

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

Year ended June 30, 2020.

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

1. The total number of directors are Eight (08) as per the following ,

- a) Male 07
- b) Female 01

2. The composition of the Board is as follows:

Category	Name
i. Independent Director	Dr. Salman Faridi
ii. Non – Executive Director	Mr. Imran Azim Mr. Munir Karim Bana Mr. Saulat Said Syed Sheharyar Ali Muhammad Shafique Anjum
iii. Executive Director	Syed Shahid Ali
iv. Female Director	Dr. Niloufer Qasim Mahdi

- 3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this modaraba;
- 4. The modaraba has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the modaraba along with its supporting policies and procedures;
- 5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the modaraba. 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 modaraba;
- 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 have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;

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

9. Out of the eight, four Directors have either obtained certificate of Directors' Training Program or are exempted from the requirement of Directors' Training Program as per (Code of Corporate Governance) Regulations, 2019. While the remaining four Director will undertake the Directors' Training Program within the stipulated time.
10. The Board had 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 an Audit Committee. It comprises three Members. All Members are Non-Executive Directors and the Chairman of the Committee is an Independent Director;
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 were held at least once every quarter prior to approval of interim and final results of the Modaraba and as required by the CCG. The terms of reference of the committee have been formed and advised to the committee for compliance.
15. The Board has set up an effective internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the modaraba;
16. The statutory auditors of the modaraba 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 modaraba;
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 other requirements of the Regulations have been complied.

For and on behalf of the Board



Syed Shahid Ali

Chief Executive Officer

Dated: 05 October 2020

Lahore