



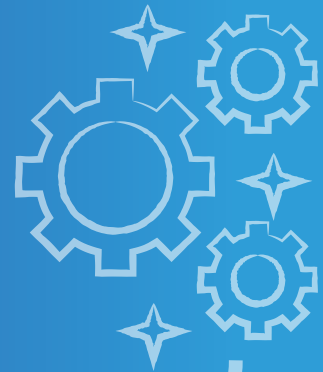
Shield[®] SETTING NEW MILESTONES

ANNUAL REPORT | 24



A LEGACY OF LEADERSHIP

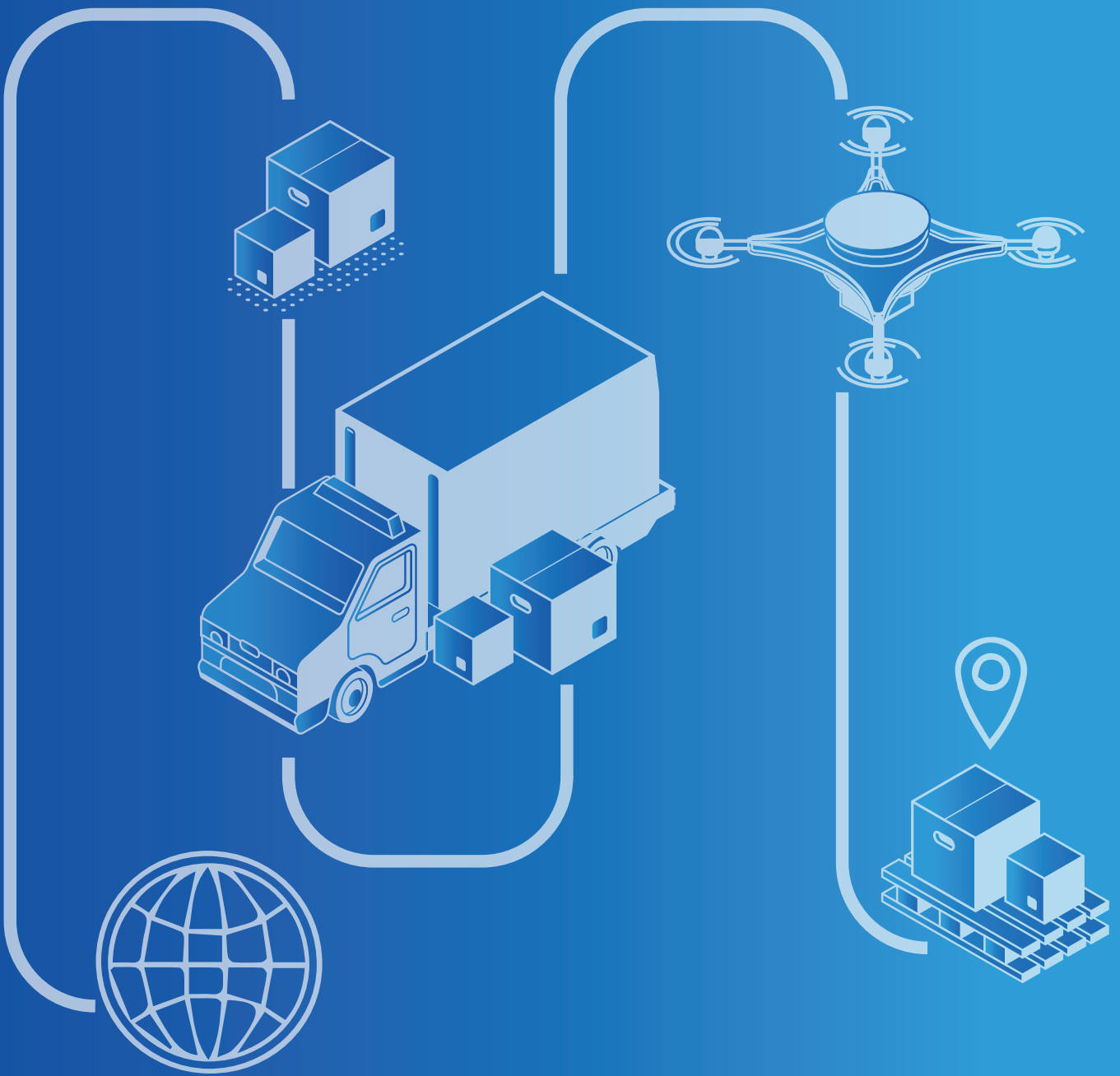
Over the past decades, Shield has faced numerous challenges and obstacles. Yet, as a true leader, the company has consistently demonstrated resilience, foresight, and unwavering dedication to its stakeholders, including customers, employees, and shareholders. With a shared commitment to its long-standing vision, Shield has remained steadfast through adversity, skillfully navigating unique circumstances.



OUR VISION

To become the best personal and household care company and amongst the most trusted names in product categories we decide to be in.





OUR MISSION

To be the best consumer products company by focusing on quality, consumer needs and marketing excellence, while maintaining an ethical code of conduct, showing care and compassion towards employees, being fair to all stakeholders, and symbolizing responsible corporate citizenship.



Shield[®]

Shield Corporation Limited established its operation in the year 1975. We manufacture Oral Care & Baby Care products

The range includes a variety of Toothbrushes, Toothpaste, Baby Feeders, Soothers, Teethers, Nipples, Training Cups, Cleaning Brush and Tioletries.

Team Shield is committed to providing best quality products to our consumers under the guidelines of ISO 9001 system requirements, moreover to the protection of the environment and for enforcement of strict code and regulations of ISO 9001 and ISO 14001 system.

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FEEDING RANGE

Shield proudly stands as the first Pakistani brand to introduce a BPA-free range of feeding bottles and accessories. Our feeding range adheres to international safety standards, ensuring the well-being of babies. Shield's dedication to quality and safety has earned the trust of mothers across Pakistan.



DIAPER RANGE

Our enhanced Shield Baby Diapers offer superior absorbency and protection, featuring aloe vera gel, vitamin E, and a breathable cotton sheet. With a built-in wetness indicator, they ensure your baby stays dry and comfortable while helping to protect against rashes. The improved frontal tape guarantees a secure fit for active little ones.



ORALCARE RANGE

Shield oral care range covers the needs of the entire family. Our toothbrushes and toothpastes caters to both adults and kids.



پنسو... ذرا اور کھلے لاکے

TOILETRIES RANGE

Designed in accordance with international safety standards, Shield's Baby Toiletries Range gently cares for the sensitive skin of infants and toddlers. Our pediatrician-tested products are paraben-free, hypoallergenic, and free from artificial colors. As the first brand to introduce talc-free baby powder in Pakistan, we are committed to delivering quality care for your little ones, ensuring peace of mind for parents.



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

CHAIRMAN'S REVIEW REPORT

I am pleased to present this review as required under section 192 of the Companies Act, 2017.

Overall, the Board is working well given its organizational model and board structure, with Board members having the appropriate range of skills, knowledge and experience, as well as the degree of diversity, necessary to enable it to effectively govern the business.

As required under the Code of Corporate Governance, an annual evaluation of the Board of Directors of your company has been carried out to ensure that the Board's overall performance and effectiveness is measured and benchmarked against expectations in the context of objectives set for the Company.

For the financial year ended June 30, 2024, overall performance and effectiveness of the Board, its members and its committees has been satisfactory however, due to various economic factors being, extremely high policy rates, inflation, etc. caused significant losses to the Company. The assessment is based on an evaluation of integral components, including vision, mission and values; engagement in strategic planning; formulation of policies; monitoring the organization's business activities; monitor financial resource management; effective fiscal oversight; equitable treatment of all employees and efficiency in carrying out the Board's business and its committees. Improvement is an ongoing process leading to action plans.

The Board of Directors of your Company received agendas and supporting written material including follow up materials in sufficient time prior to the board and its committee meetings. The board meets frequently enough to adequately discharge its responsibilities. The non-executive and independent directors are equally involved in important decisions. All of the directors are compliant with Director's Training Program (DTP) as required by Securities and Exchange Commission of Pakistan (SECP).

I would like to thank my fellow directors who had carried their responsibilities diligently and look forward to their contribution in future.



Ebrahim Qassim
Chairman

Dated: September 26, 2024

DIRECTORS' REPORT TO THE SHAREHOLDERS

On behalf of the Board of Directors, we present the annual report and the audited financial statements for the financial year ended June 30, 2024.

Financial Summary

Operating Results	2024	2023	Increase / (Decrease)
	(Rupees)	(Rupees)	
Net Sales	3,867,121,389	4,357,631,431	(11.26%)
Gross Profit	870,755,541	1,132,351,050	(23.10%)
Gross Profit %	22.52%	25.99%	(347 bps)
Selling and Distribution Expenses	894,260,915	625,266,969	43.02%
Administrative and General Expenses	64,451,892	62,739,824	2.73%
Finance Costs	300,970,556	203,126,267	48.17%
(Loss) / Profit Before Tax	(367,881,593)	227,055,598	(262.02%)
(Loss) / Profit After Tax	(362,679,387)	144,964,155	(350.19%)
(Loss) / Earnings per Share	(92.99)	37.17	(350.19%)

Financial Overview

Economic Outlook

This year was one of the most challenging year for the businesses, with mounting inflation, decrease in purchasing power, extremely high policy rates, import related challenges, increased fuel costs etc. Economy is still under pressure and counts on IMF support. Political stability is still paramount for economic stability.

