



STATEMENT OF COMPLIANCE

WITH THE LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) FOR THE YEAR ENDED JUNE 30, 2023

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

1. The total number of directors are seven as per the following:
 - a. Male: Six
 - b. Female: One
2. The company encourages representation of independent, non-executive directors and directors representing minority interests on its Board of Directors. At present the Board includes:

(Board is re-constituted at 27th of January 2023)

Category	No.	Names
Independent Director	2*	Mr. Faisal Aftab Ahmad Mr. Sana Ullah Khan Ghory
Executive Director	1	Mr. Muhammad Tousif Peracha
Non-Executive Directors	3	Mr. Shaffi Uddin Paracha Mr. Muhammad Niaz Paracha Mr. Mian Nazir Ahmed Paracha <i>(resigned on Jun 20, 2023)</i>
Female / Non-Executive Director	1	Mrs. Tabsum Tousif Paracha

** In a Board comprising of 7 directors, one third would equate 2.333 persons. Since the fraction is below half (0.5), accordingly the fraction contained in such one-third is not rounded up as one.*

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).
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. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
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 ("the Act") and these Regulations.
7. The meetings of Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose and 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 of Directors has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. The Board remained partially compliant with the provision with regard to their directors' training program. Four out of seven directors of the Company are exempted from directors training program on the basis of their level of education and length of experience as provided in the Regulations. One director has already attended the Director's Training Program in prior years. The Company shall arrange training program of other two directors in coming years.
10. The Board has approved 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.

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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. Faisal Aftab Ahmad (Independent Director)
 - Mrs. Tabsum Tousif Paracha
 - Mr. Muhammad Niaz Paracha
 - b. **HR & Remuneration Committee**
 - Mr. Sana Ullah Khan Ghory (Independent Director)
 - Mrs. Tabsum Tousif Paracha
 - Mr. Shaffi Uddin Paracha
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 of the aforesaid committees were as per following:
 - a. Audit Committee: Quarterly
 - b. HR and Remuneration Committee: Yearly
15. The Board has set up an effective internal audit function, comprising of personnel who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company. The internal audit function is involved in Internal Audit on full time basis relating to the business and other affairs 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 (ICAP) 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 ICAP 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 other requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

For and on behalf of Board of Directors

Muhammad Tousif Paracha
CEO

Mr. Faisal Aftab Ahmed
Director

Dated: October 06, 2023



INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF BALOCHISTAN GLASS 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 Balochistan Glass Limited for the year ended June 30, 2023 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 the review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. 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, 2023.

Further, we highlight below instance of non-compliance with the requirement of the Regulations as reflected in the paragraph reference where it is stated in the Statement of Compliance:

Sr. No.	Paragraph Reference	Description
1	9	Two directors out of six directors at year-end of the Company have not acquired the prescribed certification under the Directors' Training Program as required under Regulation 19 of the Regulations.

UDIN: CR202310205vxIfcEsJ8
Date: October 06, 2023
Lahore

PKF F.R.A.N.T.S
Chartered Accountants
Engagement Partner : Nouman Razaq Khan