

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

**FIRST CAPITAL EQUITIES LIMITED
FOR THE YEAR ENDED JUNE 30 2024**

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:	06
	b. Female:	01
2.	The composition of board is as follows:	
	(i) Independent Directors (*)	02
	(ii) Other Non-Executive Directors	04
	(iii) Executive Directors	01
	(iv) Female Directors	01
(*)	The Board of Directors are of the view that the expertise and experience of 02 Independent Directors are sufficient to perform their relevant role & responsibilities required under the provision of Code of Corporate Governance and law, therefore rounding up is not needed.	
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 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 formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.	
9.	The Board has arranged Directors' Training program for the following:	
	(Name of Director)	N/A
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.	CFO and CEO duly endorsed the financial statements before approval of the board.	

12.	The board has formed committees comprising of members given below:		
a.	Audit Committee (Name of members and Chairman)	Asad Yar Khan, (Chairman) Muhammad Jamil, (Member) Malik Safeer Raza Awan, (Member)	
b.	HR and Remuneration Committee (Name of members and Chairman)	Asad Yar Khan, (Chairman) Shabana Atta, (Member) Muhammad Jamil, (Member)	
c.	Nomination Committee (if applicable) (Name of members and Chairman)	N/A	
d.	Risk Management Committee (if applicable) (Name of members and Chairman)	Malik Safeer Raza Awan (Chairman) Miss. Shabana Atta (Member) Mr. Asad yar Khan (Member)	
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 (quarterly/half yearly/ yearly) of the committee were as per following:		
a.	Audit Committee	06	
b.	HR and Remuneration Committee	01	
c.	Nomination Committee (if applicable)	N/A	
d.	Risk Management Committee	01	
15.	The Board has set up an effective internal audit function/ or has outsourced the internal audit function to who are 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 regulations 3, 6, 7, 8, 27,32, 33 and 36 of the Regulations have been complied with.		
19.	Explanation for non-compliance with requirements, other than regulation 3, 6, 7, 8, 27,32, 33 and 36 are below		
	Regulation	Requirement	Explanation
	Regulation 29	The Board may constitute a separate committee, designed as the nomination committee for considering and making recommendations to the Board in respect of the Board's committees and the chairmanship of the Board's committees	The responsibilities prescribed for the nomination committee are being taken care of at Board level on need bases so a separate committee is not considered to be necessary
	Regulation 19 (2)	A newly appointed director	The Company is in process

		on the Board may acquire, the directors training program certification within a period of one year from the date of appointment as a director on the Board	of complying with requirement of Regulation 19 of Listed Companies Code of Corporate Governance Regulations 2019. Since the Company is in transitional phase the compliance is delayed, it is planned that Directors will complete N Directors Training program qualification during upcoming financial year.
	Regulation 10A (5)	The Board may establish a dedicated sustainability Committee or assign additional responsibilities to an existing Board Committee.	The Company in order to effectively discharge its sustainability related issues has assigned additional responsibilities to Risk Management Committee.

For and on behalf of the Board


Malik Safeer Raza Awan
Chairman
Lahore
04 October 2024



**Independent Auditor's Review Report
To the Members of "First Capital Equities 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 **First Capital Equities Limited** for the year ended June 30, 2024 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, 2024.

Lahore
October 04, 2024
UDIN: CR202410206fBFVYMWZg

Malik Haroon Ahmad & Co.
Malik Haroon Ahmad & Co.
Chartered Accountants



Head Office: 25-G, Gulberg II, Lahore - 54660 Pakistan.

Karachi Office: M 7/3, Khayaban-e-Saadi, DHA Phase VII, Karachi

Islamabad Office: Office No. 9 & 10 , 3rd Floor, Pakland Square, G8 Markaz, Islamabad

Gujrat Office: Upper Floor Shehroze Plaza, Near S.A Fans Area Estate, Main GT Road, Gujrat

+92 42 357 72394-7

info@mhaglobal.org

www.mhaglobal.org



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www.uccs-america.org
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