

TRANSCENDING LIMITS



Shield[®] Half Yearly Report
2024

ACHIEVEMENT UNLOCKED

Shield[®] Half Yearly Report
2024

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COMPANY INFORMATION

Board of Directors

Mr. Ebrahim Qassim	Chairman
Mr. Mohammad Haroon Qassim	Chief Executive
Mr. Vali Muhammad A. Habib	Director
Mr. Muhammad Rafique Umer Afinwala	Director
Mr. Abdul Ghaffar Umer Kapadia	Director
Mrs. Saadia Naveed	Director
Mr. Mohammad Salman Qassim	Director

Audit Committee

Mr. Muhammad Rafique Umer Afinwala	Chairman
Mr. Vali Muhammad A. Habib	Member
Mr. Abdul Ghaffar Umer Kapadia	Member

Human Resource & Remuneration Committee

Mr. Abdul Ghaffar Umer Kapadia	Chairman
Mr. Mohammad Haroon Qassim	Member
Mr. Vali Muhammad A. Habib	Member

Risk Management Committee

Mr. Mohammad Haroon Qassim	Chairman
Mr. Vali Muhammad A. Habib	Member
Mr. Muhammad Rafique Umer Afinwala	Member

Chief Financial Officer

Mr. Yasir Yousuf Chhabra

Company Secretary

Mr. Hafiz Muhammad Hasan

Head of Internal Audit

Mr. Tariq Shahzad

Legal Advisors

Mr. Shafqat Zaman

External Auditors

BDO Ebrahim & Co.
Chartered Accountants

Internal Auditors

Yousuf Adil
Chartered Accountants

Bankers

Meezan Bank Limited
Bank Al-Habib Limited - Islamic Banking
Habib Metropolitan Bank Limited - Islamic Banking
Habib Metropolitan Bank Limited
Bank Alfalah Limited - Islamic Banking

Registrar & Share Registration Office

CDC Share Registrar Services Limited
CDC House, 99-B, S.M.C.H.S,
Main Shahrah-e-Faisal,
Karachi

Registered Office

Office 1007, Business Avenue,
Block 6, P.E.C.H.S., Shahrah-e-Faisal,
Karachi

Factory

Plot No. 368/4 & 5
Landhi Industrial Area
Baldia Road
Karachi

Email & URL

mail@shield.com.pk
www.shield.com.pk

Directors' Review

On behalf of the Board of Directors, we present the un-audited condensed interim financial statements for the half year ended December 31, 2023.

Financial summary

Operating Results	December, 2023	December, 2022	Increase / (Decrease)
	(Rupees)	(Rupees)	
Net Sales	2,292,266,296	2,095,245,314	9.40%
Gross Profit	658,634,927	485,670,669	35.61%
Gross Profit %	28.73%	23.18%	555 bps
Selling and Distribution Expenses	443,071,703	312,996,510	41.56%
Administrative Expenses	31,976,704	29,122,937	9.80%
Finance Costs	164,617,027	84,378,282	95.09%
Profit Before Tax	25,833,291	67,710,753	(61.85%)
(Loss) / Profit After Tax	(10,133,993)	35,745,699	(128.35%)
(Loss) / Earnings per Share	(2.60)	9.17	(128.35%)

Net sales of the Company increased by 9.40%, gross profit increased by 35.61% on absolute basis as compared to the same period last year, being off-set mainly by reasons mentioned ahead. Selling and distribution expense increased by Rs. 130.075 million mainly due to increase in fuel prices, ATL marketing campaign and employee remunerations expense of the Company. Finance cost increased significantly mainly due to increased utilization of borrowing facilities and policy rate rise. Due to the mentioned reasons the Company incurred loss after tax of Rs. 10.134 million in half year ended December 31, 2023.

Challenges continue to prevail as economy is still struggling with consistent inflationary trends which impact buying power of the consumers and the demand of the products. Reduction in policy rate level is pivotal for business growth. Market has taken price adjustments considering dollar rate stability and reduced buying power which has resulted in reduction in the margins. Due to economic uncertainty sales is also being affected. Despite the challenges, the Company is committed to the sustainability of its business. In the months ahead political stability will play a key role in assuring the economic stability of the country.

The Board of Directors would like to express their gratitude to all customers, financial institutions, staff members, suppliers and shareholders who have been associated with the Company for their continued support and cooperation.

On behalf of the Board



Mohammad Haroon Qassim
Chief Executive



Muhammad Rafique Umer Afinwala
Director

Karachi: February 27, 2024

ڈائریکٹرز کا جائزہ

ہم بورڈ آف ڈائریکٹرز کی جانب سے ۳۱ دسمبر ۲۰۲۳ کو ختم ہونے والی نصف سالانہ مدت کے لیے غیر آڈٹ شدہ مختصر عبوری مالیاتی گوشوارے پیش کر رہے ہیں۔

سرمائے کا خلاصہ

عملداری نتائج	دسمبر ۲۰۲۳ (روپے)	دسمبر ۲۰۲۲ (روپے)	اضافہ/ (کمی)
خالص سیلز	2,292,266,296	2,095,245,314	9.40%
مجموعی منافع	658,634,927	485,670,669	35.61%
مجموعی فیصدی منافع	28.73%	23.18%	555 bps
فروخت اور تقسیم کاری کے اخراجات	443,071,703	312,996,510	41.56%
انتظامی اخراجات	31,976,704	29,122,937	9.80%
مالیاتی لاگت	164,617,027	84,378,282	95.09%
قبل از ٹیکس منافع	25,833,291	67,710,753	(61.85%)
بعد از ٹیکس (نقصان) / منافع	(10,133,993)	35,745,699	(128.35%)
فی شیئر (نقصان) / آمدنی	(2.60)	9.17	(128.35%)

