

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

FOR THE YEAR ENDED JUNE 30, 2022

The company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors is 8 (eight) as per the following:

a. Male Directors	:	7
b. Female Director	:	1

2. The composition of Board is as follows:

Category	Names
Independent Directors	Mr. Aamir Amin Mr. Abdul Hamid Ahmed Dagia Mrs. Tabassum Rana
Non-executive Directors	Mr. Sikandar M. Khan Mr. Sohail Bashir Rana Mr. Laeeq Uddin Ansari Mr. Qaiser Saleem
Executive Director	Mr. Mujtaba Ahmad (CEO)
Female Director	Mrs. Tabassum Rana

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 Companies Act 2017 (Act) and the listed Companies (Code of Corporate Governance) Regulations, 2019 (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 the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;

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

9. During the year, the two directors have attended training program and one director has attended the required training in previous years. Further, the four directors meet exemption criteria as contained in these Regulations;

10. The Board has approved the appointment of chief financial officer, company secretary and head of internal audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;

12. The Board has formed committees comprising of members given below:

a) Audit Committee :

Mr. Aamir Amin	Chairman
Mr. Sohail Bashir Rana	Member
Mr. Qaiser Saleem	Member
Mrs. Tabassum Rana	Member

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b) HR and Remuneration Committee:

Mrs. Tabassum Rana	Chairperson
Mr. Sohail Bashir Rana	Member
Mr. Aamir Amin	Member
Mr. Qaiser Saleem	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings (quarterly/ half yearly/ yearly) of the committees was as per following:

Audit Committee	Quarterly
HR & Remuneration Committee	Yearly

15. The Board has set up an effective internal audit function. The head of internal audit is suitably qualified, experienced and conversant with the policies and procedures of the company.
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with; and
19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

S. No.	Requirement	Regulation No.	Explanation
1.	<p><u>Directors' Training</u></p> <p>It is encouraged that by June 30, 2022 all the directors on their Boards have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified by the Commission and approved by it. Further, a newly appointed director on the Board may acquire, the directors training program certification within a period of one year from the date of appointment as a director on the Board. Provided that director having a minimum of 14 years of education and 15 years of experience on the Board of a listed company, local and/or foreign, shall be exempt from the directors training program.</p>	19	All the directors have either acquired the prescribed certification or meet the exemption criteria as contained in these Regulations, except the Chief Executive Office, who was appointed on June 03, 2022 and shall acquire the directors training program certification within a period of one year from the date of his appointment, in accordance with the provision of these Regulations.

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S. No.	Requirement	Regulation No.	Explanation
2.	<u>Nomination Committee</u> The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	29(1)	The Board has designated the HR & R Committee to perform the requisite functions.
3.	<u>Risk Management Committee</u> The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	30(1)	The Internal Audit Department of the Company performs the requisite functions and appraises the Board accordingly.



SIKANDAR M. KHAN
Chairman

September 19, 2022



INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF BOLAN CASTINGS 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 Bolan Castings Limited for the year ended June 30, 2022 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 the 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 Directors' 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 require 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, 2022.

Chartered Accountants
Karachi

Dated: September 26, 2022

UDIN: CR202210133sVJHQ4iLz

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