

STATEMENT OF COMPLIANCE

WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATION, 2019

Name of Company: Chenab Limited

Year ended: June 30, 2023

The Company has complied with the requirements of the Regulation in the following manner:-

1. The total number of directors are **9** as per the following:-
 - a. **Male: 8**
 - b. **Female: 1**

2. The composition of the Board is as follows:

a)	Independent Director	3
b)	Other Non-executive Director	2
c)	Executive Directors	3
d)	Female Director (Non-executive Director)	1

3. The directors has 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 ensure 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. The board is determined to revisit all its policies and make necessary changes so to make such policies fulfill the mandatory requirements ;
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 Regulation 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;

9. The following Directors have either obtained certificate of Directors. Training Program or are exempted from the requirement of Directors' Training Program as per the Listed Companies (Code of Corporate Governance) Regulations, 2019.

1	Mian Muhammad Latif	2	Mian Muhammad Javed Iqbal
3	Mr. Muhammad Naeem	4	Mr. Muhammad Faisal Latif

The undernoted Directors are in the process of obtaining certificate of Director Training program.

1	Mr. Tariq Ayub Khan	2	Mr. Maqsood Ul Hassan
3	Mr. Muhammad Hashim	4	Mr. Muhammad Salman Javed
5	Mrs. Sobia Chughtai.		

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 Regulation.
11. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board.
12. The Board has formed committees comprising of members given below;-

a) Audit Committee

Sr.No.	Name	Portfolio	Designation of committee
1	Mr. Tariq Ayub Khan	Independent Director	Chairman
2	Mr. Muhammad Hashim	Independent Director	Member
3	Mr. Muhammad Salman Javed	Non-Executive Director	Member

b) HR and Remuneration Committee

Sr.No.	Name	Portfolio	Designation of committee
1	Mr. Maqsood ul Hassan	Independent Director	Chairman
2	Mr. Muhammad Naeem	Executive Director	Member
3	Mr. Muhammad Salman Javed	Non-Executive Director	Member

13. The terms of reference of the aforesaid committees.
14. The frequency of meetings of the committee were as per following;
- a) Audit Committee; 4 quarterly meeting
- b) HR and Remuneration Committee 1 Annual meeting
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 (IFAX) guidelines on code of ethics as adopted by the Institute of Chartered Accounts 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; and
19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below (if applicable);

S.No.	Requirement	Explanation for Non-compliance	Reg. No.
1	Representation of Minority shareholders: The minority members as a class shall be facilitated by the Board to contest election of directors by proxy solicitation.	No one has intended to contest election as director representing minority shareholders.	5
2	Responsibilities of the Board and its member Adoption of the corporate governance practices	Non-mandatory provisions of the CCG Regulations are partially complied	10(1)
3	Nomination Committee The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	Currently, the board has not constituted a separate Nomination Committee and the functions are being performed by the Human Resource & Remuneration Committee.	29(1)
4	Risk Management Committee: The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances to carry out a review of effectiveness of risk management procedures and present a report to the Board.	Currently the board has not constituted a RMC and the Company's Risk Manager performs the requisite functions and apprises the board accordingly.	30(1)
5	Directors, Training A newly appointed director 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.	The Directors are under the process of obtaining requisite training	19(2)

For and on behalf of
BOARD OF DIRECTORS



(MUHAMMAD NAEEM)
(CHIEF EXECUTIVE OFFICER)



(MUHAMMAD FAISAL LATIF)
(DIRECTOR)