کمپنی کی خالص سیلز میں 9.40% اضافہ ہوا، مجموعی منافع میں پچھلے سال کی اسی مدت کے مقابلے میں مطلق بنیادوں پر 35.61% کا اضافہ ہوا جو آگے بتائی گئی وجوہات کی بناء پر آفسیٹ ہو گیا۔ فروخت اور تقسیم کاری کے اخراجات میں 130.075 ملین روپے کے اضافے کی بنیادی وجہ ایندھن کی قیمتیں، اے ٹی ایل مارکیٹنگ مہم اور کمپنی کے ملازمین کے اخراجات میں اضافہ ہے۔ مالیاتی لاگت میں نمایاں اضافہ کی بنیادی وجہ قرضوں کا زیادہ استعمال اور مالیاتی لاگت کی شرح میں اضافہ ہے۔ مذکورہ وجوہات کی بناء پر ۳۱ دسمبر ۲۰۲۳ کو ختم ہونے والی نصف سالانہ مدت میں کمپنی کو 10.134 ملین روپے کا بعد از ٹیکس نقصان ہوا۔

چیلنجز بدستور برقرار ہیں کیونکہ معیشت اب بھی مسلسل افراط زر کے رجحانات سے نبرد آزما ہے جس سے صارفین کی قوت خرید اور مصنوعات کی طلب متاثر ہوتی ہے۔ قرض لینے کی شرح میں کمی کاروبار کی ترقی کے لیے اہم ہے۔ مارکیٹ نے ڈالر کی شرح میں استحکام اور قوت خرید میں کمی کو دیکھتے ہوئے قیمتوں میں ایڈجسٹمنٹ کی ہے جس کے نتیجے میں مارجن میں کمی واقع ہوئی ہے۔ معاشی بے یقینی کے باعث سیلز بھی متاثر ہو رہی ہے۔ چیلنجز کے باوجود، کمپنی اپنے کاروبار کے استحکام کے لیے پرعزم ہے۔ آنے والے مہینوں میں سیاسی استحکام ملک کے معاشی استحکام کو یقینی بنانے میں کلیدی کردار ادا کرے گا۔

بورڈ آف ڈائریکٹرز ان تمام صارفین، مالیاتی اداروں، عملے کے اراکین، سپلائرز اور شیئرز ہولڈرز کا شکریہ ادا کرنا چاہیں گے جو کمپنی کے ساتھ مسلسل تعاون اور تائید کے لیے منسلک ہیں۔

بورڈ آف ڈائریکٹرز کی طرف سے



محمد رفیق عمرافینوالا
ڈائریکٹر



محمد ہارون قاسم
چیف ایگزیکٹو

کراچی: ۲۷ فروری ۲۰۲۳



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INDEPENDENT AUDITOR'S REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE MEMBERS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of SHIELD CORPORATION LIMITED ("the Company") as at December 31, 2023 and the related condensed interim statement of profit or loss, the condensed interim statement of comprehensive income, the condensed interim statement of changes in equity, the condensed interim statement of cash flows and notes to the condensed interim financial statements for the six-month period then ended (herein-after referred as the "interim financial statements"). Management is responsible for the preparation and presentation of this condensed interim financial statements in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review

We have conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The figures of the condensed interim financial statements for the quarter ended December 31, 2023 and December 31, 2022 in the condensed interim statement of profit or loss and the condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

The engagement partner on the review resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: 27 FEB 2024

UDIN: AR202310166c1QAfS1m6

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

BDO Ebrahim & Co. Chartered Accountants

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Condensed Interim Statement of Financial Position

As at December 31, 2023

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	Note	------(Rupees)-----	
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment	6	1,428,398,364	1,375,007,609
Intangible asset		83,341	120,158
Investment property		112,166,246	113,026,519
Long term deposits		1,145,986	1,145,986
		<u>1,541,793,937</u>	<u>1,489,300,272</u>
CURRENT ASSETS			
Stores and spares		65,978,775	58,068,209
Stock-in-trade	7	1,289,704,859	961,081,359
Trade debts	8	108,656,908	257,017,305
Loans and advances		7,984,178	20,701,733
Investment in equity accounted associate		-	994,743
Trade deposits, prepayments and other receivable	9	13,257,716	10,061,161
Taxation - net		158,077,608	125,117,301
Cash and bank balances	10	4,648,164	4,495,616
		<u>1,648,308,208</u>	<u>1,437,537,427</u>
TOTAL ASSETS		<u>3,190,102,145</u>	<u>2,926,837,699</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
15,000,000 (June 30, 2023 : 15,000,000) ordinary shares of Rs. 10/- each		150,000,000	150,000,000
Issued, subscribed and paid-up capital			
3,900,000 (June 30, 2023: 3,900,000) ordinary shares of Rs. 10/- each		39,000,000	39,000,000
Loan from Chief Executive		55,000,000	55,000,000
Capital reserve		10,000,000	10,000,000
Revenue reserves		634,789,895	644,923,888
		<u>738,789,895</u>	<u>748,923,888</u>
NON - CURRENT LIABILITIES			
Deferred taxation		79,404,531	71,445,185
Long term financing - secured	11	417,368,352	476,114,223
Security deposit		5,400,000	5,400,000
Deferred government grant	12	36,072,933	40,404,955
		<u>538,245,816</u>	<u>593,364,363</u>
CURRENT LIABILITIES			
Trade and other payable	13	810,476,646	520,859,818
Accrued Profit	15	72,017,810	59,867,361
Current portion of long term financing - secured	11	123,424,707	110,909,907
Current portion of deferred government grant	12	8,639,449	8,396,884
Short term borrowings - secured	14	897,625,781	883,628,958
Unpaid dividend		288,915	293,394
Unclaimed dividend		593,126	593,126
		<u>1,913,066,434</u>	<u>1,584,549,448</u>
TOTAL EQUITY AND LIABILITIES		<u>3,190,102,145</u>	<u>2,926,837,699</u>
CONTINGENCIES AND COMMITMENTS			
	16		

The annexed notes from 1 to 28 form an integral part of these condensed interim financial statements.

