & D Assistant (Level-2)		Territory officer
	R & D Assistant (Level-1)		Officer S&M
	Jr. R & D Assistant Assistant Officer (S & M)		Assistant Officer (S & M)

Functioning Department

Vegetable Seed Production		**Processing**	
Wing	**Designation**	**Wing**	**Designation**
	Sr. Manager Production	Seed Processing	Sr. Manager, Processing
Vegetable Seeds (Hybrid)	Manager, Production	Dispatch	Manager, Processing

Rice Seeds(OP)	Dy. Manager, Production	Packaging	Dy. Manager, Processing
Rice Seeds (Hybrid)	Assistant Manager, Production	Others	Assistant Manager, Processing
Seed Potato	Senior Executive, Production		Senior Executive, Processing
Others	Executive Production		Executive Processing
	Dy. Executive, Production		Dy. Executive, Processing
	Block Supervisor, Production		Sr. Processing Assistant (Level-2)
	Sr. Production Assistant		Sr. Processing Assistant (Level-1)
	Production Assistant (Level-2)		Production Assistant (Level-2)
Production Assistant (Level-1)	Jr. Production Assistant	Jr. Production Assistant	Production Assistant (Level-1)

Functioning Departments

R&D	Sales & Marketing

Wings	**Designation**	**Wing**	**Designation**
Plant Breeding	Sr. Manager, R&D	Seeds	Sr. Manager, Sales & Marketing
Screeing	Manager, R&D	Biotech	Manager, Sales & Marketing
Germplasm Maintenance	Dy. Manager, R&D		Dy. Manager, Sales & Marketing
Others	Assistant Manager, R&D	Others	Assistant Manager, Sales & Marketing
	Senior Executive, R&D		Senior Executive, Sales & Marketing
	Executive		Executive, Sales & Marketing
	Dy. Executive, R&D		Dy. Executive, Sales & Marketing
	Sr. R&D Assistant (Level-1)		Sr. Territory Officer (Level-1)
	R&D Assistant (Level-2)		Territory Officer
	R&D Assistant (Level-1)		Officer (S&M)

Functioning Departments			
Accounts		**Others**	
Wing	Designation	Departments	Designation
Accounts	Sr. Manager, Accounts/ Finance	Product Development	Manager
Finance	Manger, Accounts/ Finance	Market Development	Dy. Manager
Store in Charge	Dy. Manager, Accounts/ Finance	Material Development	Assistant Manager
Coordinator	Assistant Manager, Accounts/Finance	MIS Development	Senior Executive
	Executive, Accounts/ Finance	Quality Assurance	Dy. Executive
	Dy. Executive, Accounts/ Finance	Regulatory Affairs	Dy. Executive, Sales & Marketing
		Stakeholder Affairs	Sr. Territory Officer (Level-2)
		Others	Sr. Territory Officer (Level-1)

			Territory Officer (Level-2)
			Officer (S& M)
			Assistant Officer (S&M)

Wing	**Designation**
Technical	Chief Scientific Officer
	Principal Scientific Officer (Level-1,2)
	Senior Scientific Officer (Level-1,2)
	Scientific Officer (Level-1,2)
	Junior Scientific Officer (Level-1,2)
	Senior Scientific Assistant (Level-1,2)
	Scientific Assistant (Level-1,2)
	Junior Scientific Assistant

Chapter 4:

Activities of Ispahani Agro Limited

4.1 Activities of Ispahani Agro Limited:

4.1.2 About IAL:

Ispahani Agro Limited (IAL), a subsidiary of M.M. Ispahani Ltd., operates through various departments, each playing a vital role in ensuring the success of its agricultural products. Below is a brief overview of the activities across different departments and the four main wings of IAL.

4.1.3 Departments and Activities at Ispahani Agro Limited:

- **Market Development Department:**
  - Uses analysis and research to find and create new market possibilities.
  - Creates plans for expanding market share and penetrating new markets.
  - Develops strategies to penetrate new markets and expand in existing ones.
  - Organizes campaigns, exhibitions, and demonstrations to boost awareness and sales.
  - Enhances distribution to ensure product availability across Bangladesh.

- **Product Development Department:**
  - The goal of product development is to research, development, improve and create new goods.
  - Quality assurance makes sure that every product satisfies strict requirements and meets high standards.
  - Customer input is used to inform future iterations of the product.
  - Creates & Import environmentally sustainable products to satisfy consumer demand.

