

Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 For the year ended June 30, 2023



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

1- The total number of directors are 7 (seven) as per following:

- Male	6
- Female	1

2- The composition of board is as follows:

Category	Names
- Executive Director	Taha Muhammad Naseem (CEO)
- Non-Executive Director	Muhammad Farooq Naseem (Chairman) Mrs. Roohi Farooq Naseem (Female Director) Zaka Muhammad Naseem Hamid Mehmood
- Independent Director	Shafqaat Ahmed Murtaza Yousuf Mandviwala

The independent directors meet the criteria of independence under clause 6(3) of CCG.

- 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 Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of board.
- 8- The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
- 9- The Board had arranged Directors' Training Program for Mr. Taha Muhammad Naseem, Mr. Shafqaat Ahmed, Mr. Murtaza Yousaf Mandviwala and Mr. Hamid Mehmood. However, remaining directors will be enrolled for the Directors' Training Program.
- 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.
- 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 is as follows:
- i. Shafqaat Ahmed (Chairman)
 - ii. Muhammad Farooq Naseem
 - iii. Hamid Mehmood
- b) HR and Remuneration Committee is as follows:
- i. Murtaza Yousuf Mandviwala (Chairman)
 - ii. Muhammad Farooq Naseem
 - iii. Taha Muhammad Naseem
- 13- The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
- 14- The meetings of the audit committee and HR and Remuneration Committee were held at least once every quarter prior to approval of interim and final results of the company and as required by the CCG.
- 15- The Board has set up an effective internal audit function 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 requirements of the Regulations 3, 6, 7, 8, 27, 32, 33 and 36 have been complied with; Explanation as required under the regulations is mentioned below;
- Company, currently has two elected independent directors out of total seven directors on the Board. Both the independent directors have requisite competencies, skills, knowledge and experience to discharge and execute their duties competently as per laws and regulations; therefore, the company did not made appointment of a third independent director.
- 19- We confirm that all other requirements of the Regulations have been complied with except for the requirements under Regulation 19 and 24. The Company has adopted explanation approach as the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("Regulations") allowed the Companies to either comply or explain the reason otherwise. The management is of the view, that the employee holding the position of CFO and Company Secretary is suitably qualified and professionally capable with the relevant experience to act and fulfill the duties and responsibilities of both the roles. In addition, it is also a cost effective measure that is in the better interest of the shareholders of the Company. Further, due to the process of BMR activity, directors' training was not possible. However, remaining directors will be enrolled soon for the Directors' Training Program.



MUHAMMAD FAROOQ NASEEM
Chairman / Director
Lahore: November 02, 2023



TAHA MUHAMMAD NASEEM
Chief Executive / Director

Independent Auditors' Review Report

To the members of Dandot Cement Company Limited

Review Report on the Statement of Compliance contained in the 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 Dandot Cement Company 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 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, 2023.



Parker Russell - A.J.S
CHARTERED ACCOUNTANTS
Engagement Partner: Junaid Subhani
Faisalabad: November 02, 2023
UDIN: CR2023104787kzISUI3a