Muhammad Haroon Qassim
Chief Executive

Muhammad Rafique Umer Afinala
Director

Yasir Yousuf Chhabra
Chief Financial officer

Condensed Interim Statement of Profit or Loss (Unaudited)

For the Period Ended December 31, 2023

	Note	Six months period ended		Three months period ended	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
		----- (Rupees) -----		----- (Rupees) -----	
Sales - net	17	2,292,266,296	2,095,245,314	1,050,158,072	1,162,041,507
Cost of sales		(1,633,631,369)	(1,609,574,645)	(756,324,043)	(904,348,552)
Gross profit		658,634,927	485,670,669	293,834,029	257,692,955
Selling and distribution expenses		(443,071,703)	(312,996,510)	(213,070,468)	(156,305,665)
Administrative and general expenses		(31,976,704)	(29,122,937)	(15,939,573)	(14,800,190)
(Provision) / reversal for expected credit losses		(96,414)	(2,660,092)	68,315	(342,216)
Other operating expenses		(9,935,496)	(9,388,583)	1,280,045	(2,477,650)
		(485,080,317)	(354,168,122)	(227,661,681)	(173,925,721)
		173,554,610	131,502,547	66,172,348	83,767,234
Other operating income		16,895,708	20,917,320	8,551,651	10,013,311
Operating profit before finance costs		190,450,318	152,419,867	74,723,999	93,780,545
Share of loss on investment in associate		-	(330,832)	-	(114,770)
Finance costs	18	(164,617,027)	(84,378,282)	(87,764,167)	(43,539,759)
Profit / (loss) before taxation		25,833,291	67,710,753	(13,040,168)	50,126,016
Taxation		(35,967,284)	(31,965,054)	(13,858,670)	(16,339,536)
(Loss) / Profit for the period		(10,133,993)	35,745,699	(26,898,838)	33,786,480
(Loss) / Earnings per share - basic and diluted	19	(2.60)	9.17	(6.90)	8.66

The annexed notes from 1 to 28 form an integral part of these condensed interim financial statements.



Mohammad Haroon Qassim
Chief Executive



Muhammad Rafique Umer Afinwala
Director



Yasir Yousuf Chhabra
Chief Financial officer

Condensed Interim Statement of Comprehensive Income (Unaudited)

For the Period Ended December 31, 2023

	Six months period ended		Three months period ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
	----- (Rupees) -----		----- (Rupees) -----	
(Loss) / Profit for the period	(10,133,993)	35,745,699	(26,898,838)	33,786,480
Other comprehensive income	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(10,133,993)</u>	<u>35,745,699</u>	<u>(26,898,838)</u>	<u>33,786,480</u>

The annexed notes from 1 to 28 form an integral part of these condensed interim financial statements.



Muhammad Haroon Qassim
Chief Executive



Muhammad Rafique Umer Afinwala
Director



Yasir Yousuf Chhabra
Chief Financial officer

Condensed Interim Statement of Cash Flows (Unaudited)

For the Period Ended December 31, 2023

	Note	Six months period ended	
		December 31, 2023	December 31, 2022
		------(Rupees)-----	
Cash flows from operating activities			
Cash generated from operations	20	358,778,067	332,367,035
Finance costs - net		(152,466,578)	(78,340,350)
Income tax - net		(60,968,245)	(63,859,353)
Net cash flows from operating activities		145,343,244	190,167,332
Cash flows from investing activities			
Fixed capital expenditure including work in progress		(110,301,918)	(111,955,081)
Addition in intangible assets		-	(90,401)
Liquidation proceeds from investment in equity accounted associate		994,743	-
Sales proceeds from disposal of property, plant and equipment		444,663	12,170
Net cash used in investing activities		(108,862,512)	(112,033,312)
Cash flows from financing activities			
Long term financing diminishing musharakah - net		(50,320,528)	(27,311,691)
Short term murabaha and istisna finance - net		(470,902)	8,050,309
Dividend paid		(4,479)	(26,244)
Net cash used in financing activities		(50,795,909)	(19,287,626)
Net (decrease) / increase in cash and cash equivalents		(14,315,177)	58,846,394
Cash and cash equivalents at the beginning of the period		(306,035,190)	(237,351,184)
Effect of movements in exchange rates on cash held		-	245,562
Cash and cash equivalents at the end of the period	21	(320,350,367)	(178,259,228)

The annexed notes from 1 to 28 form an integral part of these condensed interim financial statements.



Muhammad Haroon Qassim
Chief Executive



Muhammad Rafique Umer Afinwala
Director



Yasir Yousuf Chhabra
Chief Financial officer

Condensed Interim Statement of Changes in Equity (Unaudited)

For the Period Ended December 31, 2023

	Issued, subscribed and paid-up capital	Loan from Chief Executive	Reserve			Sub total	Total
			Capital reserve	Revenue reserves			
			Share Premium	General	Unappropriated profit		
----- (Rupees) -----							
Balance as at July 1, 2022 (Audited)	39,000,000	55,000,000	10,000,000	55,000,000	444,959,733	509,959,733	603,959,733
Profit for the period	-	-	-	-	35,745,699	35,745,699	35,745,699
Other comprehensive income for the period	-	-	-	-	-	-	-
	-	-	-	-	35,745,699	35,745,699	35,745,699
Balance as at December 31, 2022 (Un-audited)	39,000,000	55,000,000	10,000,000	55,000,000	480,705,432	545,705,432	639,705,432
Balance as at July 1, 2023 (Audited)	39,000,000	55,000,000	10,000,000	55,000,000	589,923,888	654,923,888	748,923,888
Loss for the period	-	-	-	-	(10,133,993)	(10,133,993)	(10,133,993)
Other comprehensive income for the period	-	-	-	-	-	-	-
	-	-	-	-	(10,133,993)	(10,133,993)	(10,133,993)
Balance as at December 31, 2023 (Un-audited)	39,000,000	55,000,000	10,000,000	55,000,000	579,789,895	644,789,895	738,789,895

The annexed notes from 1 to 28 form an integral part of these condensed interim financial statements.



