

Bangladesh Lamps Limited

CORPORATE GOVERNANCE COMPLIANCE REPORT

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 and SEC/CMRRCD/2006-158/147/Admin/48 dated 21st July 2013 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 7.00)

Condition No.	Title	Compliance Status	Remarks (if any)
1.1	Board's Size	Complied	
1.2 (i)	Independent Directors	√	
1.2 (ii) a)	Shareholding of Independent Directors	√	
1.2 (ii) b)	Connection of Independent Directors with Sponsors/Shareholders of the Company	√	
1.2 (ii) c)	Relationship of Independent Directors with Subsidiary/Associated Companies	√	
1.2 (ii) d)	Holding of Membership, Director or Officer of any Stock Exchange by Independent Directors	√	
1.2 (ii) e)	Holding of Share, Director or Officer of any Member of Stock Exchanges or an Intermediary of the Capital Market by Independent Directors	√	
1.2 (ii) f)	Holding the Position of a Partner or an Executive of the Company's Statutory Audit Firm by Independent Directors	√	
1.2 (ii) g)	Independent Director of Listed Companies	√	
1.2 (ii) h)	Defaulter in Payment of any Loan to a Bank or a Non-Bank Financial Institutions by Independent Directors	√	
1.2 (ii) i)	Criminal Offence against Independent Directors	√	
1.2 (iii)	Independent Directors Appointment	√	
1.2 (iv)	Vacant the Post of Independent Directors	√	
1.2 (v)	Code of Conduct of Board Members	√	
1.2 (vi)	Tenure of Independent Directors	√	
1.3 (i)	Qualification, knowledgeable & Integrity of Independent Directors	√	
1.3 (ii)	Background of Independent Director	√	
1.3 (iii)	Relaxation of qualification of Independent Director	No such case	
1.4	Chairman and Chief Executive	Complied	
1.5 (i)	Industry Outlook and Possible Future Developments	√	
1.5 (ii)	Segment-wise or Product-wise Performance	√	
1.5 (iii)	Risks and Concerns	√	
1.5 (iv)	Discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin	√	
1.5 (v)	Discussion on Continuity of any Extra-Ordinary Gain or Loss	√	
1.5 (vi)	Basis for Related Party Transactions	√	
1.5 (vii)	Utilization of Proceeds from Public Issues, Right Issues, etc.	No such case	
1.5 (viii)	Explanation if the Financial Results Deteriorate after the Company Goes for IPO, RPO, etc	No such case	
1.5 (ix)	Explanation of Significant Variance Occurs Between Quarterly Financial Performance and Annual Financial Statements	Complied	
1.5 (x)	Remuneration to Directors	√	
1.5 (xi)	Directors Report on Financial Statement	√	
1.5 (xii)	Books of Accounts	√	

1.5 (xiii)	Accounting Policies	√	
1.5 (xiv)	IAS Application in Bangladesh	√	
1.5 (xv)	System of Internal Control	√	
1.5 (xvi)	Going Concern	√	
1.5 (xvii)	Deviations in Operating Results	√	
1.5 (xviii)	Key Operating and Financial Data	√	
1.5 (xix)	Declaration of Dividend	√	
1.5 (xx)	Number of Board Meetings	√	
1.5 (xxi) a)	Pattern of Shareholdings by Parent/Subsidiary/Associated Companies	√	
1.5 (xxi) b)	Pattern of Shareholdings by Directors and Officers	√	
1.5 (xxi) c)	Pattern of Shareholdings by Executives	√	
1.5 (xxi) d)	Pattern of Shareholdings by Shareholders Holding 10% or More	√	
1.5 (xxii) a)	Resume of the Director	√	
1.5 (xxii) b)	Expertise of Director	√	
1.5 (xxii) c)	Names of other Companies if the Director Involved	√	
2.1	Appointment of Chief Financial Officer (CFO), Head Of Internal Audit and Company Secretary (CS) and defining their responsibilities	√	
2.2	Board Meeting Attendance	√	
3 (i)	Audit Committee	√	
3 (ii)	Ensure true and fair value of financial statement by Audit Committee	√	
3 (iii)	Responsibilities and Duties of Audit Committee	√	
3.1 (i)	Composition of Audit Committee	√	
3.1 (ii)	Audit Committee Members Appointment	√	
3.1 (iii)	Qualification of Members of the Audit Committee	√	
3.1 (iv)	Terms of Services of Audit Committee	√	
3.1 (v)	Secretary of Audit Committee	√	
3.1 (vi)	Quorum of the Audit Committee	√	
3.2 (i)	Chairman of the Audit Committee	√	
3.2 (ii)	Chairman of the Audit Committee Attendance in AGM	√	
3.3 (i)	Oversee the Financial Reporting	√	
3.3 (ii)	Monitor Choice of Accounting Policies	√	
3.3 (iii)	Monitor Internal Control Risk Management Process	√	
3.3 (iv)	Oversee Hiring and Performance of External Auditors	√	
3.3 (v)	Review the Annual Financial Statements	√	
3.3 (vi)	Review the Quarterly and Half Yearly Financial Statements	√	
3.3 (vii)	Review the Adequacy of Internal Audit Function	√	
3.3 (viii)	Review Statement of Significant Related Party Transactions	√	
3.3 (ix)	Review Management Letters/ Letter of Internal Control Weakness	√	
3.3 (x)	Statement of Funds Utilized for the Purposes of IPO/RPO/Rights Issue	No such case	
3.4.1 (i)	Reporting to the Board of Directors	Complied	
3.4.1 (ii) a)	Report of Conflicts of Interests	No such case	
3.4.1 (ii) b)	Defect on the Internal Control System	No such case	
3.4.1 (ii) c)	Suspected Infringement of Laws	No such case	

3.4.1 (ii) d)	Any Other Matter	No such case	
3.4.2	Reporting to the Authorities	No such case	
3.5	Reporting to the Shareholders	Complied	
4 (i)	Appraisal or Valuation Services	√	
4 (ii)	Financial Information Systems	√	
4 (iii)	Book-Keeping or Other Services	√	
4 (iv)	Broker Dealer Services	√	
4 (v)	Actuarial Services	√	
4 (vi)	Internal Audit Services	√	
4 (vii)	Any Other Service	√	
4 (viii)	External Audit Firms not Possess any Share	√	
4 (ix)	Audit/certification services as required under 7(i)	√	
5 (i)	Provisions Relating to the Composition of the Board of Directors of the Subsidiary Company	No such case	
5 (ii)	Appointment on Independent Director of the Subsidiary Company	No such case	
5 (iii)	Minutes of the Board Meeting of the Subsidiary Company	No such case	
5 (iv)	Minutes of the Board Meeting of Holding Company	No such case	
5 (v)	The Financial Statements, in Particular the Investments Made by the Subsidiary Company Reviewed by the Audit Committee of the Holding Company	No such case	
6 (i) a)	Review of Financial Statements by Chief Executive Officer (CEO) and Chief Financial Officer (CFO)	Complied	
6 (i) b)	Review the Compliance of Accounting Standards and related Laws by Chief Executive Officer (CEO) and Chief Financial Officer (CFO)	√	
6 (ii)	Chief Executive Officer (CEO) and Chief Financial Officer (CFO) shall verify the violation of the Company's Code of Conduct	√	
7 (i)	Obtaining Certificate From a Practicing Professional	√	
7 (ii)	Annexure Attachment	Complied	