

# Naveed Zafar Ashfaq Jaffery & Co.

## Chartered Accountants

A Member Firm of:



An Association of  
Independent Accounting Firms

1st Floor, Modern Motors House,  
Beaumont Road, Karachi-Pakistan.  
Tel: +92 21-35671909,35673754  
Fax: +92-21-35210626  
E-mail:khi@nzaj.com.pk  
Web:www.nzaj.com.pk

### Independent Auditor's Review Report to the members of Din Textile Mills Limited 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 **Din Textile Mills Limited** (the Company) for the year ended June, 30 2024 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. 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 June, 30 2024.

Karachi

Dated : 30 September 2024

UDIN: CR202410232ovVzSJYh

Chartered Accountants

Engagement Partner: Azeem H. Siddiqui – FCA

Other Offices: 3-B, ATS Centre, 30-West, Fazal-Ul-Haq Road, Blue Area, Islamabad-Pakistan. Ph: +92-51-2878530-32 Fax: +92-51-2206283 E-mail:isl@nzaj.com.pk  
201-Regency Plaza, M.M. Alam Road, Gulberg-II, Lahore-Pakistan. Ph: +92-42-37321969,37249053 Fax: +92-42-37324103 E-mail:lhr@nzaj.com.pk  
1st Floor Lamsay Arcade, oppt. Green's Banquet Hall, Peshawar. Ph. +92-91-5276102, 5274995 Fax: 091-5274968 Email:pesh@nzaj.com.pk

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

For the year ended June 30, 2024

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

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

A. Male	8
B. Female	1

2. The composition of Board is as follows:

CATEGORY	Name
Independent Directors	Mr. Ehtesham Maqbool Elahi Mr. Ali Farooq
Other Non-Executive Directors	Shaikh Muhammad Jawed - Chairman Shaikh Muhammad Pervez Shaikh Muhammad Tanveer Mr. Faisal Jawed
Executive Directors	Shaikh Mohammad Naveed Mr. Farhad Shaikh Mohammad
Female Independent Director	Mrs. Romisa Raffay

- The Directors have confirmed that none of them is serving as a Director on the Board of more than seven listed companies, including Din Textile Mills Limited.
- 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. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
- 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 and these Regulations.
- 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 the Act and the Regulations with respect to frequency, recording and circulating minutes of meetings of the Board.
- The Board of Directors has a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations.
- All nine members of Board of Directors comply with requirements of Directors' training as required under clause 19 of the Listed Companies (Code of Corporate Governance) Regulation, 2019.
- The Board has approved appointment of the Chief Financial Officer, the 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.

The CFO of the Company, Mr. Ahsan Nazir Khawaja has been appointed effective from January 22, 2024,

replacing Mr. Kashif Javed.

11. Two Directors and CFO duly endorsed the financial statements before approval of the Board.

12. The Board has formed following committees comprising of members given below:

Audit Committee

Mr. Ehtesham Maqbool Elahi	Chairperson
Shaikh Muhammad Pervez	Member
Mr. Faisal Jawed	Member

Human Resource and Remuneration Committee

Mr. Ali Farooq	Chairperson
Mr. Faisal Jawed	Member
Mr. Farhad Shaikh Mohammad	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 of the committee were as per following:

- |                                  |                                      |
|----------------------------------|--------------------------------------|
| a. Audit Committee               | =4= Quarterly Meetings               |
| b. HR and Remuneration Committee | =1= Meeting held on January 15, 2024 |

15. The Board has set up an effective internal audit function which comprises of professionals, 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, that they and the partners of the firm, involved in the audit, are not a close relative of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Directors 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.

19. Explanations for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33, and 36 (non-mandatory requirements) are below:

S.No.	Requirement	Explanation	Reg. No.
1	The Board may constitute a separate committee, designed as the nomination committee, of such number and class of Directors, as it may deem appropriate in its circumstances.	The responsibilities as prescribed for the nomination committee are being taken care of at Board level as and when needed so a separate committee is not considered to be necessary.	29(1)
2	The Board may constitute the risk management committee, of such number and class of Directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	The Board has tasked the Board Audit Committee to oversee risk management related matters of the Company.	30(1)
3	The Company may post on its website key elements of its significant policies including DE&I and protection against harassment at workplace as advised by SECP vide its SRO 920 (1)/2024 dated 12th June, 2024.	As per the regulations, the Company has disclosed key elements of its significant policies and intends to add the gist of its policy on DE&I & protection against harassment at the workplace.	35(1)
4	<p>Role of the Board and its members to address sustainability risk and opportunities:</p> <p>The Board is responsible for setting the Company's sustainability strategies, priorities, and targets to create long term corporate value. The Board may establish a dedicated sustainability committee.</p>	At present, the Board provides governance & oversight in relation to Company's initiatives on environmental, social and governance (ESG) matters and prefers to continue the same practice.	10A

KARACHI  
Date: 27 September 2024

  
Faisal Jawed  
Director

  
Farhad Shaikh Mohammad  
Director