Mohammad Haroon Qassim
Chief Executive



Muhammad Rafique Umer Afinwala
Director



Yasir Yousuf Chhabra
Chief Financial officer

Notes to the Condensed Interim Financial Statements

For the Period Ended December 31, 2023

1 STATUS AND NATURE OF BUSINESS

Shield Corporation Limited (the Company) was incorporated on January 10, 1975 as a public limited company in Pakistan under the Companies Act, 1913 (now Companies Act, 2017) and is quoted on Pakistan Stock Exchange Limited. The Company started its commercial production on November 26, 1975 and is mainly engaged in the manufacturing, trading and sales of oral care, baby care and hygiene products.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is situated at office No. 1007, 10th Floor, Business Avenue, Block 6, P.E.C.H.S., Shahrah-e-Faisal, Karachi. The manufacturing facility of the Company is located at Landhi Industrial Area, Karachi.

3 BASIS OF PREPARATION

3.1 Statement of compliance

These condensed interim financial statements of the Company for the six month ended December 31, 2023 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017 ('the Act');
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Act; and
- Provisions of and directives issued under the Act.

Where the provisions of and directives issued under the Act differ from the requirements of IAS 34, the provisions of and directives issued under Act have been followed.

- 3.1.1 These condensed interim financial statements are unaudited but subject to the limited scope review by auditors and is being submitted to the shareholders as required under section 237 of the Act.
- 3.1.2 These condensed interim financial statements do not include all the information and disclosures required in an annual audited financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2023. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.
- 3.1.3 The comparative statement of financial position presented in these condensed interim financial statements as at June 30, 2023 have been extracted from the annual audited financial statements of the Company for the year ended June 30, 2023, whereas the comparative condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity together with the notes thereto for the six month period ended December 31, 2022 have been extracted from the condensed interim financial information of the company for the six month period ended, which were subjected to a review but not audited.
- 3.1.4 The figures of the condensed interim profit or loss and other comprehensive income for the quarter ended December 31, 2023 and December 31, 2022 included in these condensed interim financial statements was neither subjected to review nor audited.

4 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies adopted and methods of computation followed in the preparation of these condensed interim financial statements are same as those for the preceding annual financial statements for the year ended June 30, 2023.

4.1 Initial application of standards, amendments or an interpretation to existing standards

a) Standards, amendments and interpretations to accounting standards that are effective in the current period

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on July 01, 2023, but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these condensed interim financial statements.

The Company adopted the narrow-scope amendments to the International Accounting Standard (IAS) 1, Presentation of Financial Statements which have been effective for annual reporting periods beginning on or after 1 January 2023. Although the amendments did not result in any changes to accounting policy themselves, they will impact the accounting policy information disclosed in the annual financial statements.

The amendments aim to make accounting policy disclosures more informative by replacing the requirement to disclose 'significant accounting policies' with 'material accounting policy information'. The amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring disclosure.

These amendments had no effect on the interim condensed financial statements of the Company as they relate to disclosures of accounting policies in the annual financial statements rather than interim financial statements. The amendments are expected to be applicable for the accounting policy disclosures in the annual financial statements of the Company.

b) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after January 1, 2024, but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements.

5 ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial statements requires management to make certain judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended June 30, 2023.

6	PROPERTY, PLANT AND EQUIPMENT	Note	December 31,	June 30,
			2023 (Unaudited)	2023 (Audited)
			------(Rupees)-----	
	Operating fixed assets	6.1	1,339,738,384	1,306,264,286
	Capital work in progress	6.2	88,659,980	68,743,323
			<u>1,428,398,364</u>	<u>1,375,007,609</u>

6.1 Operating fixed assets	Note	December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
------(Rupees)-----			
Opening net book value		1,306,264,286	675,592,687
Additions / transfers during the period / year at cost	6.1.1	90,385,263	732,833,694
		<u>1,396,649,549</u>	<u>1,408,426,381</u>
Disposals during the period / year at net book value	6.1.1	(197,317)	(1,322,999)
Depreciation charge for the period / year		(56,713,848)	(100,839,096)
		<u>(56,911,165)</u>	<u>(102,162,095)</u>
Closing net book value		<u>1,339,738,384</u>	<u>1,306,264,286</u>

6.1.1 Following are the cost of operating fixed assets added and disposed off during the period / year ended:

	December 31, 2023 (Unaudited)		June 30, 2023 (Audited)	
	Additions (at cost)	Disposals (at net book value)	Additions (at cost)	Disposals (at net book value)
------(Rupees)-----				
Building	38,614,392	-	493,190,351	-
Plant and machinery	49,605,839	170,551	216,979,695	1,230,464
Office equipments	1,488,102	26,766	4,927,595	87,706
Furniture and fittings	-	-	12,581,694	-
Computers	676,930	-	2,131,350	4,829
Motor vehicles	-	-	3,023,009	-
	<u>90,385,263</u>	<u>197,317</u>	<u>732,833,694</u>	<u>1,322,999</u>

6.2 Capital work in progress	Note	December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
------(Rupees)-----			
Capital work in progress	6.2.1	<u>88,659,980</u>	<u>68,743,323</u>
6.2.1 Movement of carrying amount is as follows:			
Opening balance		68,743,323	578,147,397
Additions during the period / year at cost		103,535,926	198,374,721
		<u>172,279,249</u>	<u>776,522,118</u>
Transfer to operating fixed assets during the period / year		(83,619,269)	(707,778,795)
Closing balance	6.2.2	<u>88,659,980</u>	<u>68,743,323</u>

6.2.2 This includes borrowing cost capitalised during the period amounting to Rs. NIL (June 30, 2023: Rs. 26.397 million). The profit rate used to determine the amount of borrowing cost ranged between NIL (June 30, 2023: 11.78% to 16.92% per annum).

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	Note	----- (Rupees) -----	
7 STOCK-IN-TRADE			
Manufacturing:			
Raw and packing materials			
in hand		818,754,013.00	502,636,612
in transit		58,294,482.00	174,193,760
		<u>877,048,495.00</u>	<u>676,830,372</u>
Work-in-process		98,052,147.00	65,207,179
Finished goods	7.1	297,470,521.00	199,122,674
Trading:			
in hand	7.1	17,133,696.00	10,416,736
in transit		-	9,504,398
		<u>1,289,704,859</u>	<u>961,081,359</u>

7.1 This includes finished goods with cost of Rs. 123.161 million (June 30, 2023: Rs. 78.689 million) which are being carried at their net realizable value of Rs. 107.230 million (June 30, 2023: Rs. 66.947 million).

