

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

**Name of company: Hala Enterprises Limited**

**Year ending: June 30, 2019**

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

1. The total number of directors are Seven (7) as per the following:
  - a. Male: 4
  - b. Female: 3
2. The composition of board is as follows:

<b>Category</b>	<b>Names</b>
Independent Director(s)*	i. Mr. Rashid Ahmad Khan
Non-Executive Directors	i. Mr.Tahir Jahangir ii. Mrs Munizae Jahangir iii. Mrs.Sulema Jahangir iv. Mrs Myra Hussain Qureshi
Executive Directors	i. Mr.Jillani Jahangir ii. Mr. Abdul Munaf

3. The directors have confirmed that none of them is serving as a director on more than five 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. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
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 of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. The Board of Directors of the Company consist of seven (7) eminent directors, out of which one (1) director is already certified under the Director's Training Program and two (2) directors are exempt. During the year in review no Director's Training Program was arranged by the company, however, the remaining directors will acquire the required directors' training within the time specified in the Regulations.
10. The board has approved appointment of CFO, 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.

1. The board has formed committees comprising of members given below:

- a) Audit Committee

1. Mr.Rashid Ahmad Khan (Independent Director) – Chairman
2. Mrs. Munizae Jahangir (Non-Executive Director)
3. Mrs.Sulema Jahangir (Non-Executive Director)

- b) HR and Remuneration Committee

1. Mr.Rashid Ahmad Khan– (Independent Director) - Chairman
2. Mr.Jillani Jahangir (Executive Director)
3. Mrs.Munizae Jahangir (Non-Executive Director)
4. Mrs.Sulema Jahangir (Non-Executive Director)

2. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
3. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following:

- a) Audit Committee:

Four quarterly meetings were held during the financial year ended June 30, 2019

b) HR and Remuneration Committee

One Meeting of HR and Remuneration Committee was held during the financial year ended June 30, 2019.

15. The board has set up an effective internal audit function which is considered suitably qualified, experienced for the purpose and 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 ICAP and registered with Audit Oversight Board of Pakistan, 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 of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
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 with.

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(Jillani Jahangir)

CEO