- **Supply Chain Department:**
  - Arranges storage and transportation to guarantee on-time delivery.
  - Keeps an eye on stock levels to satisfy demand from sales and production.
  - Oversees the acquisition of supplies and raw materials.

- **Accounts & Finance Department:**
  - Handles the financial side of sales, including collecting payments.
  - Manages budgets to ensure financial health.

- Prepares financial reports for management review.

- **Sales & Marketing:**
    - Works with the dealer network to distribute products throughout Bangladesh. Sales members contact dealers and customers to promote products.
    - Conducts offline and online promotions, such as farmers' meetings and crop shows.

- **Material Development:**
    - Creates new product design standards.
    - Finding and obtaining the resources.
    - The product specs are created by the Material Development team.

Chapter-05

Financial Compliance

5.1 Financial Compliance:

In order to guarantee that the company's financial operations are legitimate, open, and truthfully reported, financial compliance entails abiding by a number of financial laws and standards. Ispahani Agro Limited (IAL) employs a number of strategies to sustain strong financial adherence.

5.2 VAT Compliance:

VAT (Value Added Tax) is essential to guaranteeing that the business abides by national tax rules and regulations.

5.2.1 VAT Rates and BIN Registration:

- **Different VAT Rates**: The VAT rates that vendors charge depend on the type of business they operate in.
- **BIN Registration**: Verifies that a Business Identification Number (BIN) has been assigned to each vendor.
- **15% VAT Standard**: When a supplier charges less than the customary 15% VAT, the business takes that money out of the bill and sends it straight to the government.

5.2.2 VAT Compliance Requirements

1. **VAT Return Submission**: Vendors are required to file VAT returns; in the event that they do not, IAL will accept a copy of a VAT challan or Musok as evidence of compliance.
2. **Validation of BIN Numbers**: Every vendor's BIN is double-checked online for legitimacy.
3. **Tax Rate Compliance**: Using internal systems to confirm that vendors are adhering to applicable tax rates.

5.3 Financial Reporting

IAL makes sure that all financial reports are prepared in compliance with local and international accounting standards, which are crucial for compliance and transparency.

5.4 Financial Reporting Standards

1. **International Financial Reporting Standards (IFRS):** ensuring that, for global consistency, reports follow IFRS.
2. **Local Accounting Standards:** compliance to regional accounting laws and guidelines.
3. **Timely Reporting:** ensuring timely submission of financial reports to the appropriate authorities.

5.5 Internal Controls

Strong internal controls are in place to guard against fraud, guarantee financial reporting accuracy, and adhere to legal obligations.

Key Internal Controls

- **Segregation of Duties:** Separating duties to lower the possibility of fraud or mistakes.
- **Regular Audits:** Reviewing financial controls and processes through internal audits.
- **Approval Processes:** Implementing strict approval processes for financial transactions.

5.6 Software Utilized for Compliance

IAL uses a variety of software solutions to effectively manage financial compliance.

1. **Accounting Software:** Manages all financial transactions, ensuring accurate record-keeping and compliance with financial regulations.
2. **Operational Software**: monitors operating procedures to make sure they meet compliance standards.
3. **Payment Tracking Software**: keeps an eye on every payment to make sure it's handled in accordance with compliance regulations.
4. **HR-Related Software**: Manages employee-related compliance issues, including payroll and tax withholdings.

5.7 Tax Management

Effective tax management is essential for IAL to maintain financial health and compliance with regulatory standards.

Key Aspects of Tax Management

1. **Allowed Expenditure Limits**: Tax authorities limit some expenditures; for example, promotional costs are limited to 5% of total revenue.
2. **Regular Reporting**: Reports to supervisors on a regular basis whether permitted expenditure limits are being followed.

5.8 Bank Reconciliation

Bank reconciliation ensures the company's financial records match bank statements, involving:

Regular Reconciliation: Ensuring all transactions are accurately recorded and reconciled with bank statements.

Discrepancy Resolution: Identifying and resolving discrepancies between the company's records and bank statements.