Financial Highlights

1. Due to business challenges net sales of the Company decreased by 11.26% as compared to last year. Drop is mainly due to the volume drop in the current year with major impact coming in last quarter. Mounting inflation has led to change in consumption patterns and buying power of consumers which also contributed in sales drop. Gross profit dropped mainly due to higher utility, and man power cost and reduced volumes which resulted in drop in Gross margins. Gross margins also dropped as the Company took price adjustments to remain competitive in the market.
2. Selling and distribution expenses increased 43.02%, mainly due to ATL marketing campaign undertaken during the period, increase in freight cost and employee remuneration expense of the Company.
3. Finance cost increased by 48.17% due to very high policy rates during the year. Also, last year Company capitalized borrowing cost resulting in increased finance cost for the current year.
4. Due to the above mentioned reasons, the Company incurred loss after tax of Rs. 362.68 million. The Company recorded loss per share of Rs. 92.99 as compared to profit after tax of Rs. 37.17 per share of last year.
5. Considering the loss during the year, no dividend is proposed for the year ended June 30, 2024.

Our Business Diversity & Highlights

Shield Corporation Limited, has been in the market for last 49 years with its vast Baby care and Oral care product range.

Shield continues to sustain its leadership position in the baby care category. We have an entire range of BPA-free products, including Feeders, Nipples, Soothers, Teethers, Training Cups, and Cleaning Brushes. In our quest to better serve our diverse customer base, we revamped the packaging of our feeding range. This initiative provides a clearer distinction between our premium, mid-tier, and economical products, ensuring that each segment effectively appeals to its respective audience.

This fiscal year, we proudly introduced a Premium Variant of Diapers, designed to meet the highest standards of quality and comfort, these diapers feature aloe vera gel, vitamin E, a wetness indicator, a breathable cotton back sheet, and ultra-soft absorption capabilities, all wrapped in a delightful fragrance. This launch not only expands our product portfolio but also caters to discerning parents seeking premium solutions for their little ones.

In our commitment to promoting oral health, we also enhanced our oral care range with the launch of Shield Sensitive Toothpaste. Tailored specifically for individuals with sensitivity issues, this new addition complements our existing flavors of herbal and peppermint toothpaste, providing a comprehensive choice for every family member.

As we reflect on our journey thus far, we remain steadfast in our commitment to delivering excellence in Baby Care and Oral Care, driven by innovation, quality, and a deep-seated dedication to our customers and shareholders. We extend our heartfelt gratitude to our shareholders for their unwavering support.

Connecting Through Communication

At Shield Corporation, our mission is to elevate the experience of parenting through empathy and understanding. The Mamta ki Zaban campaign epitomizes this commitment by focusing on the often unspoken needs of mothers and providing thoughtful solutions through our innovative products. Launched with a robust media strategy, the campaign effectively utilized roadblocks across major TV channels and digital platforms.

In addition to our digital initiatives, Shield Corporation actively engaged with families at notable events such as the Soul Festival in Karachi, Lahore, and Islamabad, Karachi EAT, Masala Family Festival, Mashion Bazaar and many other events. We established dedicated safe spaces for mothers, allowing over 10,000 mothers to comfortably feed and change their babies in a supportive environment.

Social Engagements

The management at Shield firmly believes in doing business with a purpose. Shield always seeks opportunities to add value to the lives of the people. The Company has been continuously supporting Family Education Services Foundation with the aim to educate special children.

In a concerted effort to promote oral health awareness, Shield proudly served as the sponsor of World Oral Health Day 2024 across Pakistan, where we conducted free check-ups in major dental hospitals and clinics, underscoring our commitment to the well-being of our communities.

Sustainability Related Risks

Sustainability-related risks encompass environmental, social, and governance (ESG) considerations. The Company endeavors to operate and induct new efficient technology, installation of alternate renewables, and adopting good governance practices. Through effective monitoring, we are committed to ESG targets that align with the Company's strategic objective of enhancing resilience and driving positive social impact.

Diversity, Equity and Inclusion

We take pride in being an equal opportunity employer, endeavor to empower individuals and embrace the diversity. At Shield culture is in place where differences in age, gender, ethnicity, religion, education, are embraced.

Contribution to the National Exchequer

Your Company made a total contribution of Rs. 1,031 million to the National Exchequer on account of different government levies, including custom duty, regulatory duty, sales tax and income tax during the year 2023-24.

Corporate Governance

The Company has fully complied with the requirements of the Code of Corporate Governance as contained in the Listing Regulations of the Pakistan Stock Exchange Limited. A statement to this effect is annexed with this report.

Composition of the Board

The board consists of 6 male and 1 female directors with following composition:

Independent directors	2
Other non-executive directors	3
Executive directors	2
Total number of directors	7

Election of Directors

During the year, an Extra-Ordinary General Meeting of the Company was held on July 20, 2023 for election of directors. In the meeting, the shareholders of the Company had elected seven directors, to serve for a three years term commencing from July 20, 2023 with the following composition:

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

Board Meetings

During the year six (6) meetings of the Board of Directors were held. Attendance of each director is as follows:

Name of Director	Designation	Attendance
Mr. Ebrahim Qassim	Non-Executive Director / Chairman	6/6
Mr. Mohammad Haroon Qassim	Executive Director / Chief Executive	6/6
Mr. Vali Muhammad A. Habib	Non-Executive Director	6/6
Mr. Muhammad Rafique Umer Afinwala	Non-Executive / Independent Director	6/6
Mr. Abdul Ghaffar Umer Kapadia	Non-Executive / Independent Director	5/6
Mrs. Saadia Naveed	Non-Executive Director	6/6
Mr. Imran Chishti (up to July 20, 2023)	Non-Executive / Independent Director	Not Applicable
Mr. Mohammad Salman Qassim	Executive Director	6/6

The Board granted leave of absence to those Directors who could not attend the Board Meetings. No casual vacancy occurred during the year.

Remuneration Policy of Directors

The remuneration of the Board members is approved by the Board itself. However, in accordance with the Code of Corporate Governance, it is ensured that no Director takes part in deciding his own remuneration. The Company does not pay remuneration to non-executive directors including the independent directors except fee for attending the meetings. For information on remuneration of Directors and CEO in 2023-24, please refer notes to the Financial Statements.

Pattern of Shareholding

A statement showing pattern of shareholdings of the Company and additional information as at June 30, 2024 is included in the report.

The Board has determined threshold for disclosure of interest by executives holding of Company's shares which include CEO, CFO, Head of Internal Audit, Company Secretary and employees who are drawing annual basic salary of PKR 2.0 million or more.

Audit Committee

The Audit Committee comprises of three non-executive directors, of whom two are independent directors. An independent director is the chairman of the Audit Committee. The Audit Committee meets at least four times a year. The Company Secretary acts as secretary to the Audit Committee. The brief terms of reference of the Audit Committee are as follows:

- Determination of appropriate measures to safeguard the Company's assets;
 - Review of annual and interim financial statements of the Company, prior to their approval by the Board of Directors.
- Review of preliminary announcements of results prior to external communication and publication;

- Facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);
- Review of management letter issued by external auditors and management's response thereto;
- Ensuring coordination between the internal and external auditors of the Company;
- Review of the scope and extent of internal audit, audit plan, reporting framework and procedures and ensuring that the internal audit function has adequate resources and is appropriately placed within the Company;
- Consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto;
- Ascertaining that the internal control systems including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and the reporting structure are adequate and effective;
- Review of the Company's statement on internal control systems prior to endorsement by the board of directors and internal audit reports;
- Instituting special projects, value for money studies or other investigations on any matter specified by the board of directors, in consultation with the chief executive officer and to consider remittance of any matter to the external auditors or to any other external body;
- Determination of compliance with relevant statutory requirements;
- Monitoring compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 and identification of significant violations thereof;
- Review of arrangement for staff and management to report to audit committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters and recommend instituting remedial and mitigating measures;
- Recommend to the board of directors the appointment of external auditors, their removal, audit fees, the provision of any service permissible to be rendered to the Company by the external auditors in addition to audit of its financial statements. The board of directors shall give due consideration to the recommendations of the audit committee and where it acts otherwise it shall record the reasons thereof.
- Consideration of any other issue or matter as may be assigned by the board of directors.

