

AL-ABID SILK MILLS LIMITED

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 For the year ended June 30, 2024

The Company has complied with the requirements of Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) in the following manner:

1. The total number of directors are 07 (Seven) as per the following:

- a. Male: 05
- b. Female: 02

2. The composition of the Board is as follows:

Executive Director	Mr.Azim Ahmed
Non Executive Director	Mr.Naseem A.Sattar (Founder of the Company) Mst.Adia Naseem Mrs.Sadaf Nadeem Syed Raza Abbas Jaffari (Nominee NIT)
Independent Directors	Mr.Qamar Mashkooor Mr.Muhammad Sajid Hafeez

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company;

4. The company has prepared a "code of conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures;

5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations;

7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Companies Act, 2017 and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;

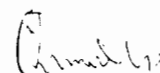
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;

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18. We confirm that all requirements of regulations 3,6,7,8,27,32 and 36 have been complied with.

19. Explanation for non-compliance with the requirement, other than regulations 3,6,7,8,27,32,33 and 36 is as follows.

Regulation No	Explanation
29(1)	As per the regulation, there may be a separate committee designated as the nomination committee, However, there is no nomination committee in the Company since the company is not operational since a long time.
30(1)	As per the regulation, there may be a separate committee designated as the risk management committee, However, there is no risk management committee in the Company since the company is not operational since a long time.
10A(1) (3) (4)	The Board will ensure that the Company has addressed sustainability-related risk and opportunities. Also, it will ensure that Company's sustainability and DE&I related strategies are periodically reviewed and monitored in future.
10A(5)	Currently, the Board has not constituted a separate Sustainability Committee and the functions will be performed by the Board Audit committee.



Chairman

Karachi: October 31, 2024

AL-ABID SILK MILLS LIMITED

REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **Al-Abid Silk Mills Limited** (the Company) for the year ended June 30, 2024 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Director's statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2024.

Further, we highlight below instance of non-compliance with the requirement of the Regulations as reflected in the paragraph 19 in the Statement of Compliance:

Reg.	Explanation
31	As per the regulation, there shall be an internal audit function in every company. However, there is no internal function in the Company, since the Company is not operational since a long time.


CHARTERED ACCOUNTANTS

KARACHI

DATE: October 31, 2024

UDIN: CR202410153E3opHOXlu