5.8.1 Process of Bank Reconciliation:

- **Record Transactions:** Log all daily transactions, including deposits, withdrawals, and bank fees, in the company's accounting software.
- **Compare Records:** Match each transaction in the company's records with the bank statement received online or via other methods.
- **Identify Discrepancies:** Note any discrepancies between the company's records and the bank statement.
- **Retrieve Statements:** Obtain the monthly bank statement from the bank.
- **Verify Entries:** Compare each transaction on the bank statement with the company's monthly ledger entries.
- **Adjust Records:** Make necessary adjustments in the company's books for any discrepancies, such as outstanding checks or bank fees.
- **Resolve Discrepancies:** Investigate and resolve any unexplained differences.
- **Reconcile Balances:** Ensure that the adjusted bank balance matches the company's ledger balance.
- **Report Findings:** Prepare a reconciliation report and submit it to the relevant department or supervisor for review.

Chapter-6

Regulatory Compliance

6.1 Regulatory compliance

Regulatory compliance is abiding by the rules, laws, policies, and directives that affect how businesses operate. In several facets of its business, IAL maintains compliance.

6.2 Compliance with Industry Regulations

In order to guarantee that legal and operational requirements are fulfilled, IAL makes sure it complies with all pertinent industry-specific rules.

Key Industry Regulations

1. **Agricultural Regulations:** observance of safety rules and norms for agricultural output.
2. **Environmental Regulations:** respecting sustainable methods and environmental legislation.
3. **Health and Safety Regulations:** ensuring adherence to health rules and safety at work.

6.3 Supplier Compliance

Maintaining overall compliance requires vendors to follow legal and IAL requirements.

Key Areas of Supplier Compliance

1. **Tax and VAT Compliance:** Suppliers must comply with all applicable tax and VAT regulations.
2. **Purchase Order (PO) Condition Compliance:** Reviewing all PO papers to make sure approvals are received.
3. **Stakeholder Management:** Preserving appropriate connections and making sure stakeholders follow the rules.
4. **Verification Processes:** Regular supplier verification & document verification to ensure compliance.

6.4 TA/DA Compliance:

- **Verification of Qualifications:** Verify that the purpose of the trip and the employee's job align with the company's travel policies. Make sure the travel was approved by the appropriate manager or department head.
- **Compiling Records:** Compile and review any relevant trip documents, such as airline tickets, hotel bills, restaurant receipts, and any supplementary expenditure reports. Verify that every receipt is genuine, itemized, and corresponds to the dates and locations of the journey.
- **Rate Compliance:** The approved TA/DA rates should be compared with the employee's job and travel locations (e.g., "Out of Dhaka," "Dhaka/Chittagong/Sylhet/Cox's Bazar"). Verify that the amounts claimed do not exceed the allocated sums.
- **Daily Allowance Verification:** Confirm that the daily amount claimed for meals and other incidentals is accurate.
- **Approval & Authorisation:** TA/DA claims have been evaluated and approved by the designated authorities. Verify this information. Verify the claim forms for any missing signatures, dates, or approval stamps.
- **Policy Compliance:** Verify that all reported costs adhere to the travel and spending guidelines set forth by the business. Find any inconsistencies, expenses that don't comply with the policy, or policy deviations and discuss them with the employee.
- **Audit Trail:** Keep thorough records of all TA/DA claims, together with letters, approval forms, and supporting documentation. Make sure all records are kept in a secure location and are readily available for audits and future reference.
- **Expense Reconciliation:** To guarantee accuracy and consistency, reconcile TA/DA claims on a regular basis with the company's financial records. Resolve any differences right away and make the required corrections.
- **Instruction and Interaction:** Train staff members on TA/DA policies, processes, and compliance needs on a regular basis. Make sure that any revisions or modifications to the TA/DA policy are communicated clearly.
- **Regular Reviews:** To find areas for improvement, conduct recurring assessments of the TA/DA policy and compliance procedures. Make any necessary adjustments to improve compliance and efficiency.

Here is the chart they follows:

Ispahani Agro Limited

Proposal for Travelling and Daily Allowance

Traveling Allowance(Accommodation+Food) (Amount in Taka)

Employee Position	Out of Dhaka			Dhaka/Chittagong/Sylhet/ Cox's Bazar		
	Present Allowance	Proposed Allowance	Last Day Allowance	Present Allowance	Proposed Allowance	Last Day Allowance
Sr. Manager/CSO/Consultant	2000	2500	550	2200	2700	500
Manager/PSO/Sr. Regional Manager	1800	2100	450	2000	2400	450
Dy. Manager/ Regional Manager	1300	1900	400	1600	2100	350
Area Manager/ Asst. Manager/SSco	1200	1700	300	1500	1900	325
Sr. Executive/Sco	1100	1400	320	1000	1600	300
Dy. Executive/ Executive/JSco	1000	1300SO/ ASO/SPO/PO/IO /DO	300	1200	1500	275
TO/STO/PS	800	900	200	1000	1000	250
SO/ASO/SPO/PO/IO/DO	700	800	180	900	900	200
Driver/OA	600	700	180	500	800	200