Audit Committee Meetings

During the year four (4) meetings of the Audit Committee were held. Attendance of each member is as follows:

Name of Director	Position on the Committee	Attendance
Mr. Muhammad Rafique Umer Afinwala	Chairman	4/4
Mr. Vali Muhammad A. Habib	Member	4/4
Mr. Abdul Ghaffar Umer Kapadia	Member	4/4

Human Resource & Remuneration Committee

The board has formed a Human Resource and Remuneration Committee. It comprises of three members one of whom is chief executive, one is non-executive director and one is independent director who is also chairman of the Committee. Human Resource & Remuneration Committee meets at least once a year. The terms of reference of the Human Resource & Remuneration Committee are as follows:

- Recommending to the board for consideration and approval of a policy framework that determines remuneration of directors (both executive and non-executive) and members of senior management which include, Chief Financial Officer, Company Secretary and Head of Internal Audit;
- Undertaking annually a formal process of evaluation of performance of the board as a whole and its committees;
- Recommending human resource management policies to the board;
- Recommending to the board the selection, evaluation, development, compensation (including retirement benefits) of Chief Financial Officer, Company Secretary and Head of Internal Audit;
- Where human resource and remuneration consultants are appointed, their credentials shall be known by the committee and a statement shall be made by them as to whether they have any other connection with the company.

Human Resource & Remuneration Committee Meetings

During the year, one (1) meeting of the Human Resource & Remuneration Committee was held to discuss and approve the matters falling under the terms of reference of the Committee. Attendance of each member is as follows:

Name of Director	Position on the Committee	Attendance
Mr. Abdul Ghaffar Umer Kapadia	Chairman	1/1
Mr. Mohammad Haroon Qassim	Member	1/1
Mr. Vali Muhammad A. Habib	Member	1/1

Risk Management Committee

The Board of Directors of the Company has established a Risk Management Committee comprising of three members as recommended by Listed Companies (Code of Corporate Governance) Regulations, 2019. The Committee includes one Executive Director, one Non-Executive Director and one Independent Director. The terms of reference of the Risk Management Committee are as follows:

- Monitoring and review of all material controls (financial, operational, compliance);
- Ensuring that risk mitigation measures are robust and integrity of financial information is ensured; and
- Appropriate extent of disclosure of company's risk framework and internal control system in Directors' report.

Risk Management Committee Meetings

During the year, one (1) meeting of the Risk Management Committee was held to discuss and approve the matters falling under the terms of reference of the Committee. Attendance of each member is as follows:

Name of Director	Position on the Committee	Attendance
Mr. Mohammad Haroon Qassim	Chairman	1/1
Mr. Muhammad Rafique Umer Afinwala	Member	1/1
Mr. Vali Muhammad A. Habib	Member	1/1

Risk Management

The Company's activities expose it to a variety of risks. The Company's overall risk management program focuses on minimizing potential adverse effects on the Company's performance. The overall risk management of the Company is carried out by the Company's Senior Management Team and the results are shared with the Risk Management Committee and the Board of Directors. This entails identifying, evaluating and addressing strategic, financial, commercial, operational and compliance-related risks of the Company as are mentioned below:

1. Strategic Risks

Risk	Mitigating Strategy
The Company may lose its market share of Baby Care products due to change in customer preferences.	The Company is investing in new technology to produce products which compliments customer preferences. Also, the Company is introducing economy products to be affordable to people.
IT security risk.	IT controls and firewalls are in place to prevent unauthorized access to confidential / proprietary information. Regular system updates, IT audits and trainings are conducted to monitor and minimize the risk of breaches, errors or other irregularities.

2. Financial Risks

Risk	Mitigating Strategy
Fluctuations in foreign currency rates.	The Company is trying to increase its exports to mitigate currency fluctuation risk.
Customers will default in payments to the company.	Most of our sales are either against cash or advance. For credit sales, credit limits have been assigned to customers.
Insufficient cash available to pay liabilities resulting in a liquidity problem.	The Company has a proactive cash management system. Committed credit lines from banks are also available to bridge a liquidity gap, if any.

3. Commercial Risks

Risk	Mitigating Strategy
Increasing production and distribution costs result in decrease in profits of the Company.	Increase in levies, duties, regulatory duties and other costs are beyond the control of the Company. The Company, however, is committed to improve operational efficiencies and implement effective cost controls to mitigate this risk to the maximum possible extent. The Company considers increase in price as a last option.
Raw material cost component is a major part of the overall cost of production of the Company. Suppliers may increase the cost of products supplied in view of international economic conditions.	The Company examines raw material prices offered by various suppliers on a regular basis to compare and control its purchasing cost. Moreover, it has strategic relationships with key international raw material suppliers which benefit the company in price negotiation and prompt material delivery.

4. Operational risk

Risk	Mitigating Strategy
Increase in employee turnover at critical positions.	The Company has a culture of employee training and development, promoting and rotating employees within the departments. Formal work procedures and work instructions are also in place, which provide guidance on any process undertaken by a new employee.
Risk of major accidents impacting employees, records and property.	Implementation of standardized operating procedures, employee trainings and operational discipline.
The Company may not be able to operate at an optimal capacity due to the unavailability of electricity.	The Company has standby generators to be used in case of electricity failure.

5. Compliance risk

Risk	Mitigating Strategy
Modifications in the legal framework by regulatory bodies.	Rigorous checks on latest updates in regulatory framework are carried out to prevent any breach of law. Trainings are conducted to keep employees abreast of all latest developments in laws and regulations.

Subsequent Events

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statement relates and the date of the report.

External Auditors

M/s. BDO Ebrahim & Co. Chartered Accountants, the auditors of the Company retire and being eligible, offer themselves for re-appointment. The Board of Directors based on recommendation of the Audit Committee considered and approved re-appointment of M/s. BDO Ebrahim & Co. Chartered Accountants, as auditors of the Company for the year ending June 30, 2025 on such terms and conditions and remuneration as to be decided.

Internal Auditors

The Internal Audit Function is outsourced to M/s. Yousuf Adil Chartered Accountants and reports to Head of Internal Audit and the Boards' Audit Committee. It reviews the system of internal controls and conduct the internal audit process.

Impact of Company Business on Environment

The Company is committed to reducing its impact on the environment through its compliance & surveillance of EMS ISO 14001. Each department ensures that their daily activities cover following environmental aspects.

- Preventing pollution and reducing consumption of resources through waste management strategies that promote waste minimization re-use, recovery and recycling, as appropriate.

- Use of natural resources is monitored like electricity, natural gas, oil, diesel and water. We continue to invest in technologies that keep on replacing our existing machines with more energy efficient versions.
- Emergency readiness is practiced through monthly fire drills. Train all of our staff on our environmental program and empower them to contribute and participate.

Hence, our commitment to the environment extends to our customers, our staff, and the community in which we operate.

Related Party Transactions

In order to comply with the requirements of listing regulations, the company presented related party transactions before the audit committee and Board for their review and approval. These transactions were approved by the Audit Committee and Board of Directors in their respective meetings. The details of related party transactions have been provided in the notes annexed to the financial statement.

Statement on Corporate and Financial Reporting Framework

Statement of Directors' Responsibilities

- a. The Board regularly reviews the company's strategic direction. Annual plans and performance targets for business are set by the Chief Executive and are reviewed by the Board in the light of Company's overall objectives. The Board is committed to maintain the high standards of good corporate governance. The Company has been in compliance with the provisions set out by the Securities & Exchange Commission of Pakistan and amended listing rules of Pakistan Stock Exchange.
- b. There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- c. The financial statements, prepared by the management of the Company, fairly present its state of affairs, the results of its operations, comprehensive income, cash flows and changes in equity.
- d. Proper books of account of the Company are maintained.
- e. Appropriate accounting policies have consistently been applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- f. The financials are prepared in accordance with International Financial Reporting Standards, as applicable in Pakistan and any deviation has been adequately disclosed and explained.
- g. The Company maintains a sound internal control system, which gives reasonable assurance against any material misstatement or loss. The internal control system is regularly reviewed. This has been formalized by the Board's Audit Committee and is updated as and when needed.
- h. There are no significant doubts upon the company's ability to continue as a going concern.
- i. There is no default in payment of any debt during the year 2023-24.
- j. Outstanding duties, statutory charges and taxes, if any, have been duly disclosed in the financial statements.
- k. The value of investment of the Company's Provident Fund as on June 30, 2024 was Rs. 60.45 million.
- l. The key operating and financial data for the last six years in summarized form is annexed.
- m. All directors of the company are compliant with the requirement of the Code of Corporate Governance related to Directors Training Program.

Future Outlook

After having done some price adjustments, we are aiming to achieve volume efficiencies. Also we are in quest for increase in our exports.

With the stability in the exchange rate, recent reduction in policy rate from 22% to 17.5% and the efficiencies in working capital requirements, the Company expects reduction in the finance cost expense.

Despite of the prevailing challenges and financial situation of the Company, management endeavors to achieve sustainability of the Company. Business community is looking for further cut in the policy rates and stability in the economy with new IMF program.

Acknowledgement

We would like to place on record appreciations and thanks to:

- Our colleagues on the board for their valuable guidance and support.
- Our valued customers and consumers who have shown trust in our products and continued to provide sustained support in ensuring the progress of the Company.
- Our employees for their tireless efforts, commitment and dedication.
- Our esteemed suppliers, bankers and all stakeholders who are helping and contributing towards the continued growth of our Company.

