

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

For the year ended June 30, 2022

EMAN Management (Private) Limited, the Modaraba Management Company of Orient Rental Modaraba ("Modaraba") (hereafter referred to as "the Company") has complied with the requirements of the Regulations in the following manner:

1. The total number of directors is 6 (six) comprising of:
  - a) Male 5
  - b) Female 1
  
2. The composition of board is as follows:
  - a) Independent director Mr. Joozer Jiwa Khan  
Ms. Saba Agrawalla
  - b) Non-executive director Mr. Nasim Ahmed  
Mr. Chaudhry Jawaid Iqbal  
Mr. Giasuddin Khan
  - c) Executive director Mr. Teizoon Kisat
  
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 vision and mission statements; however, the Company is in the process of developing the overall corporate strategy. 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 board as empowered by the relevant provisions of the Act and these Regulations.
  
7. All 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. Four out of the six Directors have certification under the Directors' Training Program as required under the Listed Companies (Code of Corporate Governance), Regulations, 2019.

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 Regulations;
11. Chief Financial Officer and Chief Executive Officer have duly endorsed the financial statements before approval of the Board;
12. The board has formed committees comprising of members given below:
  - a) Audit Committee:  
Mr. Joozer Jiwa Khan (Chairman);  
Mr. Nasim Ahmed (Non-executive Director)  
Mr. Chaudry Jawaid Iqbal (Non-executive Director)  
Ms. Saba Ahmed Agrawalla (Non-executive Independent Director)
  - b) HR and Remuneration Committee:  
Mr. Joozer Jiwa Khan (Chairman);  
Mr. Nasim Ahmed (Non-executive Director)  
Mr. Teizoon Kijat (Chief Executive)
  - c) Risk Management Committee:  
Ms. Saba Ahmed Agrawalla (Chairperson);  
Mr. Chaudhry Jawaid Iqbal (Non-executive Director)  
Mr. Giasuddin Khan (Non-executive Director)  
Mr. Teizoon Kijat (Chief Executive)
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequencies of the meetings of the committees are as follows;
 

<b>Committee</b>	<b>No. of meetings</b>
Audit Committee	4 (four) meeting
Risk Management Committee	1 (one) meeting
HR and Remuneration Committee	1 (one) meeting
15. The Board has set up an effective internal audit function comprising of suitably qualified and experienced staff who 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 (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, 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 the Regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.
19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:
  - The Board of Directors of the Modaraba Management Company is in process of finalizing risk management policies, as required under Regulation 10(2) of the Regulations. The process of approval shall be completed during the year ending June 30, 2023.
  - The Board of Directors of Modaraba Management Company is in process of finalizing adequate policy, systems and controls for communication and disclosure with stakeholders, identification and redressal of grievances and queries of shareholders / investors and complaints arising from unethical practices, as required under Regulation 10(3)(iii) of the Regulations. The process of approval shall be completed during the year ending June 30, 2023.



**G. Srinivas**  
Chief Executive Officer

September 23, 2022



**J. J. J. J.**  
Chairman



**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE CERTIFICATE HOLDERS OF ORIENT RENTAL MODARABA 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 Eman Management (Private) Limited (the Modaraba Management Company) for and on behalf of Orient Rental Modaraba (the Modaraba) for the year ended June 30, 2022 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 Modaraba Management Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Modaraba'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 Modaraba's personnel and review of various documents prepared by the Modaraba Management 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 Modaraba's corporate governance procedures and risks.

The Regulations require the Modaraba Management 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 Modaraba Management Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Modaraba for the year ended June 30, 2022.

Further, we highlight below instances of non-compliance with the requirements of the Regulations as reflected in the paragraph references where these are stated in the Statement of Compliance:

Serial No.	Reference	Description
1	19	The Board of Directors of the Modaraba Management Company is in the process of finalizing risk management policies. The process of approval shall be completed during the year ending June 30, 2023.
2	19	The Board of Directors of Modaraba Management Company is in process of finalizing adequate policies, systems and control for communication and disclosure with stakeholders, identification and redressal of grievances and queries of shareholders / investors and compliant arising from unethical practices. The process of approval shall be completed during the year ending June 30, 2023.

KARACHI

DATED: SEPTEMBER 23, 2022

UDIN: CR202210166PnLtK6bgG



**CHARTERED ACCOUNTANTS**

Engagement Partner: Tariq Feroz Khan