Daily Allowance (Food)

Manager/PSO/Sr. Regional Manager	160	220
Dy. Manager/ Regional Manager	150	200
Area Manager/ Asst. Manager/SSco	140	180
Sr. Executive/Sco	130	170
Dy. Executive/ Executive/JSco	120	170
TO/STO/PS	110	160
SO/ASO/SPO/PO/IO/DO/Driver	100	150

By following these guidelines, the integrity of the business's travel cost management is maintained and a comprehensive and compliant process for confirming and certifying TA/DA claims is ensured.

6.5 Corporate Governance

A corporation that practices good corporate governance is guaranteed to uphold moral principles and adhere to legal requirements.

6.5.1 Corporate Governance Practices

Board Oversight: Active oversight by the board of directors on compliance matters.
Ethical Conduct: Encouraging moral conduct and adherence to company guidelines.
Transparency: Ensuring reporting and company activities are transparent.

6.5.2 Data Protection and Privacy

To secure sensitive data, IAL makes sure that data protection laws are followed.

6.5.3 Data Protection Measures

- **Compliance with Data Protection Laws**: Following international and national laws pertaining to data protection.
- **Data Security Protocols**: Putting strong data security procedures in place to guard against hacks.

- **Privacy Policies**: Keeping transparent privacy policies to guarantee the appropriate management of personal information.

6.6 Audit Procedures

At IAL, auditing is essential to guaranteeing financial compliance. The head of the audit department and additional individuals designated by the HC lead the audit process. The group works on a variety of projects, from detailed reviews of the business's processes to individual indent checks.

6.6.1 Pre-Audit Assignments

Before the audit, the team performs several tasks, including:

1. **Regular Checks for Tax Suppliers**: All suppliers comply with tax and VAT regulations.
2. **Document Verification**: Verifying compliance by going over all pertinent papers.

6.6.2 Post-Audit Assignments

After the audit, the team focuses on:

1. **Ensuring Compliance with Internal Policies**: Verifying that all operations adhere to internal compliance policies.
2. **Reviewing Audit Findings**: Resolving any disparities discovered throughout the audit and making sure corrective action is taken.

Ispahani Agro Limited guarantees transparency, correctness, and adherence to legal standards by upholding stringent financial and regulatory compliance, all of which are essential for the business's integrity and operational performance.

Chapter 7

Findings, Recommendations and Conclusion

7.1 Findings

- The supply chain department needs to prepare bills of supply more carefully. While creating the bill, the PO number of the bill, date of indent, BIN number, date of the bill, MRR, tile should be checked.
- VAT Compliance: There are periodic delays in vendor VAT return submissions and BIN validations that necessitate additional follow-up.
- Supplier Compliance: Some suppliers fail to follow tax and VAT regulations, and purchase order documentation is frequently incomplete or unapproved.
- TA/DA Allowance Management: The current TA/DA system is insufficient, which may lead to fraud. Supervisors must follow up more diligently and educate employees about honesty.
- Bank Reconciliation: Inconsistencies between financial records and bank statements suggest the need for stronger reconciliation.

7.2 Recommendations:

- The supply chain department should create a checklist to ensure bill accuracy, including the PO number, indent date, BIN, MRR, and other important parameters.

- VAT submissions must be more closely monitored, with automated reminders and vendor communication to ensure timely compliance.

- Supplier compliance with tax and VAT requirements must be confirmed, and non-compliance should result in fines.

- To combat fraud, the TA/DA system involves stronger control and digital tracking, as well as regular employee honesty education.

- Automated tools should be used to strengthen the bank reconciliation process, and finance workers should be trained on best practices on a regular basis.

7.3 Conclusion:

Ispahani Agro Limited must improve supply department tracking, VAT and tax compliance, audit procedures, and TA/DA management in order to meet financial and regulatory requirements. Implementing these guidelines would strengthen the compliance framework, decrease risks, and ensure financial operations are transparent and accurate.

7.4 References:

- **Website Reference:**
  Ispahani Agro Limited website.
- **Employee Information:**
  Information from employees at Ispahani Agro Limited, gathered in [2024].