On behalf of Board of Directors



Mohammad Haroon Qassim
Chief Executive



Muhammad Rafique Umer Afinwala
Director

Karachi: September 26, 2024

KEY FINANCIAL DATA

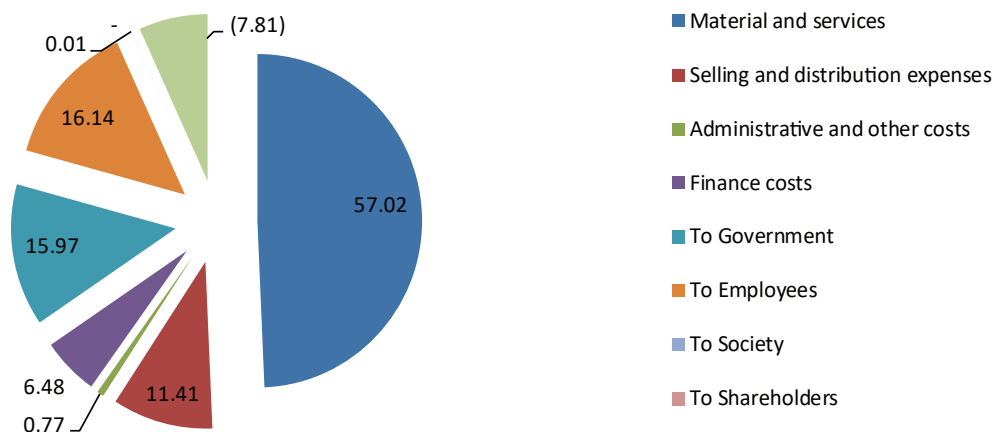
SIX YEARS AT A GLANCE

	2024	2023	2022	2021	2020	2019
	----- Rupees -----					
Balance Sheet						
Paid up capital	39,000,000	39,000,000	39,000,000	39,000,000	39,000,000	39,000,000
Reserves, loan from sponsors & unappropriated profit	597,244,501	709,923,888	564,959,733	554,997,768	454,892,995	389,921,403
Shareholders equity	636,244,501	748,923,888	603,959,733	593,997,768	493,892,995	428,921,403
Non-current liabilities	467,296,352	593,364,363	608,782,950	309,630,067	348,881,674	143,837,534
Current liabilities	1,627,761,518	1,584,549,448	1,188,992,865	608,943,705	601,326,535	567,890,669
Total equity and liabilities	<u>2,731,302,371</u>	<u>2,926,837,699</u>	<u>2,401,735,548</u>	<u>1,512,571,540</u>	<u>1,444,101,204</u>	<u>1,140,649,606</u>
Non-current assets	1,576,024,744	1,489,300,272	1,371,642,391	780,849,670	794,211,788	616,677,147
Current assets	1,155,277,627	1,437,537,427	1,030,093,157	731,721,870	649,889,416	523,972,459
Total assets	<u>2,731,302,371</u>	<u>2,926,837,699</u>	<u>2,401,735,548</u>	<u>1,512,571,540</u>	<u>1,444,101,204</u>	<u>1,140,649,606</u>
Profit and Loss Account						
Sales - net	3,867,121,389	4,357,631,431	2,662,054,711	2,148,550,393	1,708,620,654	1,778,794,872
Cost of sales	2,996,365,848	3,225,280,381	2,023,761,461	1,484,717,849	1,292,601,578	1,222,057,829
Gross profit	870,755,541	1,132,351,050	638,293,250	663,832,544	416,019,076	556,737,043
Selling and distribution expenses	894,260,915	625,266,969	477,900,591	318,350,706	277,342,742	338,493,789
Administrative and general expenses	64,451,892	62,739,824	53,887,645	51,226,977	67,786,821	65,532,759
Allowance for expected credit loss	2,702,264	3,793,329	1,530,594	(3,290,479)	(3,108,212)	1,544,424
Other operating expenses	8,886,383	46,349,537	27,348,361	31,431,667	588,264	26,001,455
Other operating income	32,634,876	36,760,056	34,102,889	14,427,008	8,123,313	2,048,824
Operating (loss) / profit	(66,911,037)	430,961,447	111,728,948	280,540,681	81,532,774	127,213,440
Share of loss on associate	-	779,582	894,260	827,074	504,341	-
Finance costs	300,970,556	203,126,267	85,037,887	52,491,216	100,882,938	41,594,682
(Loss) / profit before taxation	(367,881,593)	227,055,598	25,796,801	227,222,391	(19,854,505)	85,618,758
Taxation	(5,202,206)	82,091,443	8,034,836	72,117,618	(1,401,097)	61,289,034
(Loss) / profit for the year	<u>(362,679,387)</u>	<u>144,964,155</u>	<u>17,761,965</u>	<u>155,104,773</u>	<u>(18,453,408)</u>	<u>24,329,724</u>

STATEMENT OF VALUE ADDED

The statement below shows the amount of the revenue generated by the Company during the year and the way this revenue has been distributed:

	2024 Rupees	%	2023 Rupees	%
Revenue Generated				
Total revenue	<u>4,643,685,470</u>	100.00	<u>5,203,483,063</u>	100.00
Revenue Distributed				
Material and services	2,647,924,984	57.02	2,926,233,653	56.24
Selling and distribution expenses	529,957,392	11.41	341,000,664	6.55
Administrative and other costs	35,977,004	0.77	58,694,624	1.13
Finance costs	300,970,556	6.48	203,126,267	3.90
Income tax	(5,202,206)	(0.11)	82,091,443	1.58
Worker's welfare fund	-	-	3,146,618	0.06
Workers profit participation fund	-	-	11,352,780	0.22
Sales tax	746,631,469	16.08	812,884,905	15.62
To Government	741,429,263	15.97	909,475,746	17.48
Salaries, wages and other benefits	749,625,658	16.14	617,339,954	11.86
To Employees	749,625,658	16.14	617,339,954	11.86
Donations	480,000	0.01	2,648,000	0.05
To Society	480,000	0.01	2,648,000	0.05
Cash dividend *	-	-	-	-
To Shareholders	-	-	-	-
Adjustment from unappropriated profit / retained in the business	(362,679,387)	(7.81)	144,964,155	2.79
	<u>4,643,685,470</u>	100.00	<u>5,203,483,063</u>	100.00



VERTICAL ANALYSIS

	2024	2023	2022	2021	2020	2019
Balance Sheet Analysis (%)						
Non-current assets	57.70	50.88	57.11	51.62	55.00	54.06
Current assets	42.30	49.12	42.89	48.38	45.00	45.94
Total assets	100.00	100.00	100.00	100.00	100.00	100.00
Share capital and reserves	23.29	25.59	25.15	39.27	34.20	37.60
Non-current liabilities	17.11	20.27	25.35	20.47	24.16	12.61
Current liabilities	59.60	54.14	49.51	40.26	41.64	49.79
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00	100.00

Profit and Loss Account Analysis (%)

Sales - net	100.00	100.00	100.00	100.00	100.00	100.00
Cost of sales	77.48	74.01	76.02	69.10	75.65	68.70
Gross profit	22.52	25.99	23.98	30.90	24.35	31.30
Selling and distribution expenses	23.12	14.35	17.95	14.82	16.23	19.03
Administrative and general expenses	1.67	1.44	2.02	2.38	3.97	3.68
Allowance for expected credit loss	0.07	0.09	0.06	(0.15)	(0.18)	0.09
Other operating expenses	0.23	1.06	1.03	1.46	0.03	1.46
Other operating income	0.84	0.84	1.28	0.67	0.48	0.12
Operating (loss) / profit	(1.73)	9.89	4.20	13.06	4.77	7.15
Share of loss on associate	-	0.02	0.03	0.04	0.03	-
Finance costs	7.78	4.66	3.19	2.44	5.90	2.34
(Loss) / profit before taxation	(9.51)	5.21	0.97	10.58	(1.16)	4.81
Taxation	(0.13)	1.88	0.30	3.36	(0.08)	3.45
(Loss) / profit for the year	(9.38)	3.33	0.67	7.22	(1.08)	1.37

HORIZONTAL ANALYSIS

	2024	2023	2022	2021	2020	2019
Balance Sheet Analysis (%)						
Non-current assets	5.82	8.58	75.66	(1.68)	28.79	38.27
Current assets	(19.63)	39.55	40.78	12.59	24.03	29.42
Total assets	(6.68)	21.86	58.78	4.74	26.60	34.06
Share capital and reserves	(15.05)	24.00	1.68	20.27	15.15	6.91
Non-current liabilities	(21.25)	(2.53)	96.62	(11.25)	142.55	63.85
Current liabilities	2.73	33.27	95.25	1.27	5.89	56.94
Total equity and liabilities	(6.68)	21.86	58.78	4.74	26.60	34.06
Profit and Loss Account Analysis (%)						
Sales - net	(11.26)	63.69	23.90	25.75	(3.95)	5.95
Cost of sales	(7.10)	59.37	36.31	14.86	5.77	14.49
Gross profit	(23.10)	77.40	(3.85)	59.57	(25.28)	(8.95)
Selling and distribution expenses	43.02	30.84	50.12	14.79	(18.07)	(19.06)
Administrative and general expenses	2.73	16.43	5.19	(24.43)	3.44	7.87
Allowance for expected credit loss	(28.76)	147.83	146.52	5.86	(301.25)	442.72
Other operating expenses	(80.83)	69.48	(12.99)	5,243.12	(97.74)	50.27
Other operating income	(11.22)	7.79	136.38	77.60	296.49	7.06
Operating (loss) / profit	(115.53)	285.72	(60.17)	244.08	(35.91)	8.88
Share of loss on associate	(100.00)	(12.82)	8.12	63.99	100.00	-
Finance costs	48.17	138.87	62.00	(47.97)	142.54	122.26
(Loss) / profit before taxation	(262.02)	780.17	(88.65)	1,244.44	(123.19)	(12.75)
Taxation	(106.34)	921.69	(88.86)	5,247.23	(102.29)	102.80
(Loss) / profit for the year	(350.19)	716.15	(88.55)	940.52	(175.85)	(64.17)

