

# STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2017

Name of company                    KHAIRPUR SUGAR MILLS LIMITED  
 Year ending                        30TH SEPTEMBER 2018

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

1. The total number of directors are 7 (seven) as per the following:

a. Male:	5
b. Female	2

2. The composition of board is as follows:

a) Independent Directors	Lt. Gen (Rtd.) Anees Ahmed Abbasi Lt. Gen (Rtd.) Tahir Mahmud Qazi
b) Non-executive Directors	Mr. Fahad Mubeen Jumani Mrs. Qamar Mubeen Jumani Miss. Arisha Mubeen Jumani
c) Executive Directors	Mr. Muhammad Mubeen Jumani Mr. Faraz Mubeen Jumani

3. The directors have confirmed that none of them are serving as a director on more than five listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).
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 Chairperson and, in her 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 Company arranges in-house orientation course for its directors as and when needed to apprise them of their duties and responsibilities. One of the Director is exempted from the requirement of Directors' training program by virtue of his experience as prescribed by the SECP and the rest of the Directors will undertake the Directors' training program within the stipulated time. All Directors on the Board are fully conversant with the duties and responsibilities.
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.

Subsequently after year end, Mr. Bilal Kamil has been appointed as Chief Financial Officer (CFO) on December 26, 2018 in place of Mr. Shoaibul Haque

11. CFO and CEO duly endorsed the financial statements before approval of the board.
12. The board has formed committees comprising of members given below:
  - a) Audit Committee:
 

Lt Gen (Rtd) Anis Ahmed Abbasi	Chairman
Lt Gen (Rtd) Tahir Mahmud Qazi	Member
Mrs. Qamar Mubeen Jumani	Member
  - b) HR and Remuneration Committee
 

Miss. Arishan Mubeen Jumani	Chairperson
Lt Gen (Rtd) Anis Ahmed Abbasi	Member
Mr. Muhammad Mubeen Jumani	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 committees were as per following:
  - a) Audit Committee: Four Meetings during the financial year ended September 30, 2018
  - b) HR and Remuneration committee: One meeting during the financial year ended September 30, 2018
15. The board has set up an effective internal audit function, which 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 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.



(MUHAMMAD MUBEEN JUMANI)  
 Chief Executive Officer



(FARAZ MUBEEN JUMANI)  
 Managing Director

**Place:** Karachi  
**Dated:** December 26, 2018