



STATEMENT OF COMPLIANCE WITH 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:

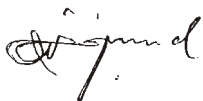
1. The total number of directors are seven as per the following:
 - a. Male: 6
 - b. Female: 1
2. The composition of board is as follows:

Category	Names
a. Independent Director	Mr. Asghar Iqbal
b. Non-executive Directors	Mr. Muhammad Irfan Ali Syed Farhan Asdaque Mr. Muhammad Wajid
c. Executive Directors	Mr. Ishtiaq Ahmad Mr. Saleem Ul Haque Ms. Momna Gull

Note: Regulation 8(1) of the CCG Regulations stipulates that it is mandatory for each listed company that the executive directors, including the chief executive officer, shall not be more than one third of the Board. In a board comprising 7 numbers, one-third works out to 2.33 persons. The fraction contained in one-third is rounded up as one to improve corporate governance, facilitate effective succession planning, strengthen risk management, and increase investors' trust.

3. All Directors have confirmed that they are not serving as director in more than Seven Listed Companies including this, Company.
4. All the resident directors of the company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
5. 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.
6. 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.
7. All the powers of the board have been duly exercised and decisions on material transactions including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non-executive directors have been taken by the board/shareholders.
8. 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 requirements of act and the regulations with respect to frequency, recording and circulating minutes of meeting of board.
9. The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
10. Two directors of the Company are trained under Directors Training Program and rest are yet to be trained for which we will arrange Directors Training Program in the coming sessions.

11. The Board has approved appointments of CFO, Company Secretary and Head of Internal Audit including their remuneration and terms and conditions of employment.
12. The financial statements of the company were duly endorsed by CEO and CFO before approval of the board.
13. The board has formed committees comprising of members given below:
 - a. Audit Committee
Asghar Iqbal - Chairman
Muhammad Wajid Member
Muhammad Irfan Ali - Member
 - b. HR and Remuneration Committee
Asghar Iqbal Chairman
Ishtiaq Ahmad Member
Muhammad Wajid Member
14. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
15. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following:
 - a. Audit Committee
4 quarterly meetings during the financial year ended June 30, 2023
 - b. HR and Remuneration Committee
1 annual meeting held during the financial year ended June 30, 2023
16. The board has set up an effective internal audit function. The staffs are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.
17. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation Accountants (IFAC) guidelines on code of ethics are adopted by the ICAP.
18. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
19. We confirm that all the other material principles enshrined in the CCG have been complied with.



Ishtiaq Ahmed
Chief Executive Officer



Muhammad Irfan Ali
Chairman Board of Director

Dated: September 26, 2023
Place : Karachi.



Feroze Sharif Tariq & Co.

CHARTERED ACCOUNTANTS

4 / N / 4, BLOCK-6, P.E.C.H. SOCIETY
KARACHI-75400

INDEPENDENT AUDITORS' MODIFIED REVIEW REPORT TO THE MEMBERS OF DEWAN SALMAN FIBRE LIMITED

REVIEW REPORT TO THE MEMBERS 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 ('the Board') of Dewan Salman Fibre 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 noncompliance 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.

Further, we highlight the instance of non-compliance with the requirement of the Regulations as reflected in the paragraph 2 & 10 of the Statement of Compliance.

The Company is required to have at least two or one third members of the Board, whichever is higher, as independent directors on its board. However, the Company has only one independent director.

The Company is required to have all the directors on its board to be certified under any directors training program as at 30 June 2023, however, the Company has only two directors certified under director training program.

**Chartered Accountants
(Muhammad Tariq)**

Karachi: October 4, 2023
UDIN: CR202310129q50yuc92x