

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

**CALCORP LIMITED**

**For the year ended June 30, 2023**

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

1. There is a total of eight (8) directors on the Board as follows:

Male	Six (6)
Female	Two (2)

2. The composition of Board is as follows:

Category	Names
Non-Executive Directors	Saad Saeed Faruqui
	Shahrukh Saeed Faruqui
	Sana Shahzad (Female Director)
	Azam Adnan Khan
	Muhammad Danish Hussain
Independent Directors	Sadia Hamid (Female Director)
	Yousuf Muhammad Farooq
Executive Director	Haider Ali Hilaly*

\* Mr. Haider Ali Hilaly is a deemed director as defined in Section 188(3) of the Companies Act, 2017.

In a board comprising Seven (7) members, one third works out to be 2.33, which is below half (i.e., 0.5). The fraction contained in such one-third is not rounded up to one as the Company has experienced and well – rounded independent directors on the Board who perform and carry out their responsibilities diligently.

The independent Directors meets the criteria of independence as laid down under the Code and the Regulations.

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 these 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 Board / shareholders as empowered by the relevant provisions of the Companies Act 2017 ("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 Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of board.
8. The Board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations. However, during the year, no director has been paid any fees.
9. Out of the eight continuing directors, the following directors have undergone a Director's Training Program
  - a) Shahrukh Saeed Faruqui
  - b) Azam Adnan Khan
  - c) Sadia Hamid
  - d) Muhammad Danish Hussain
  - e) Haider Ali Hilaly
10. The Board has approved the change in remuneration of chief financial officer, chief executive officer and company secretary with appointment of company secretary. No new appointment or change in remuneration and terms and conditions of head of internal audit took place during the year. The Board has 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

Sadia Hamid	Chairperson
Muhammad Danish Hussain	Member
Shahrukh Saeed Faruqui	Member

b) HR and Remuneration Committee

Yousuf Muhammad Farooq	Chairman
Haider Ali Hilaly	Member
Shahrukh Saeed Faruqui	Member

13. The terms of reference of the aforesaid committees have been formed, documented, and advised to the committee for compliance.
14. Four Audit Committee meetings were held during the year, and one Human Resource and Remuneration Committee meeting was held during the year.
15. The board has set up an effective internal audit function which is comprised of a professional who is considered suitably qualified and experienced for the purpose and are 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 mandatory requirements of regulations 3, 6, 7, 8, 27,32, 33 and 36 of the Regulations have been complied with.
19. Explanation for requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

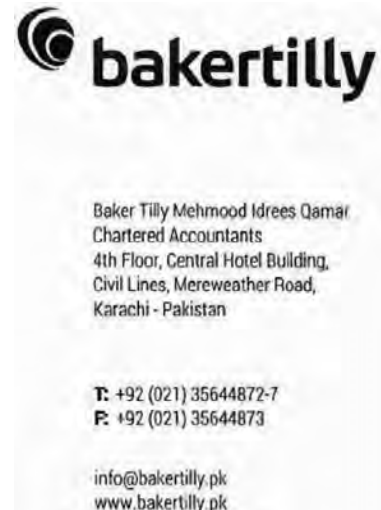
Committee	Reg No	Explanation
<b>Nomination Committee:</b>		
The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	29 (1)	The Board effectively discharges all the responsibilities of Nomination Committee as recommended by the Code. It regularly monitors and assesses the requirements with respect to any changes needed on Board's committees including chairmanship of those committees.  The Board also actively monitors requirements regarding its structure, size and composition and timely reviews and adapts any necessary changes in that regard.
<b>Risk Management Committee:</b>		
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 Board itself and through its Audit Committee annually reviews business risks facing the Company to ensure that a sound system of risk identification, risk management and related systemic and internal controls is being maintained to safeguard assets. All material controls (financial, operational, compliance) are monitored and reviewed. The Board ensures that risk mitigation measures are robust.



**Haider Ali Hilaly**  
Chief Executive Officer



**Saad Faruqui**  
Chairman



**TO THE MEMBERS OF CALCORP LIMITED  
REVIEW REPORT ON 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 **CALCORP Limited** (the Company), 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 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 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 approvals of the related party transactions



by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

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.

  
Engagement Partner: Mehmoed A. Razzak

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Karachi.

Date: October 6, 2023

UDIN: CR202310151vFeyPBVgl