



REANDA

Reanda Haroon Zakaria & Company
Chartered Accountants



INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF HUSEIN INDUSTRIES 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 **Husein Industries 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.

RH Za Reanda Haroon Zakaria & Co
Reanda Haroon Zakaria & Company
Chartered Accountants

Engagement Partner
Mohammad Iqbal

Place: Karachi

Dated: 02 OCT 2023

UDIN: CR202310086PakLOsuhY

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

Name of Company: Husein Industries Limited
Year ended: June 30, 2023

Husein Industries Limited (the Company) has complied with the requirements of the Regulations in the following manner:

1. The total number of Directors are seven as per the following:

- a. Male: 6
- b. Female: 1

2. The composition of the Board of Directors (the Board) is as follows:

Category	Name
Independent Directors*	Mr. Akhtar Wasim Dar
	Mr. Malik Muneer
	Mr. Abdul Rashid Jamal
Non-Executive Directors	Mr. Muhammed Ali Rashid
	Mr. Abdul Aziz Jamal
Executive Director	Mr. Husein Aziz Jamal
	Miss. Saman Aziz Jamal (Female Director)

*Best practices of code of corporate governance requires that the Company's Independent Directors shall be higher of two or one third (2.33) of its total Directors (7). However, fraction (0.33) contained in one-third number for independent directors has not been rounded up as one, as the existing independent directors have the requisite skills, knowledge and diversified work experience to take independent decision in the interest of the Company;

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 complete record of particulars of the significant policies along with their date of approval or 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 Companies Act, 2017 (the Act) and the 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 the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board;
8. The Board have a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and the Regulations;
9. The Board has arranged Directors' Training Program (DTP) for one of its directors. Three Directors are exempt from DTP and the remaining directors will be trained after the next election of directors within the prescribed time period. All the Directors on the Board are fully conversant with their duties and responsibilities.

10. The Board has approved appointment of Chief Financial Officer, Company Secretary and the 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 (CEO) duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:

Name of Committee	Name	Designation
Audit Committee	Mr. Akhtar Wasim Dar	Chairman
	Mr. Abdul Rashid Jamal	Member
	Mr. Malik Muneer	Member
HR and Remuneration Committee	Mr. Akhtar Wasim Dar	Chairman
	Mr. Abdul Rashid Jamal	Member
	Mr. Malik Muneer	Member

13. The terms of reference of the aforesaid committees have been formed, documented, and advised to the committees for compliance;
14. The frequency of meetings of the committees were as per following:

Committee	Frequency of Meeting
a) Audit Committee	Quarterly
b) HR and Remuneration Committee	Yearly

15. The Board has set up an effective internal audit function which is 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 (ICAP) 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 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, the 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.

On Behalf of the Board



Chairman

Dated: October 02, 2023