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	Note	----- (Rupees) -----	
8 TRADE DEBTS			
(Unsecured - considered good)			
Due from associated undertakings	8.1	-	196,524,415
Others		108,656,908	60,492,890
		<u>108,656,908</u>	<u>257,017,305</u>
(Unsecured - considered doubtful)			
Considered doubtful		6,937,047	6,840,633
Allowance for expected credit losses	8.2	(6,937,047)	(6,840,633)
		<u>108,656,908</u>	<u>257,017,305</u>
8.1 Due from associated undertakings			
Premier Sales (Private) Limited		-	196,501,335
Memon Medical Institute		-	23,080
		<u>-</u>	<u>196,524,415</u>
8.2 Allowance for expected credit losses			
Opening balance		6,840,633	3,047,304
Provision for expected credit losses		96,414	3,793,329
Closing balance		<u>6,937,047</u>	<u>6,840,633</u>

9 TRADE DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

LC and LG margin		-	7,783,600
Security deposits	9.1	1,460,996	1,023,996
Prepayments		3,657,990	207,985
Sales tax adjustable		7,093,150	-
Sales tax receivable		1,045,580	1,045,580
		<u>13,257,716</u>	<u>10,061,161</u>

9.1 This represents short term deposit in the normal course of business and does not carry any interest and mark-up.

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
10	CASH AND BANK BALANCES	Note -----(Rupees)-----	
	Cash in hand		
	Local currency	130,616	137,459
	Foreign currency	885,949	885,949
		<u>1,016,565</u>	<u>1,023,408</u>
	Cash at bank		
	Current account	10.1 3,631,599	3,472,208
		<u>4,648,164</u>	<u>4,495,616</u>

10.1 This includes balances amounting to Rs. 2.607 million (June 30, 2023: Rs. 2.531 million) with Shariah compliant banks.

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)			
11	LONG TERM FINANCING - SECURED	----- (Rupees) -----				
Shariah Arrangements	Installment payable	Repayment period	Profit rate	Note		
Bank Al-Habib Limited - Islamic banking	Quarterly	2019-25	0.75% above 6 months KIBOR	11.1 & 11.2	16,886,951	21,711,794
Bank Al-Habib Limited - Islamic banking	Quarterly	2019-25	1% above 6 months KIBOR	11.1 & 11.2	29,772,702	38,279,188
Bank Al-Habib Limited - Islamic banking	Quarterly	2022-27	1% above 6 months KIBOR	11.2	6,885,450	7,944,750
Bank Al-Habib Limited - Islamic banking	Quarterly	2022-27	1% above 6 months KIBOR	11.2	3,674,416	4,239,711
Bank Al-Habib Limited - Islamic banking	Quarterly	2023-28	1% above 6 months KIBOR	11.2	5,715,300	5,715,300
Meezan Bank Limited	Quarterly	2019-25	1% above 3 months KIBOR	11.1 & 11.3	2,211,742	3,096,438
Meezan Bank Limited	Quarterly	2019-25	1% above 3 months KIBOR	11.1 & 11.3	6,369,351	8,189,165
Meezan Bank Limited	Quarterly	2019-25	1% above 3 months KIBOR	11.1 & 11.3	2,185,815	2,732,267
Meezan Bank Limited	Quarterly	2019-25	1% above 3 months KIBOR	11.1 & 11.3	1,991,441	2,489,299
Meezan Bank Limited	Quarterly	2019-25	1.2% above 3 months KIBOR	11.1 & 11.4	30,702,598	40,936,800
Meezan Bank Limited	Quarterly	2020-23	1% above 3 months KIBOR	11.3	-	415,240
Meezan Bank Limited	Quarterly	2020-23	1% above 3 months KIBOR	11.3	-	660,570
Meezan Bank Limited	Quarterly	2020-23	1% above 3 months KIBOR	11.3	-	235,328
Meezan Bank Limited	Quarterly	2020-23	1% above 3 months KIBOR	11.3	-	341,774
Bank Al falah Limited	Quarterly	2023-32	4% above SBP Rate	11.5	5,533,633	5,578,325
Bank Al falah Limited	Quarterly	2023-31	4% above SBP Rate	11.5	2,700,202	2,763,213
Bank Al falah Limited	Quarterly	2024-32	4% above SBP Rate	11.5	13,169,593	12,855,378
Bank Al falah Limited	Quarterly	2024-32	4% above SBP Rate	11.5	113,634,699	110,001,245
Bank Al-Habib Limited - Islamic banking	Quarterly	2023-30	1% above 6 months KIBOR	11.6	299,359,166	318,838,345
					<u>540,793,059</u>	<u>587,024,130</u>

December 31,
2023
(Unaudited)

June 30,
2023
(Audited)

Note -----**(Rupees)**-----

Less: Current portion shown under current liabilities

Shariah Arrangements

Bank Al-Habib Limited - Islamic banking	11.2 & 11.6	(83,219,158)	(80,052,226)
Meezan Bank Limited	11.3 & 11.4	(27,966,047)	(29,618,962)
Bank Al falah Limited	11.5	(12,239,502)	(1,238,719)
		(123,424,707)	(110,909,907)
		417,368,352.00	476,114,223

