

# STATEMENT OF COMPLIANCE

with Listed Companies (Code of Corporate Governance) Regulations, 2019

## CRESCENT STEEL AND ALLIED PRODUCTS LIMITED

For the year ended 30 June 2023

CrescentSteel and Allied Products Limited (hereinafter referred to as “the Company”) has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (“the Regulations”) in the following manner:

- The Board is comprised of eight (8) Directors including the Chief Executive Officer (a deemed director, as per Section 188 of the Companies Act, 2017) as per the following:

Male Directors:	7
Female Directors:	1

- The composition of the Board is as follows:

Categories	Number of Directors	Names of Directors
<b>Independent Directors</b>	4	Mrs. Farah Ayub Tarin Mr. Farrukh V. Junaidy Mr. Muhammad Kamran Saleem Mr. Nadeem Maqbool
<b>Non-Executive Directors</b>	7	Mr. Ahmad Waqar Mrs. Farah Ayub Tarin Mr. Farrukh V. Junaidy Mr. Muhammad Kamran Saleem Mr. Nadeem Maqbool Mr. Nasir Shafi Mr. S.M. Ehtishamullah
<b>Female Director</b>	1	Mrs. Farah Ayub Tarin
<b>Executive Director</b>	1	Mr. Ahsan M. Saleem

- All directors have confirmed that they do not serve as a director on more than seven (7) listed companies, including this Company;

- 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;
- 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 and / or updates are maintained by the Company;
- All 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 the Regulations;
- All meetings of the Board were presided over by the Chairman. The Board has complied with the requirements of the Act and Regulations with respect to frequency, recording and circulating minutes of meetings of the Board;
- The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and the Regulations;
- Four (4) Directors of the Company have a minimum of 14 years of education and 15 years of experience as directors of a listed Company. One director is exempted by the SECP from the requirements of Directors’ Training Program (DTP), in lieu of experience. Two directors of the Company have completed certification under the DTP conducted by Pakistan Institute of Corporate Governance (PICG).
- The Board has approved appointment of the 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;
- Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;

12. Board committees are structured as follows:

Committees	Members
<b>Audit Committee</b>	Mr. Farrukh Viqaruddin Junaidy (Chairman) Mr. Nadeem Maqbool Mr. Nasir Shafi Mr. S. M. Ehtishamullah
<b>HR and Remuneration Committee</b>	Mr. Nadeem Maqbool (Chairman) Mr. Ahmad Waqar Mrs. Farah Ayub Tarin Mr. Nasir Shafi
<b>Governance and Nomination Committee</b>	Mr. Ahmad Waqar (Chairman) Mr. Ahsan M. Saleem Mr. Farrukh Viqaruddin Junaidy
<b>Risk Management Committee</b>	Mr. S. M. Ehtishamullah (Chairman) Mrs. Farah Ayub Tarin Mr. Muhammad Kamran Saleem

13. The number of meetings held for each committee during the year were as follows:

Committees	Frequency of meetings
<b>Audit Committee</b>	Held four (4) times during the year once every quarter; prior to approval of interim and final results of the Company and as required by the Code.
<b>HR and Remuneration Committee</b>	Held once (1) during the year as required by the Code.
<b>Governance and Nomination Committee</b>	The meetings of the Governance and Nomination Committee were held Nil during the year.
<b>Risk Management Committee</b>	The meeting of the Risk Management Committee was held Nil during the year.

14. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance;

15. The Board has outsourced the internal audit function to qualified and experienced resources, 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 (ICAP) and registered with the 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 close relatives (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Directors 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. There is no non-compliance with other requirements of the Regulations.



**AHMAD WAQAR**

Chairman

August 09, 2023

# INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Crescent Steel and Allied Products Limited  
Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

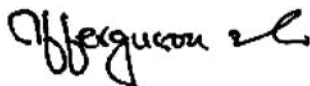
We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Crescent Steel and Allied Products Limited (the Company) for the year ended 30 June 2023 in accordance with the requirements 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 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 30 June 2023.



A. F. Ferguson & Co

Chartered Accountants

Karachi

Dated: October 05, 2023

UDIN: CR202310160XJjyBVi8Y

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*A.F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network  
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