

STATEMENT OF COMPLIANCE

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

Name of Company: Tariq Corporation Limited

Year Ended: 30 September 2022

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

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

Category	No of Directors
Male Directors	5
Female Directors	2

2. The composition of board is as follows:

Category	Names
Independent Directors	Mr. Muhammad Imran Khan
	Mr. Saif Hasan
Executive Director	Mian Mustafa Ali Tariq
Non-Executive Director	Mian Ahmed Ali Tariq
	Mr. Waseem Ahmad Ghafoor
Female Directors	Mrs. Sadia Ali Tariq (Non-Executive Director)
	Mrs. Maryam Habib (Executive Director)

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. 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 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 has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. The Board remained compliant in terms of Regulation 19 of Chapter VI of Code of Corporate Governance for Listed Companies. Out of seven directors, three (03) directors have acquired the director's training program certification while the remaining directors shall obtain certification under the DTP in due course of time. One director appointed on casual on 15 July 2022 may acquire the directors' training program certification within a period of one year from the date of his appointment. The independent directors have affirmed their eligibility as laid down under section 166(2) of Companies Act, 2017 to act as independent director of the company vacancy.
10. During the year, there is no change in the CFO, Company Secretary and Head of Internal Auditor.
11. The CEO and CFO duly endorsed the financial statements before approval of the Board.
12. The board has formed committees comprising of members given below:

Audit Committee:

Name of Director	Designation
Mr. Muhammad Imran Khan	Chairman
Mian Ahmed Ali Tariq	Member
Mr. Waseem Ahmad Ghafoor	Member

HR and Remuneration Committee:

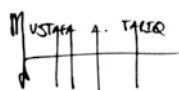
Name of Director	Designation
Mr. Saif Hasan	Chairman
Mian Mustafa Ali Tariq	Member
Mrs. Maryam Habib	Member

Risk Management Committee:

Name of Director	Designation
Mian Mustafa Ali Tariq	Chairman
Mrs. Maryam Habib	Member
Mr. Saif Hasan	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 committee were as per following:
 - a) **Audit Committee:** Four quarterly meetings during the financial year ended September 30, 2022.
 - b) **HR and Remuneration Committee:** One meeting during the financial year ended September 30, 2022.
 - c) **Risk Management Committee:** No meeting during the financial year ended September 30, 2022.
15. The Board has set up an effective internal audit function controlled by internal audit department, which is comprised of qualified and experienced professionals 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 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 firms involved in the audit are not a close relatives (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or any 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 other requirements of the Regulations have been complied with.
19. Regulation 6(1) of the Listed Companies (Code of Corporate Governance) Regulations, 2019 requires that "each listed company shall have at least two or one third members of board, whichever is higher, as independent directors". One third of the company's total number of directors results in a fractional number, i.e., 2.33. The fraction has not been rounded up to one and therefore, the board of directors currently has 2 independent directors.

For and on Behalf of the Board of Directors,



MIAN MUSTAFA ALI TARIQ
Chief Executive Officer



MIAN AHMED ALI TARIQ
Chairman

Lahore: December 29, 2022

INDEPENDENT AUDITORS' REVIEW REPORT

To the members of Tariq Corporation Limited *(Formerly: Husein Sugar 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 Tariq Corporation Limited for the year ended September 30, 2022 in accordance with the requirements of Regulation No. 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.

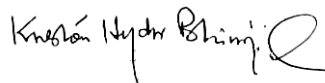
As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control 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.

The following instance of non-compliance with the requirement(s) of the Regulations was observed which is not appropriately stated in the Statement of Compliance:

Human Resource and Remuneration Committee comprises two executive directors rather than a majority of non-executive directors as required by Regulation 28 of the Regulations.

Based on our review, except for the above instance of non-compliance, 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 Regulations as applicable to the Company for the year ended September 30, 2022.



KRESTON HYDER BHIMJI & CO.
CHARTERED ACCOUNTANTS

LAHORE: DECEMBER 30, 2022
UDIN: CR2022104753AJLQG1EI

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