

Statement of Compliance with Listed Companies (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Name of Company: Khairpur Sugar Mills Limited
Year ended: September 30, 2021

Khairpur Sugar Mills 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:	5
b. Female:	2

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

Independent Directors	Mr. Asif Khan Brohi Lt. Gen (Rtd). Tahir Mahmud Qazi
Non-Executive Directors	Mr. Fahad Mubeen Jumani Mrs. Qamar Mubeen Jumani Miss. Arisha Mubeen Jumani
Executive Directors	Mr. Muhammad Mubeen Jumani Mr. Faraz Mubeen Jumani
Female Directors	Mrs. Qamar Mubeen Jumani Miss. Arisha Mubeen Jumani

Fraction (0.33) related to the requirement for number of independent Director is less than 0.5 and therefore, has not been rounded up as one.

- The Directors have confirmed that none of them is serving as a Director on more than seven listed companies, including this Company;
- 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;
- 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;
- 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;
- The meetings of the Board were presided over by the Chairperson 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;
- The Board has a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations;
- Out of seven (7) Directors, One (1) Director meets exemption requirement of Director Training Program (DTP). One newly appointed Director, and the rest of five (5) Directors shall obtain DTP Certification in due course of time.

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 had formed committees comprising of members given below:
 - a. Audit Committee
 - i Mr. Asif Khan Brohi Chairman
 - ii Lt. Gen Tahir Mahmud Qazi Member
 - iii Mrs. Qamar Mubeen Jumani Member
 - b. HR and Remuneration Committee
 - i Mr. Asif Khan Brohi Chairman
 - ii Lt. Gen (Retd) Tahir Mahmud Qazi Member
 - iii Mr. Muhammad Mubeen Jumani 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:
 - a) Audit Committee Quarterly
 - b) HR and Remuneration Committee One meeting was held during the year
15. The Board has set up an effective internal audit function 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 (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, 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.



(Mrs. Qamar Mubeen Jumani)
Chairperson

Place: Karachi

Dated: December 28, 2021