



## CLOVER PAKISTAN LIMITED

### Clover Pakistan Limited

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

#### Clover Pakistan Limited Year ending June 30, 2023

Clover Pakistan Limited Year ended June 30, 2023 (hereinafter referred to as 'The Company') has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Regulations") in the following manner:

1. The total number of directors are (7) as per the following:
  - a) Male: 5
  - b) Female: 2
2. The composition of the Board is as follows:
  - i. Independent directors: Ms. Shaista Khan  
Ms. Koshak Irum Fazali
  - ii. Non-Executive Directors: Ms. Shahzad Mohsin  
Mr. Nousherwan  
Mr. David Cyrill Paul
  - iii. Executive Directors: Mr. Javed Iqbal  
Mr. Khawar Jamil Butt
  - iv. Female Directors: Ms. Shaista Khan  
Ms. Koshak Irum Fazali
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 a complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company;



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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 the meeting of the Board
8. The Board have a formal policy and transparent procedures for remuneration of directors under the Act and these Regulations;
9. The Board has arranged a Director training program (DTP) in January 2023 for its below specified directors:

- Ms. Shaista Khan
- Ms. Koshak Irum Fazali
- Mr. David Cyrill Paul
- Mr. Nousherwan
- Mr. Javed Iqbal

10. The Board has approved the appointment of a 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;

\* During the year Mr. Bilal Kasbati resigned from the position of Company Secretary as on July 15, 2022. Due to raise of casual vacant position of Company Secretary of Clover Pakistan Limited, the Board temporarily appointed Mr. Kashif Naimatullah on July 15 2022. The Board is still searching for the Company Secretary as required by Law, and Board will hire the company Secretary accordingly.

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:

Ms. Shaista Khan	Chairman
Ms. Koshak Irum Fazali	Member
Mr. Shahzad Mohsin	Member
Mr. Nousherwan	Member



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b) HR and Remuneration Committee:

Ms. Koshak Irum Fazali	Chairman
Ms. Shaista Khan	Member
Mr. Javaid Iqbal	Member
Mr. Nousherwan	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 was as per the following, -
  - a) Audit Committee Quarterly
  - b) HR and Remuneration Committee Yearly
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 the Audit Oversight Board of Pakistan, that they and all their partners comply with the 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 under the Act, these Regulations or any other regulatory requirement, and the auditors have confirmed that they have observed IFAC guidelines in this regard;
18. The board has not ensured that of formal and effective mechanism is put in place for an annual evaluation on BOD own performance, member its board and of its comities; Reg.(10) Sub. Sec.(3)
19. We confirm that all requirements of regulations 3, 7, 8, 32, 33 and 36 of the Regulations have been complied with unless wherever specified in the Statement of Compliance.
20. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:



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Non-Compliance	Explanation	Subsequent to Reporting date
Evaluation of Board of Directors	We did not conduct evaluation of board as per provisions of COCG because of unavailability of board members.	We are in process of board evaluation which will be completed in due course of time.
Appointment of Company Secretary	During the year Mr. Bilal Kasbati resigned from the position of Company Secretary as on July 15, 2022. Due to raise of casual vacant position of Company Secretary of Clover Pakistan Limited, the Board temporarily appointed Mr. Kashif Naimatullah on July 15 2022	The Board is still searching for the Company Secretary as required by Law, and Board will hire the company Secretary accordingly.

**SHAHZAD MOHSIN**  
Chairman





# REANDA

Reanda Haroon Zakaria & Company  
Chartered Accountants



## TO THE MEMBERS OF CLOVER PAKISTAN LIMITED

### *Review Report 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 **Clover Pakistan Limited** (the Company) 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 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, 2023.

Further, we highlighted below instances of non-compliance with the requirements of the regulations as reflected in the note/paragraph reference where these are stated in Statement of Compliance:

<i>S. No</i>	<i>Reference</i>	<i>Description</i>
1.	<i>Chapter VII Section 24</i>  “No person shall be appointed as the company secretary unless he holds the qualification as specified under the SECP rule book section 14B Regulations by the Commission:  A person holding a master degree in business administration or commerce or being a law graduate from a university recognized by the Higher Education Commission”	The Qualification of Company secretary was not as per the required Regulation. Refer note 20 of the Statement of Compliance.
2.	<i>Chapter III Section 10(3)(v)</i>  A formal and effective mechanism is put in place for evaluation of the Board’s own performance, members of the board and of its committees.	The company did not conduct evaluation of board and its committees as per required Regulation. Refer note 20 of the Statement of Compliance.

  
**Reanda Haroon Zakaria & Company**  
Chartered Accountants

**Place:** Karachi  
**Dated:** September 22, 2023  
**UDIN:** CR202310147DK4nCo83H

**Engagement Partner**  
**Farhan Ahmed Memon**