OPERATING & FINANCIAL HIGHLIGHTS

2024 2023 2022 2021 2020 2019

Profitability Ratios

Gross profit (%)	22.52	25.99	23.98	30.90	24.35	31.30
Net profit (%)	(9.38)	3.33	0.67	7.22	(1.08)	1.37
Profit before tax (%)	(9.51)	5.21	0.97	10.58	(1.16)	4.81
EBITDA margin to sales (%)	1.41	12.25	6.94	16.43	8.74	9.25
Return on capital employed (%)	(6.28)	35.18	10.01	34.01	10.23	24.32

Liquidity Ratios

Current ratio	0.71	0.91	0.87	1.20	1.08	0.92
Acid-test ratio	0.15	0.26	0.17	0.39	0.28	0.19
Cash to current liabilities (%)	0.35	0.28	0.31	0.62	0.24	0.27
Cash flow from operations to sales	0.06	0.03	(0.03)	0.11	(0.03)	(0.04)

Activity / Turnover Ratios

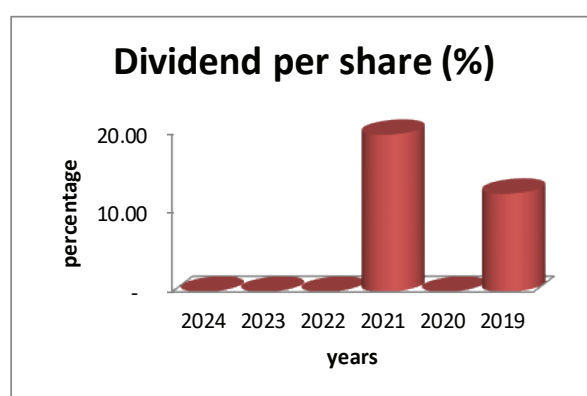
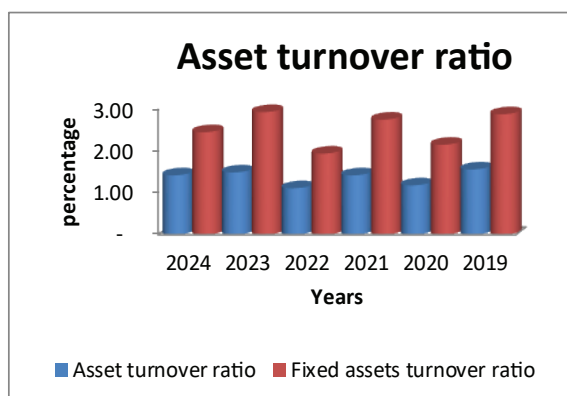
Asset turnover ratio	1.42	1.49	1.11	1.42	1.18	1.56
Fixed assets turnover ratio	2.45	2.93	1.94	2.75	2.15	2.88
Receivables turnover (Days)	15.53	13.11	14.21	16.56	7.13	7.40
Inventory turnover (Days)	109.70	98.26	110.81	111.34	119.26	96.10
Creditors turnover (Days)	65.37	39.89	29.81	29.21	19.83	19.08
Operating cycle (Days)	59.86	71.48	95.21	98.69	106.56	84.42
Receivables turnover (Times)	23.50	27.83	25.68	22.04	51.23	49.30
Inventory turnover (Times)	3.33	3.71	3.29	3.28	3.06	3.80
Creditors turnover (Times)	5.58	9.15	12.24	12.50	18.41	19.13

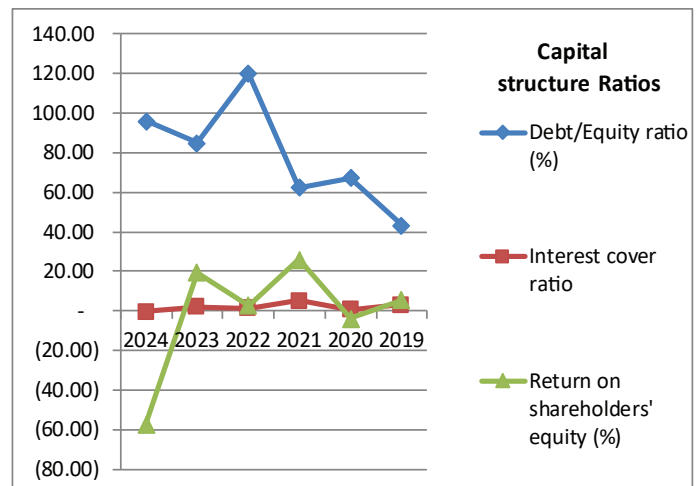
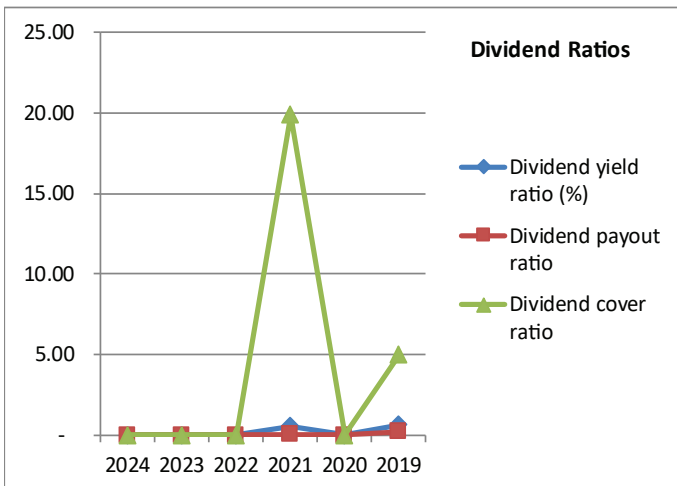
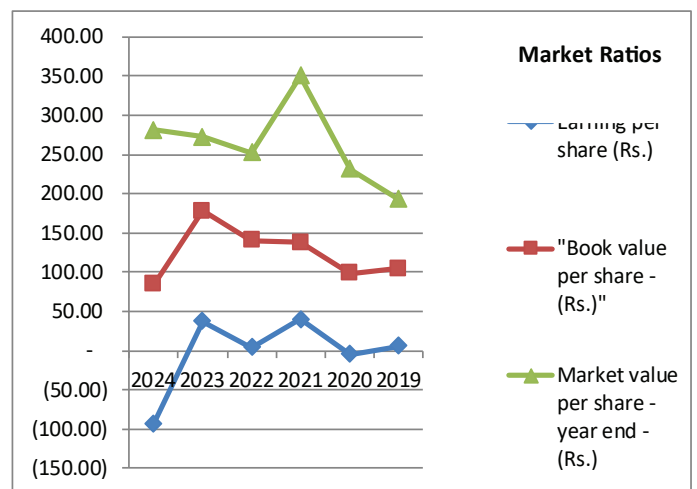
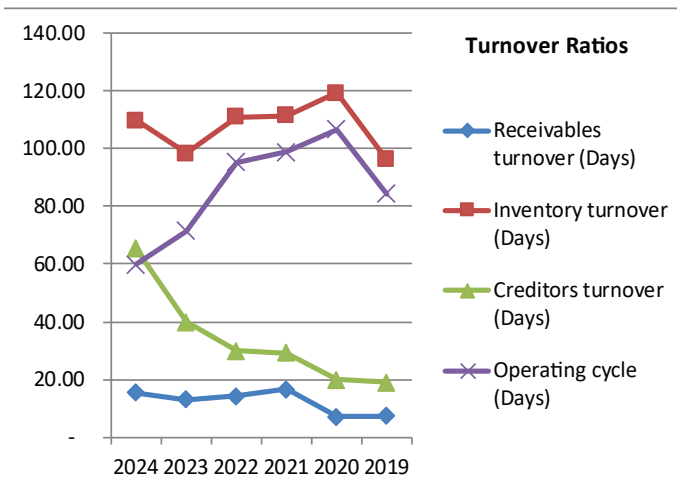
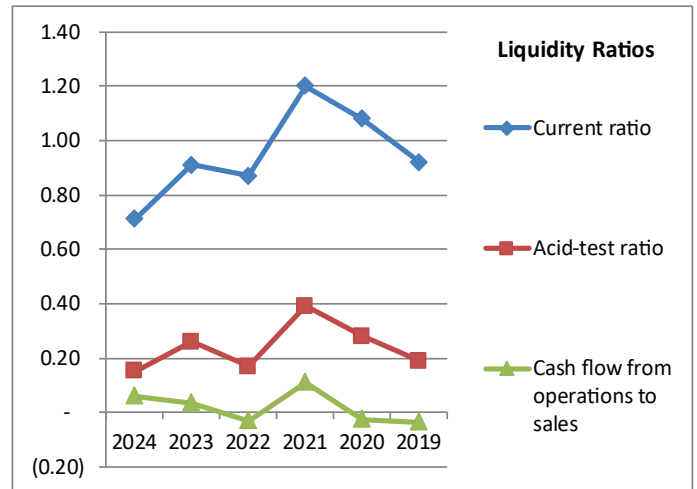
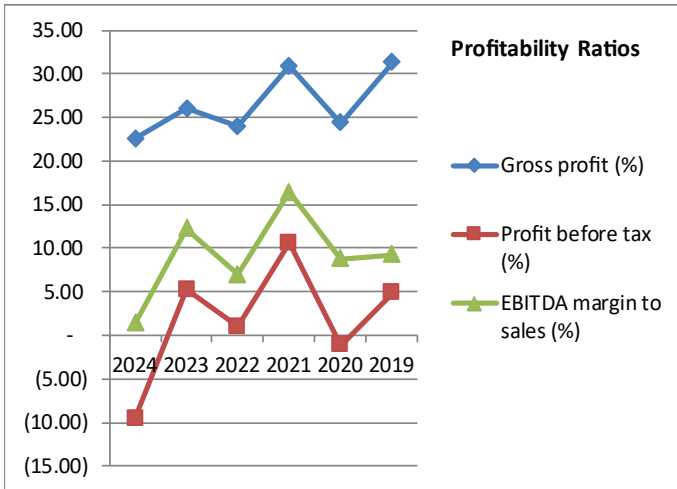
Investment/Market Ratios