- 11.1 As per State Bank of Pakistan (SBP) circular letter number 13 of 2020 relief package, all of the principal payments under diminishing musharakah arrangements were deferred by one year. Consequently, the term for all of arrangements was increased till 2022.
- 11.2 This facility has been obtained from Bank Al-Habib Limited -Islamic banking under this diminishing musharakah aggregating to Rs. 329.667 million out of which Rs. 147.267 million (June 30, 2023: Rs. 147.267 million) utilized as at the reporting date. The term of the loan was 5 years from the date of disbursement, repayable in 20 equal quarterly installments. During the period, the Company had made repayment of Rs. 14.956 million (June 30, 2023: Rs. 40.382 million). The facility is secured by first exclusive charge of particular machinery of the Company and personal guarantee of chairman of the Board of Directors. The facility carries profit rates ranging from 17.44% to 24.16% (June 30, 2023: 11.74% to 21.06%) per annum.
- 11.3 This facility has been obtained from Meezan Bank Limited under this diminishing musharakah aggregating to Rs. 95 million out of which Rs. 35.614 million (June 30, 2023: Rs. 53.796 million) utilized as at the reporting date. The term of the loan was 2 to 5 years from the date of disbursement, repayable in 8 to 20 equal quarterly installments. During the period, the Company had made repayment of Rs. 5.402 million (June 30, 2023: Rs. 14.109 million). The facility is secured by a first exclusive charge over particular machinery of the Company. The facility carries profit rates of 20.00% (June 30, 2023: 13.01% to 20.00%) per annum.
- 11.4 This facility has been obtained from Meezan Bank Limited under this diminishing musharakah aggregating to Rs. 125 million out of which Rs. 102.342 million (June 30, 2023: Rs. 102.342 million) utilized as at the reporting date. The term of the loan was 5 years from the date of disbursement, repayable in 20 equal quarterly installments started from August 2019. During the period, the Company had made repayment of Rs. 10.234 million (June 30, 2023: Rs. 15.351 million). The facility is secured by a first exclusive charge of Baby Care machine and personal guarantee of Chairman of the Board of Directors and Chief Executive Officer. The facility carries profit rates of 20.00% (June 30, 2023: 15.85% to 19.09%) per annum.
- 11.5 This facility has been obtained under the Temporary Economic Refinance Facility (TERF) from Bank Al Falah Limited under diminishing musharakah aggregating to Rs. 180 million out of which Rs. 180 million (June 30, 2023: Rs. 180 million) utilized as at the reporting date. The term of the loan was 10 years including 2 years grace period from the date of disbursement, repayable in 32 equal quarterly installments. During the period, the Company had made repayment of Rs. 0.249 million (June 30, 2023: Rs. Nil). The SBP-ITERF Scheme is secured by first exclusive charge over specific plant & machinery imported through BAFL with 25% margin for Rs. 60 million secured by first pari passu charge over existing and future plant and machinery of the company and cross corporate guarantee of related party PharmEvo (Pvt) Ltd for Rs. 60 million, and personal guarantee of Chairman of the Board of Directors for Rs. 225 million.
- 11.6 This facility has been obtained from Bank Al Habib Limited - Islamic banking under this diminishing musharakah aggregating to Rs. 450 million out of which Rs. 364.955 million (June 30, 2023: Rs. 361.643 million) utilized as at the reporting date. The term of the loan was 8 years including 1 year grace period from the date of disbursement, repayable in 28 equal quarterly installments. During the period, the Company had made repayment of Rs. 22.792 million (June 30, 2023: Rs. 42.805 million). The facility is secured by a equitable mortgage of factory property and personal guarantee of Chairman of the Board of Directors. The facility carries profit rates ranging from 18.10% to 24.04% (June 30, 2023: 11.78% to 23.09%) per annum.

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	Note	------(Rupees)-----	
12 DEFERRED GOVERNMENT GRANT			
Government grant	12.1	44,712,382	48,801,839
Less: Current portion shown under current liabilities		(8,639,449)	(8,396,884)
		<u>36,072,933</u>	<u>40,404,955</u>

12.1 The Company had availed long term finance facility. The Institute of Chartered Accountants of Pakistan (ICAP) issued the guidance for accounting of said financing through circular No. 11/2020. Accordingly, the Company recognised the Deferred Government Grant in accordance with the requirements of 'IAS 20-Accounting for Government Grants and Disclosure of Government Assistance'.

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	Note	------(Rupees)-----	
13 TRADE AND OTHER PAYABLES			
Creditors		452,059,128	231,773,986
Bills payable		95,163,989	158,525,247
Accrued liabilities	13.1	209,776,514	72,813,386
Sales tax payable		-	3,176,684
Workers' profit participation fund		13,990,317	11,352,780
Workers' Welfare fund		284,907	3,146,618
Advances from customers - unsecured		39,201,791	40,071,117
		<u>810,476,646</u>	<u>520,859,818</u>

13.1 This includes amount due to associated undertakings:

Premier Sales (Private) Limited	61,600,315	-
	<u>61,600,315</u>	

14 SHORT TERM BORROWINGS - SECURED

From banking companies - secured			
Islamic mode			
Murabaha finance		499,673,624	479,681,205
Running musharakah		324,998,531	310,530,806
Istisna financing		72,953,626	93,416,947
	14.1	<u>897,625,781</u>	<u>883,628,958</u>

14.1 This represent short term financing i.e. murabaha, istisna and running musharakah obtained under profit arrangements and are secured against hypothecation of moveable fixed assets and hypothecation of current assets of the Company. The Company has murabaha financing facility of Rs. 925 million (June 30, 2023: Rs. 825 million) out of which Rs. 275 million (June 30, 2023: Rs. 225 million) is interchangeable with running musharakah & Rs. 575 million (June 30, 2023: Rs. 475 million) with istisna. In addition, the Company has running musharakah facility of Rs. 100 million (June 30, 2023: Rs. 100 million). During the period, profit rate on such arrangements ranged between KIBOR + 0.50% to KIBOR + 0.75% (June 30, 2023: KIBOR + 0.50% to KIBOR + 0.75%) per annum.

