

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 of PAK DATACOM 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 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 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 approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any 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.

ISLAMABAD
DATED: 20 SEPT 2023
UDIN: CR202310060IbnOJYV6p

CHARTERED ACCOUNTANTS
Engagement Partner: Atif Riaz

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

Name of the company: Pak Datacom Limited

Year ending: 30 June 2023

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

1. The total number of directors is 8 as per the following:

a. Male: 07

b. Female: 01

2. The composition of the Board is as follows:

Category	Names
Independent Directors	Mr. Shamim Ahmed Sherazi Ms. Rubina Safeer
Non-Executive Directors	Syed Zomma Mohiuddin
	Mr. Muhammad Waheed
	Syed Junaid Imam
	Mr. Muhammad Izqar Khan
Executive Director	Mr. Perwaiz Khan
Female Director	Brig. Syed Zulfiqar Ali (R) Ms. Rubina Safir

- The Current Board of Directors of the Company adequately meets the requirement of Best Practices of Corporate Governance having an optimal number and mix of Board Members with Adequate skills and experience, Further, existing independent directors play an effective part within the Board and make valuable contribution. Therefore, the fraction (2.3) has not been rounded up.
3. All 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 a complete record of particulars of the significant policies along with their date of approval for 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 the Board.
 8. The Board has a formal policy as well as transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
 9. The Board has carried out an in house self performance evaluation in quarter 4 of the financial year under consideration as per the guidelines issued by Securities Exchange Commission of Pakistan (SECP) vide S. R. O. 301 (I)/2020 dated April 09, 2020. For in house evaluation of the Board, nomination committee meeting was not held this year in order to save committee and extra Board meeting costs as it was discussed in depth last year in the nomination committee meeting related with Board's Evaluation. The evaluation this year was done directly in the Board meeting instead.

10. Out of seven directors, one director (Mr. Muhammad Izqar Khan) has obtained Directors' Training Program certification in the current year. Five directors and chief executive (Syed Zomma Mohiuddin, Engr. Perwaiz Khan, Ms. Rubina Safir, Mr. Shamim Ahmed Sherazi, Mr. Muhammad Waheed, Syed Zulfiqar Ali) had obtained Directors' Training Program certification in prior years. Necessary arrangements have been made for Director Training of Syed Junaid Imam in the coming months, as he could not attend the training (arranged during the FY 2022-23) because of his national level commitments as Member (IT), Ministry of Information Technology & Telecommunication (MOITT).
11. The terms of reference of the Audit Committee have been formed, documented/ approved by the Board and advised to the committee for compliance.
12. The Board has set up an effective internal audit function through periodic audit reviews, indentifying major commercial, operating and financial risks along side budgetary controls. In addition, business risks facing the Company are also monitored by the Board through its sub-committees, specially Audit Committee to ensure that a sound system of risk identification, risk management and implementation of related systemic internal controls exists. The Board ensures that risk mitigation measures are robust. Further, the Board has approved the Risk Management Policy, which has now been implemented and monitored, any improvement if demmed necessary will be managed.
13. 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.
14. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board.
15. The Board has formed committees comprising of members given below.

Sr#	Category	Names
1	Audit Committee	Ms. Rubina Safir (Chairperson) Mr. Shamim Ahmed Sherazi Muhammad Waheed Mr. Muhammad Masood ur Rehman (Secretary)
2	Human Resource and Remuneration Committee	Mr. Shamim Ahmed Sherazi (Chairman) Syed Junaid Imam Mr. Muhammad Izqar Khan Ms. Rubina Safir Mr. Kalim Ullah (Secretary)
3	Nomination Committee	Syed Zomma Mohiuddin (Chairman) Syed Junaid Imam Engr. Perwaiz Khan Mr. Ali Saleem Rana (Secretary)
4	Procurement Committee	Syed Zomma Mohiuddin (Chairman) Mr. Muhammad Waheed Engr. Perwaiz Khan Mr. Muhammad Izqar Khan Mr. Ali Saleem Rana (Secretary)
5	Strategy & Project Appraisal Committee	Syed Zomma Mohiuddin (Chairman) Syed Junaid Imam Engr. Perwaiz Khan Mr. Ahmed Rafiq (Secretary)

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

17. The frequency of meetings (quarterly/half yearly/ yearly) of the Board and its committee were as per following:

Board/Committee	No of Meetings held in FY 2020-2022
Board	05
Audit Committee	06
Human Resource and Remuneration Committee	02
Nomination Committee	00
Procurement Committee	01
Strategy & Project Appraisal Committee	01

18. The Board has set up an effective internal audit function, headed by qualified and experienced person who is conversant with the policies and procedures of the Company.

19. 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 (ICAP) 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.

20. 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.

21. We confirm that all requirements of the Regulations 3,6,7,8,27,32,33 and 36 have been complied with:

Regulation #	Compliance	Non-Compliance
3	Yes	Nil
6	Yes	Nil
7	Yes	Nil
8	Yes	Nil
27	Yes	Nil
32	Yes	Nil
33	Yes	Nil
36	Yes	Nil

22. Explanation for deviation with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been given in paragraph 10 & 12.

23. All other requirements of the Code have been complied with.

Syed Zomma Mohiuddin
Chairman

September 20, 2023

Brig Syed Zulfiqar Ali (R)
Chief Executive