Earning per share (Rs.)	(92.99)	37.17	4.55	39.77	(4.73)	6.24
Price earnings ratio	(3.02)	7.33	55.49	8.80	(48.84)	30.97
Price to book ratio	3.31	1.53	1.79	2.53	2.35	1.85
Dividend yield ratio (%)	-	-	-	0.57	-	0.65
Dividend payout ratio	-	-	-	0.05	-	0.20
Dividend cover ratio	-	-	-	19.89	-	4.99
Dividend per share (%)	-	-	-	20.00	-	12.50
Book value per share - excluding loan from sponsors (Rs.)	84.93	177.93	140.76	138.20	98.43	104.42
Market value per share - year end - (Rs.)	281.28	272.46	252.50	350.00	231.00	193.25

Capital Structure Ratios

Debt/Equity ratio (%)	95.87	84.90	119.82	62.46	67.30	43.31
Financial leverage ratio	1.96	2.03	2.40	1.14	1.57	1.32
Interest cover ratio	(0.22)	2.12	1.31	5.34	0.81	3.06
Return on shareholders' equity (%)	(57.00)	19.36	2.94	26.11	(3.74)	5.67





PATTERN OF SHAREHOLDING AS AT JUNE 30, 2024

Number of Shareholders	Shareholding		Total Shares Held
	From	To	
222	1	100	5,272
85	101	500	25,910
19	501	1,000	14,233
22	1,001	5,000	40,060
4	5,001	10,000	26,983
3	10,001	15,000	35,230
1	30,001	35,000	33,300
1	55,001	60,000	55,250
1	80,001	85,000	84,800
1	305,001	310,000	305,520
1	320,001	325,000	320,288
1	345,001	350,000	346,840
1	410,001	415,000	411,710
1	415,001	420,000	417,430
1	460,001	465,000	462,509
1	555,001	560,000	556,050
1	755,001	760,000	758,615
366			3,900,000

Categories of Shareholders	No of Shares Held	Percentage
Directors, Chief Executive Officer, and their spouses and minor children	2,902,974	74.44
Associated Companies, undertakings and related parties	11,400	0.29
Executives	500	0.01
Public Sector Companies and Corporations	-	-
Banks, development finance institutions, non-banking finance companies	-	-
Insurance companies, takaful, modarabas and pension funds	-	-
Mutual Funds	-	-
Shareholders holding 10% & more	2,606,314	66.83
General Public		
a. Local	984,342	25.24
b. Foreign	670	0.02
Others	114	0.00

NOTE: Some of the shareholders are reflected in more than one category

DETAILS OF PATTERN OF SHAREHOLDING

Shareholder's Category	No of Shares Held	Percentage
I) DIRECTORS, CHIEF EXECUTIVE OFFICER AND THEIR SPOUSES		
Mr. Ebrahim Qassim	556,050	14.26
Mr. Mohammad Haroon Qassim	462,509	11.86
Mr. Vali Muhammad A. Habib	55,250	1.42
Mr. Muhammad Rafique Umer Afinwala	10	0.00
Mr. Abdul Ghaffar Umer Kapadia	100	0.00
Mrs. Saadia Naveed	650	0.02
Mr. Mohammad Salman Qassim	417,430	10.70
Mrs. Kulsum Bano	758,615	19.45
Mrs. Zohra Bano	346,840	8.89
Mrs. Wazira Parveen	305,520	7.83
	2,902,974	74.44
II) ASSOCIATED COMPANIES, UNDERTAKINGS AND RELATED PARTIES	11,400	0.29
III) EXECUTIVES	500	0.01
IV) PUBLIC SECTOR COMPANIES AND CORPORATIONS	-	-
V) BANKS, DEVELOPMENT FINANCE INSTITUTIONS, NON-BANKING FINANCE COMPANIES	-	-
VI) INSURANCE COMPANIES, TAKAFUL, MODARABAS AND PENSION FUNDS	-	-
VII) MUTUAL FUNDS	-	-
VIII) SHAREHOLDERS HOLDING 10% OR MORE		
Mr. Ebrahim Qassim	556,050	14.26
Mr. Mohammad Haroon Qassim	462,509	11.86
Mr. Mohammad Salman Qassim	417,430	10.70
Mr. Mohammad Jamil Qassim	411,710	10.56
Mrs. Kulsum Bano	758,615	19.45
	2,606,314	66.83
IX) OTHERS AND GENERAL PUBLIC	985,126	25.26

Financial Calendar

The Company follows the period of July 01 to June 30 as the financial year

For the financial year 2024-25, financial results will be announced as per the following tentative schedule.

Un-Audited Financial Results for First Quarter	Last week of October, 2024
Reviewed Half yearly Financial Results	Third week of February, 2025
Un-Audited Financial Results for Third Quarter	Last week of April, 2025
Audited Annual Results for the year ended June 30, 2025	Third week of September, 2025

GENDER PAY GAP STATEMENT UNDER SECP'S CIRCULAR 10 OF 2024

Following is gender pay gap calculated for the year ended June 30, 2024:

- i. Mean Gender Pay Gap: 23.70%
- ii. Median Gender Pay Gap: 19.54%

The above percentages reflect the gender pay gap of relevant male versus female employees across the organization.



Mohammad Haroon Qassim
Chief Executive Officer

Karachi: September 26, 2024

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 seven as per the following:

- a) Male: 6
- b) Female: 1

2. The composition of the Board is as follows:

i. Independent Directors:

Mr. Muhammad Rafique Umer Afinwala
Mr. Abdul Ghaffar Umer Kapadia

ii. Non-executive Directors:

Mr. Ebrahim Qassim
Mr. Vali Muhammad A. Habib
Mrs. Saadia Naveed

iii. Executive Directors

Mr. Mohammad Haroon Qassim
Mr. Mohammad Salman Qassim

iv. Female Directors

Mrs. Saadia Naveed

In a Board comprising 7 members, one third works out to be 2.33, which is below half (i.e., 0.5). The fraction contained in such one-third is not rounded up to one as the Company has experienced and well reputed Independent Directors on the Board who perform and carry out their responsibilities diligently.

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 significant policies along with the date of approval or updating is maintained by the Company;
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 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 the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;

9. All directors of these Company are compliant with the requirement of the Regulation related to Directors' Training Program. The Board ensures arrangement of orientation course for its directors to apprise them of their duties and responsibilities at the beginning of their term. No training session for directors was held during the year;
10. The Board has approved appointment of Chief Financial Officer (CFO), Company Secretary and Head of Internal Audit, including their remunerations and terms and conditions of employment and complied with relevant requirements of the Regulations;
11. CFO and Chief Executive Officer (CEO) duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:

Audit Committee:

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

HR and Remuneration Committee:

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

Risk Management Committee:

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

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
14. During the financial year ended 30 June 2024, the frequency of meetings of the committees were as per following:

Audit Committee	Four meetings
HR and Remuneration Committee	One meeting
Risk Management Committee	One meeting

15. The Board has outsourced the internal audit function to M/s. Yousuf Adil Chartered Accountants who are considered suitably qualified and experienced for the purpose;
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 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.
19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 (non-mandatory requirements) are below:

Non-Mandatory Requirements	Explanation
<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>	<p>At present the Board provides governance and oversight in relation to Company's initiatives on environmental, social and governance (ESG) matters. Nevertheless, the requirements introduced recently by SECP through notification dated June 12, 2024 will be complied with in due course.</p>



Muhammad Haroon Qassim
Chief Executive Officer



Muhammad Rafique Umer Afinwala
Director

Karachi: September 26, 2024

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF SHIELD CORPORATION 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 Dynea Pakistan Limited 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 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 June 30, 2024.