15 ACCRUED PROFIT	December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	------(Rupees)-----	
Long-term financing from Banks		
Diminishing musharakah	16,986,775	22,465,676
Short-term borrowings from Banks		
Murabaha financing	34,071,039	19,972,531
Musharakah financing	15,652,034	11,561,458
Istisna financing	5,307,962	5,867,696
	55,031,035	37,401,685
	72,017,810	59,867,361

16 CONTINGENCIES AND COMMITMENTS

16.1 Contingencies

16.1.1 Except for as stated below, there is no significant change in the status of contingencies as set out in the Company's annual financial statements for the year ended June 30, 2023:

16.1.1.1 Contingent liability in respect of bank guarantees as at December 31, 2023 was Rs. 36.01 million (June 30, 2023: Rs. 31.01 million). Out of this, Rs. 20 million (June 30, 2023: Rs. 20 million) represents the bank guarantees issued to the Director, Excise and Taxation as per the directions of the Supreme Court of Pakistan through interim order dated September 9, 2022 in relation to constitutional petition against levy of Sindh Development and Maintenance of Infrastructure Cess whereas Rs. 10.2 million (June 30, 2023: Rs. 5.2 million) and Rs.5.66 million (June 30, 2023: Rs. 5.66 million) represents the bank guarantees issued to Pakistan State Oil Company Limited against commercial and fleet cards for fuel and diesel and to K-Electric Limited as security deposit respectively.

16.1.1.2 The Company had received an assessment order from Deputy Commissioner Inland Revenue for the tax year 2018 through which demand of Rs. 13.62 million on various issues of the Sales Tax Act, 1990 was created. The Company had filed an appeal to Commissioner Inland Revenue (Appeals) against the order. The appeal was decided by remanding back the case for re-assessing claim of input tax amounting to Rs. 12.83 million while confirming recovery of certain sales tax amounts. Deputy Commissioner Inland Revenue (FBR) re-assessed the input tax claim and disallowed the input tax of Rs. 5.37 million. The Company has filed an appeal to Commissioner Inland Revenue (Appeals) against the disallowance of input tax claim which has been decided in favour of the Company. Subsequently, Commissioner Inland Revenue filed an appeal to Appellate Tribunal Inland Revenue against the order of the Commissioner Inland Revenue (Appeals). Based on the Company's legal counsel advice, management is hopeful for the favorable outcome of the case.

16.1.1.3 Deputy Commissioner Inland Revenue issued an amended assessment order dated August 10, 2023 for the tax year 2021 through which tax liability of Rs. 45.99 million on various issues of the Income Tax Ordinance, 2001, was created. The Company's appeal to Commissioner Inland Revenue (Appeals) against the order has been decided in favour of the Company. Subsequently, Commissioner Inland Revenue filed an appeal to Appellate Tribunal Inland Revenue against the order of the Commissioner Inland Revenue (Appeals). Based on the Company's legal counsel advice, management is hopeful for the favorable outcome of the case.

16.1.1.4 Deputy Commissioner Inland Revenue issued a refund order dated August 10, 2023 for the tax year 2022 through which tax refund of Rs. 28.66 million was disallowed. The Company's appeal to Commissioner Inland Revenue (Appeals) against the order has been decided in favour of the Company. Subsequently, Commissioner Inland Revenue filed an appeal to Appellate Tribunal Inland Revenue against the order of the Commissioner Inland Revenue (Appeals). Based on the Company's legal counsel advice, management is hopeful for the favorable outcome of the case.

16.2 Commitments

16.2.1 The Company has commitments under letter of credit for purchases amounting to Rs. 34.763 million (June 30, 2023: Rs. 291.834 million).

16.2.2 The Company has letter of credit and other commitments for capital expenditures amounting to Rs. 54.324 million (June 30, 2023: Rs. 78.073 million).

	Note	Six months period ended		Three months period ended	
		December 31, 2023 (Unaudited)	December 31, 2022 (Unaudited)	December 31, 2023 (Unaudited)	December 31, 2022 (Unaudited)
		------(Rupees)-----		------(Rupees)-----	
17 SALES - NET					
Gross sales					
Local sales		2,807,605,235	2,577,115,371	1,286,919,849	1,420,727,994
Sales tax		(439,628,318)	(379,592,901)	(203,162,079)	(209,678,101)
		<u>2,367,976,917</u>	<u>2,197,522,470</u>	<u>1,083,757,770</u>	<u>1,211,049,893</u>
Discounts		(81,793,074)	(144,147,699)	(35,714,240)	(90,878,929)
		<u>2,286,183,843</u>	<u>2,053,374,771</u>	<u>1,048,043,530</u>	<u>1,120,170,964</u>
Export sales	17.1	6,082,453	41,870,543	2,114,542	41,870,543
		<u>2,292,266,296</u>	<u>2,095,245,314</u>	<u>1,050,158,072</u>	<u>1,162,041,507</u>
17.1 Information by geographical area for export sales					
Afghanistan		-	10,344,160	-	10,344,160
Mozambique		3,500,396	4,710,983	-	4,710,983
Oman		-	8,208,998	-	8,208,998
Yemen		-	12,652,296	-	12,652,296
UAE		-	5,954,106	-	5,954,106
Uganda		467,515	-	-	-
USA		2,114,542	-	2,114,542	-
		<u>6,082,453</u>	<u>41,870,543</u>	<u>2,114,542</u>	<u>41,870,543</u>
18 FINANCE COSTS					
Shariah Arrangement					
Profit on short term borrowings		104,981,861	59,639,306	53,747,983	31,226,829
Rent on diminishing musharakah		57,547,991	23,127,465	32,250,494	11,590,455
Guarantee commission		115,744	28,977	38,872	15,310
Bank charges		521,342	154,419	304,016	114,671
		<u>163,166,938</u>	<u>82,950,167</u>	<u>86,341,365</u>	<u>42,947,265</u>
Non-Shariah Arrangement					
Interest on salary refinance		-	1,157,230	-	468,419
Mark-up on WPPF		1,345,872	29,767	1,345,872	29,767
Guarantee commission		3,160	1,556	160	132
Bank charges		101,057	239,562	76,770	94,176
		<u>164,617,027</u>	<u>84,378,282</u>	<u>87,764,167</u>	<u>43,539,759</u>
19 EARNINGS PER SHARE - BASIC AND DILUTED					
(Loss) / profit for the period		<u>(10,133,993)</u>	<u>35,745,699</u>	<u>(26,898,838)</u>	<u>33,786,480</u>
		(Number of shares)		(Number of shares)	
Weighted average number of ordinary shares in issue during the period		<u>3,900,000</u>	<u>3,900,000</u>	<u>3,900,000</u>	<u>3,900,000</u>
		------(Rupees)-----		------(Rupees)-----	
(Loss) / Earnings per share - basic and diluted		<u>(2.60)</u>	<u>9.17</u>	<u>(6.90)</u>	<u>8.66</u>

