

STATEMENT OF COMPLIANCE

WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 (THE “REGULATIONS”)

Name of Company: **Kohinoor Textile Mills Limited**
Year Ended: **June 30, 2023**

This Company has complied with the requirements of the Regulations in the following manner:-

1. The total number of Directors are Nine (9) as per the following composition:

Male: 8
Female: 1

2. The Composition of the Board is as follows: -

i.	Independent Directors	02
ii.	Non-Executive Directors	03
iii.	Executive Directors (including CEO)	03
iv.	Female Director (Non-Executive)	01

Determination of number of independent Directors comes to 2.66 (rounded to 2) which is based on Eight Elected Directors, excluding CEO who is considered as deemed Director. The fraction contrived in one-third number is not rounded up as the two elected independent Directors have requisite competencies, skills, knowledge and experience to discharge and execute their duties competently, as per applicable laws and regulations. As they fulfill the necessary requirements as per applicable laws and regulations, hence, appointment of a third independent Director is not warranted;

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. Although

these are well circulated among the relevant employees and directors, the Board shall if mandatorily required consider posting such policies and synopsis of terms of reference of the Board's Committees on its website in near future;

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. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meetings of the Board;

8. The Board has a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations;

9. Four Directors have obtained certificate for Directors' Training Program and Four Directors are exempt from this due to 14 years of education and 15 years of experience on the Boards of listed companies as under: -;



Sr. No.	NAME OF DIRECTORS	YEARS OF EXPERIENCE
1.	Mr. Tariq Sayeed Saigol	Exempted from Directors' Training Program
2.	Mr. Sayeed Tariq Saigol	Director of the Company since 1998
3.	Mr. Taufique Sayeed Saigol	Exempted from Directors' Training Program
4.	Mr. Waleed Tariq Saigol	Director in Maple Leaf Cement Factory Limited (MLCFL) since 2004
5.	Mr. Danial Taufique Saigol	Certificate obtained for Directors' Training Program
6.	Ms. Jahanara Saigol	Appointed on the Board of the Company on April 23, 2020 and Director in MLCFL since December 31, 2019. Directors' Training Program is non-mandatory and compliance will be made in due course.
7.	Syed Muhammad Shabbar Zaidi	Director in ICI Pakistan Limited since 2020 and certificate obtained for Directors' Training Program
8.	Mr. Zulfikar Monnoo	Director in Rafhan Maize Product Co. Limited since 1990 and certificate obtained for Directors' Training Program
9.	Syed Mohsin Raza Naqvi	Certificate obtained for Directors' Training Program

The Company has planned to arrange Directors' Training Program certification for female executives and head of departments in next few years;

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 duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:

a) Audit Committee

NAME	DESIGNATION
Syed Muhammad Shabbar Zaidi	Chairman (Independent Director)
Mr. Zulfikar Monnoo	Member (Independent Director)
Mr. Sayeed Tariq Saigol	Member (Non-Executive Director)
Mr. Waleed Tariq Saigol	Member (Non-Executive Director)

b) Human Resource & Remuneration Committee

NAME	DESIGNATION
Mr. Zulfikar Monnoo	Chairman (Independent Director)
Mr. Sayeed Tariq Saigol	Member (Non-Executive Director)
Mr. Danial Taufique Saigol	Member (Executive Director)



- c) **Nomination Committee:** Currently, the Board has not constituted a separate nomination committee and the functions are being performed by the human resource and remuneration committee. The Board would consider to constitute nomination committee and compliance will be made in due course;
- d) **Risk Management Committee:** Currently, the Board has not constituted a risk management committee and senior officers of the Company perform the requisite functions and apprise the Board accordingly. The Board would consider to constitute risk management committee and compliance will be made in due course;

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:

MEETINGS	FREQUENCY
Audit Committee	Four meetings were held during the financial year ended June 30, 2023.
Human Resource and Remuneration Committee	One meeting was held during the financial year ended June 30, 2023.

15. The Board has set up an effective internal audit function which is considered to be 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 ICAP 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; and

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.



(TARIQ SAYEED SAIGOL)
CHAIRMAN

Lahore: 08 September 2023



Riaz Ahmad & Company
Chartered Accountants

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INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF KOHINOOR TEXTILE MILLS 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 Kohinoor Textile Mills Limited (the Company) for the year ended 30 June 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 30 June 2023.

RIAZ AHMAD & COMPANY
Chartered Accountants

Islamabad
Date: 11 September 2023
UDIN: CR202310187SpeAm1x6z