KARACHI

DATED: October 4, 2024

UDIN: CR202410166JHy0Znjzu



BDO EBRAHIM & CO.

CHARTERED ACCOUNTANTS

Engagement Partner: Tariq Feroz Khan

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.

INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF SHIELD CORPORATION LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **SHIELD CORPORATION LIMITED** (the Company), which comprise the statement of financial position as at June 30, 2024, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity for the year ended, the statement of cash flows, and notes to the financial statements, and material accounting policy information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2024 and of the loss and other comprehensive loss, the changes in equity and, its cash flows and for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key audit matters:

S. No	Key audit matters	How the matter was addressed in our audit
1.	Valuation of stock-in-trade	
	Stock-in-trade has been valued following an accounting policy as stated in note 5.5 to the financial statements. At the reporting date, value of stock-in-trade as disclosed in note 10 to the financial statement amounted to Rs. 840.060 million. Stock-in-trade forms material part of the Company’s assets representing 30.55% of the total assets.	<p>Our audit procedures in respect of valuation of stock in trade, amongst others, included the following:</p> <ul style="list-style-type: none"> ○ We attended the physical inventory count at the year end, performed by the Company and we observed the stock count to identify any obsolete or damaged items in the inventory.

S. No	Key audit matters	How the matter was addressed in our audit
	<p>The cost of stock in trade has different components, which involves judgment in relation to the allocation of overheads costs and in determining the net realizable value of stock-in-trade items in line with accounting policy.</p> <p>In view of the above, we have considered the valuation of stock in trade as key audit matter.</p>	<ul style="list-style-type: none"> o We obtained understanding of internal controls over purchases and valuation of stock in trade and testing, on a sample basis, their design, implementation and operating effectiveness; o On sample basis, we tested the purchases with supporting documentation and contracts if any; o We compared calculations of the allocation of directly attributable costs with the underlying supporting documents; o We verified on test basis, the weighted average calculations of raw material stock as per accounting policy; o We tested the calculations of the actual overhead costs and checked allocation of labor and overhead costs to the finished goods and work in process; o We obtained an understanding of management's determination of net realizable value (NRV) and the key estimates adopted, including future selling prices, future costs to complete work in process and costs necessary to make the sale and their basis; and o We compared NRV, on a sample basis, to the cost of finished goods to assess whether any adjustments are required to value inventory in accordance with applicable accounting and reporting standards. o We assessed the appropriateness and adequacy of the disclosures as per the applicable financial reporting framework.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) no zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company.

The engagement partner on the audit resulting in this independent auditors' report is Tariq Feroz Khan.

KARACHI

DATED: 04 OCT 2024

UDIN: UDIN: CR202410166JHy0Znjzu


BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment	6	1,463,511,635	1,375,007,609
Intangible asset	7	47,125	120,158
Investment property	8	111,319,998	113,026,519
Long term deposits		1,145,986	1,145,986
		<u>1,576,024,744</u>	<u>1,489,300,272</u>
CURRENT ASSETS			
Stores and spares	9	68,683,793	58,068,209
Stock-in-trade	10	840,059,733	961,081,359
Trade debts	11	72,087,030	257,017,305
Loans and advances	12	12,772,006	20,701,733
Investment in associate	13	-	994,743
Trade deposits, prepayments and other receivable	14	14,635,036	10,061,161
Taxation and levy - net	15	141,417,478	125,117,301
Cash and bank balances	16	5,622,551	4,495,616
		<u>1,155,277,627</u>	<u>1,437,537,427</u>
TOTAL ASSETS		<u>2,731,302,371</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	17	39,000,000	39,000,000
Loan from sponsors	18	305,000,000	55,000,000
Capital reserve	19	10,000,000	10,000,000
Revenue reserves		282,244,501	644,923,888
		<u>636,244,501</u>	<u>748,923,888</u>
NON - CURRENT LIABILITIES			
Deferred taxation	20	-	71,445,185
Long term financing - secured	21	429,916,555	476,114,223
Security deposit		5,400,000	5,400,000
Deferred government grant	22	31,979,797	40,404,955
		<u>467,296,352</u>	<u>593,364,363</u>
CURRENT LIABILITIES			
Trade and other payable	23	559,213,016	520,859,818
Due to related party	24	236,148,435	-
Current portion of long term financing - secured	21	139,616,586	110,909,907
Current portion of deferred government grant	22	8,425,158	8,396,884
Short term borrowings - secured	25	636,035,611	883,628,958
Accrued Profit	26	47,443,034	59,867,361
Unpaid dividend		287,033	293,394
Unclaimed dividend		592,645	593,126
		<u>1,627,761,518</u>	<u>1,584,549,448</u>
TOTAL EQUITY AND LIABILITIES		<u>2,731,302,371</u>	<u>2,926,837,699</u>

CONTINGENCIES AND COMMITMENTS

27

The annexed notes from 1 to 50 form an integral part of these financial statements.



Muhammad Haroon Qassim
Chief Executive



Muhammad Rafique Umer Afinwala
Director



Yasir Yousuf Chhabra
Chief Financial officer

STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees (Restated)
Sales - net	28	3,867,121,389	4,357,631,431
Cost of sales	29	(2,996,365,848)	(3,225,280,381)
Gross profit		870,755,541	1,132,351,050
Selling and distribution expenses	30	(894,260,915)	(625,266,969)
Administrative and general expenses	31	(64,451,892)	(62,739,824)
Allowance for expected credit loss	11.4	(2,702,264)	(3,793,329)
Other operating expenses	32	(8,886,383)	(46,349,537)
		(970,301,454)	(738,149,659)
		(99,545,913)	394,201,391
Other operating income	33	32,634,876	36,760,056
Operating (loss) / profit		(66,911,037)	430,961,447
Share of loss on associate	13	-	(597,560)
Impairment loss	13	-	(182,022)
Finance costs	34	(300,970,556)	(203,126,267)
(Loss) / profit before income tax, final tax and minimum tax		(367,881,593)	227,055,598
Final Tax		(217,497)	(445,130)
Minimum tax differential	35	(49,926,930)	(16,482,697)
(Loss) / profit before income tax		(418,026,020)	210,127,771
Taxation	36	55,346,633	(65,163,616)
(Loss) / profit for the year		(362,679,387)	144,964,155
(Loss) / earnings per share - basic and diluted	37	(92.99)	37.17

The annexed notes from 1 to 50 form an integral part of these financial statements.



Mohammad Haroon Qassim
Chief Executive



Muhammad Rafique Umer Afinwala
Director



Yasir Yousuf Chhabra
Chief Financial officer

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
(Loss) / profit for the year		(362,679,387)	144,964,155
Other comprehensive income		-	-
Total comprehensive (loss) / income for the year		<u>(362,679,387)</u>	<u>144,964,155</u>

The annexed notes from 1 to 50 form an integral part of these financial statements.



Muhammad Haroon Qassim
Chief Executive



Muhammad Rafique Umer Afinwala
Director



Yasir Yousuf Chhabra
Chief Financial officer

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
Cash flows from operating activities			
Cash generated from operations	38	628,135,845	433,313,817
Finance costs - net		(313,394,883)	(181,975,029)
Income tax - net		(82,543,156)	(100,480,939)
Net cash flows from operating activities		232,197,806	150,857,849
Cash flows from investing activities			
Fixed capital expenditure including work in progress	6.1	(209,304,645)	(223,429,620)
Addition in intangible assets	7.1	-	(90,400)
Liquidation proceeds from investment in equity accounted associate		994,743	
Sale proceeds from disposal of operating fixed assets		778,720	173,848
Net cash used in investing activities		(207,531,182)	(223,346,172)
Cash flows from financing activities			
Long term financing - net	38.1	(25,887,873)	(87,845,862)
Loan received from sponsors	18	250,000,000	-
Proceeds from short term murabaha finance and istisna finance	38.1	1,085,827,567	1,272,456,468
Repayment of short term murabaha finance and istisna finance		(1,405,212,097)	(1,181,417,891)
Dividend paid	38.1	(6,842)	(112,374)
Net cash flows (used in)/ generated from financing activities		(95,279,245)	3,080,341
Net decrease in cash and cash equivalents		(70,612,621)	(69,407,982)
Cash and cash equivalents at the beginning of the year	39	(306,035,190)	(237,351,184)
Effect of movements in exchange rates on cash held		(51,627)	723,976
Cash and cash equivalents at the end of the year	39	(376,699,438)	(306,035,190)

The annexed notes from 1 to 50 form an integral part of these financial statements.