20	CASH GENERATED FROM OPERATIONS	Note	Six months period ended	
			December 31, 2023 (Unaudited)	December 31, 2022 (Unaudited)
			------(Rupees)-----	
	Profit before taxation		25,833,291	67,710,753
	Adjustments for:			
	Depreciation		57,574,119	43,951,737
	Amortization		36,817	121,152
	Share of loss on equity accounted associate		-	330,832
	Provision / (reversal) for expected credit losses		96,414	(387,212)
	Gain on foreign exchange		-	(245,561)
	(Gain) / loss on disposal of property, plant and equipment		(247,346)	48,435
	Finance costs	18	164,617,027	84,378,282
			222,077,031	128,197,665
	Changes in Working Capital			
	(Increase) / decrease in current assets			
	Stores and spares		(7,910,566)	222,722
	Stock-in-trade		(328,623,500)	(71,731,436)
	Trade receivables		148,263,983	(16,674,628)
	Loans and advances		12,717,555	(1,292,124)
	Trade deposits and short term prepayments		(3,196,555)	32,846,724
			(178,749,083)	(56,628,742)
	Increase in current liabilities			
	Trade and other payables		289,616,828	193,087,359
	Cash generated from operations		358,778,067	332,367,035

21 CASH AND CASH EQUIVALENTS

Running musharakah - secured	14	(324,998,531)	(184,005,592)
Cash and bank balances	10	4,648,164	5,746,364
		<u>(320,350,367)</u>	<u>(178,259,228)</u>

22 ENTITY-WIDE INFORMATION

The Company constitutes of a single reportable segment, the principal classes of products of which are oral care, baby care and hygiene products.

The Company's principal classes of products accounted for the following percentages of sales :

	Six months period ended		Three months period ended	
	December 31, 2023 (Unaudited)	December 31, 2022 (Unaudited)	December 31, 2023 (Unaudited)	December 31, 2022 (Unaudited)
Baby care	91.21%	88.64%	91.53%	86.90%
Oral care	8.15%	10.09%	7.77%	11.52%
Hygiene	0.64%	1.27%	0.70%	1.58%
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

23 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise of other associated companies, key management personnel, directors and post employment benefit plan. Transactions and balances with related parties and associated undertakings are as under:

23.1	Transactions during the period			Six months period ended		Three months period ended	
				December 31, 2023 (Unaudited)	December 31, 2022 (Unaudited)	December 31, 2023 (Unaudited)	December 31, 2022 (Unaudited)
Name	Nature of relationship	Basis of relationship	Nature of transaction	------(Rupees)-----		------(Rupees)-----	
Premier Sales (Private) Limited	Associated undertaking	Common Director	Sale of goods - net off discount of Rs. 0.080 million (December 31, 2022: Rs.62.25 million)	1,139,298,135	1,640,440,007	495,863,692	848,569,991
			Reimbursement of selling and	162,835,406	112,237,057	84,164,088	56,297,215
Memon Medical Institute	Associated undertaking	Common Director	Sale of goods	32,631	5,714	13,770	-
EHC (Private) Limited	Associated undertaking	Key management personnel	Sale of goods	-	5,422,452	-	4,487,150
Scitech Health (Private) Limited	Associated undertaking	Common Director	Purchase of goods	-	15,795	-	-
Nagaria Textile Mills (Private) Limited	Associated undertaking	Common Director	Warehouse rent	-	2,570,880	-	642,720
Employees provident fund	Retirement benefit fund	Employees benefit fund	Contribution made	6,814,124	5,691,532	3,845,302	3,006,106
Key management personnel	Related parties	Executives	Remuneration and benefits	29,380,927	31,565,135	18,141,140	16,532,406

23.2 The company does not have any shareholding in above related parties as on December 31, 2023 (June 30, 2023: NIL)

23.3	Period / year end balances	Note	December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
			------(Rupees)-----	
	Receivable from related parties	8.1	-	196,524,415
	Payable to related parties	13.1	61,600,315	
	Loan from Chief Executive		55,000,000	55,000,000

23.4 The transactions with related parties are conducted at terms agreed and as approved by the Company's Board.

24 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Company for the year ended June 30, 2023.

	December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	------(Rupees)-----	
24.1 Financial instruments by category		
Financial assets at amortized cost		
Deposits	2,606,982	2,169,982
Loan to employees	1,174,582	1,874,503
Trade receivables	108,656,908	257,017,305
Cash and bank balances	4,648,164	4,495,616
	<u>117,086,636</u>	<u>265,557,406</u>
Financial liabilities at amortized cost		
Long term financing (including current portion)	540,793,059	587,024,130
Trade and other payables	756,999,631	463,112,619
Accrued profit	72,017,810	59,867,361
Short term bank finances	897,625,781	883,628,958
	<u>2,267,436,281</u>	<u>1,993,633,068</u>

25 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

As of the reporting date, none of the financial instruments of the Company are carried at fair value.

The carrying values of all financial assets and liabilities reflected in these condensed interim financial statements approximate their fair values.

26 CORRESPONDING FIGURES

Corresponding figures have been rearranged and regrouped, wherever necessary for the purpose of comparison and better presentation. However, no significant rearrangement and regrouping has been made during the period.

27 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on February 27, 2024 by the Board of Directors of the Company.

28 GENERAL

Amounts have been rounded off to the nearest Pakistani rupee unless otherwise stated.

Mohammad Haroon Qassim
Chief Executive

Muhammad Rafique Umer Afinwala
Director

Yasir Yousuf Chhabra
Chief Financial officer



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