Mohammad Haroon Qassim
Chief Executive



Muhammad Rafique Umer Afinwala
Director



Yasir Yousuf Chhabra
Chief Financial officer

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2024

	Issued, subscribed and paid-up capital	Loan from sponsors	Reserve			Sub total	Total
			Capital reserve	Revenue reserves			
			Share Premium	General	Unappropriated profit		
----- (Rupees) -----							
Balance as at July 1, 2022	39,000,000	55,000,000	10,000,000	55,000,000	444,959,733	509,959,733	603,959,733
Total comprehensive income for the year ended June 30, 2023							
Profit for the year	-	-	-	-	144,964,155	144,964,155	144,964,155
Other comprehensive income for the year	-	-	-	-	-	-	-
	-	-	-	-	144,964,155	144,964,155	144,964,155
Balance as at June 30, 2023	39,000,000	55,000,000	10,000,000	55,000,000	589,923,888	654,923,888	748,923,888
Balance as at July 1, 2023	39,000,000	55,000,000	10,000,000	55,000,000	589,923,888	654,923,888	748,923,888
Total comprehensive loss for the year ended June 30, 2024							
Loss for the year	-	-	-	-	(362,679,387)	(362,679,387)	(362,679,387)
Other comprehensive income for the year	-	-	-	-	-	-	-
	-	-	-	-	(362,679,387)	(362,679,387)	(362,679,387)
Transactions with owners							
Loan received during the year	-	250,000,000	-	-	-	-	250,000,000
Balance as at June 30, 2024	39,000,000	305,000,000	10,000,000	55,000,000	227,244,501	292,244,501	636,244,501

The annexed notes from 1 to 50 form an integral part of these financial statements.



Muhammad Haroon Qassim
Chief Executive



Muhammad Rafique Umer Afinwala
Director



Yasir Yousuf Chhabra
Chief Financial officer

SHIELD CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

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 repealed 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 financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan comprise of:

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

Where provisions of and directives issued under the Companies Act, 2017 differ from IFRS Standards or IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3.2 Basis of measurement

These financial statements have been prepared under the historical cost basis except as disclosed otherwise.

3.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupees ('Rupees' or 'Rs.') which is also the Company's functional and presentation currency.

3.4 Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognized prospectively. Information about judgements made in applying accounting policies that have the most significant effects on the amount recognized in the financial statements to the carrying amount of the assets and liabilities and assumptions and estimation uncertainties that have a significant risk resulting in a material adjustment in the subsequent year are set forth below:

- Property, plant and equipment (refer note 5.1)
- Investment property (refer note 5.3)
- Stores and spares and stock-in-trade (refer notes 5.4 and 5.5)
- Investments in associate (refer note 5.12)

- Taxation (refer note 5.14)
- Impairment (refer note 5.8.1)
- Provisions (refer note 5.18)
- Contingencies (refer note 27)

4 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

4.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2024

The following standards, amendments and interpretations are effective for the year ended June 30, 2024. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have any material impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2 Making Materiality Judgements- Disclosure of Accounting Policies	January 01, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes	January 01, 2023

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 impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting the Company to provide useful entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and updates to the information disclosed in Note 5 Material accounting policy information (2023: Significant accounting policies) in certain instances in line with the amendments and concluded that all its accounting policies are material for disclosure.

4.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026

	Effective date (annual periods beginning on or after)
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025
IFRS 17 Insurance Contracts	January 01, 2026
IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)	
IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2026.	
IFRS 18 'Presentation and Disclosures in Financial Statements' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP	
IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP	

5 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

5.1 Property, plant and equipment

a) Operating fixed assets

Initial recognition

The cost of an item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the entity and the cost of such item can be measured reliably.

Recognition of the cost in the carrying amount of an item of property, plant and equipment ceases when the items are in the location and condition necessary for it to be capable of operating in the manner intended by the management.

Measurement

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment includes:

- a) its purchase price including import duties, non refundable purchase taxes after deducting trade discounts and rebates;

- b) any other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management; and
- c) borrowing costs, if any.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent cost

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within that part will flow to the Company and its cost can be measured reliably. The carrying amount of the part so replaced is derecognized. The costs relating to day-to-day servicing of property, plant and equipment are recognized in statement of profit or loss as incurred.

Depreciation

Depreciation is charged to income on a diminishing balance method at the rates mentioned in the note 6.1 except for lease hold land which is depreciated on a straight line basis. Depreciation is charged from the date the asset is put into operation and discontinued from the date the asset is retired.

The assets' residual values and useful lives are reviewed at each financial year end and adjusted if appropriate.

b) Capital work in progress

Capital work in progress is stated at cost less impairment, if any and consists of expenditure incurred and advances made in respect of tangible and intangible assets during the course of their construction and installation. Transfers are made to relevant assets category as and when assets are available for intended use.

Disposal

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense in the statement of profit or loss.

5.2 Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment losses, if any.

Subsequent expenditure

Subsequent expenditure on intangible assets is capitalised only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditures are expensed out as incurred.

Amortization

Amortization is charged to statement of profit or loss on a straight line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Amortization on additions to intangible assets is charged from the date of use and discontinued from the date the asset is retired.

5.3 Investment property

Property held for the purpose of rental income and long-term capital appreciation is classified as investment property.

Initial recognition

Investment property is initially recognized at cost which is equal to the fair value of consideration paid at the time of acquisition or construction of the asset.

Measurement subsequent to initial recognition

Subsequent to initial recognition, investment property is carried at historical cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation

Depreciation is charged to statement of profit or loss in the same manner as owned operating fixed assets.

5.4 Stores and spares

Stores, spares and loose tools are valued at lower of weighted average cost and net realizable value, less provision for impairment, if any. Items in transit are valued at cost comprising invoice value plus other charges incurred thereon less impairment, if any.

Provision for obsolete and slow moving stores, spares and loose tools is determined based on management's estimate regarding their future usability.

Net realizable value signifies the estimated selling price in the ordinary course of business less the estimated costs necessary to be incurred to make the sale.

5.5 Stock in trade

Stock-in-trade is valued at the lower of cost and net realizable value less provision for impairment, if any. Except for stock in transit, cost incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw and packing material are recorded at purchase cost on weighted average basis.
- Finished goods, trading goods and work in process are valued at average production cost which includes cost of direct material, direct expenses and overheads.

Cost for stock in transit comprises invoice value plus other charges incurred thereon upto the reporting date.

Net realizable value signifies the estimated selling price in the ordinary course of business less the estimated cost necessary to be incurred to make the sale.

5.6 Impairment of non-financial assets

The carrying amounts of the Company's non financial assets, other than deferred tax assets and inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount, being higher of value in use and fair value less costs to sell, is estimated. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss.

5.7 Deferred government grant

The deferred government grant is measured upon initial recognition as the difference between fair value of the loan and loan proceeds. The fair value of the loan is the present value of the loan cash flows, discounted using the prevailing market rates of interest for a similar instrument. Subsequently, the grant is recognized in statement of profit or loss, in line with the recognition of interest expenses the grant is compensating.

5.8 Financial instruments

5.8.1 Financial assets

The Company classifies its financial assets in the following categories: at fair value through profit or loss, fair value through other comprehensive income and amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. All the financial assets of the Company as at reporting date are carried at amortized cost.

Amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Impairment

The Company recognizes loss allowance for Expected Credit Losses (ECLs) on financial assets measured at amortized cost and contract assets. The Company measures loss allowance at an amount equal to lifetime ECLs under simplified approach for trade debts, where as for other financial assets loss allowance is measured at 12 months ECL or lifetime ECL based on significant increase in credit risk under general approach of measuring ECL.

Lifetime ECLs are those that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

At each reporting date, the Company assesses whether the financial assets carried at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events that have detrimental impact on the estimated future cash flows of the financial assets have occurred.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

5.8.2 Financial liabilities

All financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument.

5.8.3 Recognition and measurement

All financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently measured at fair value, amortized cost or cost, as the case may be. The particular measurement methods adopted are disclosed in the individual policy statements associated with each item.

5.8.4 Derecognition of financial assets and liabilities

The financial assets are de-recognized when the Company loses control of the contractual rights that comprise the financial assets. The financial liabilities are de-recognized when they are extinguished i.e. when the obligation specified in the contract is discharged, cancelled or expired.

5.9 Trade and other payables

Trade and other payables are recognised initially at fair value plus directly attributable cost, if any, and subsequently measured at amortized cost.

5.10 Derivative financial instruments

Derivatives are recognised initially at fair value; any attributable transaction costs are recognised in statement of profit or loss as incurred. Subsequent to initial recognition, when a derivative financial instrument is not designated in a hedge relationship that qualifies for hedge accounting or when the derivative does not qualify for hedge accounting are measured at fair value and all changes in its fair value are recognised immediately in statement of profit or loss.

The fair value of forward exchange contracts is estimated using appropriate valuation techniques. These are carried as assets when the fair value is positive and liabilities when the fair value is negative.

5.11 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when there is a legally enforceable right to set-off the recognised amounts and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

5.12 Investments in associates

Entities in which the Company has significant influence directly or indirectly but not control and which are neither subsidiaries nor joint venture of the Company are associates and are accounted for under the equity method of accounting (equity accounted investees).

These investments are initially recognized at cost. The financial statements include the associates' share of profit or loss and movements in other comprehensive income, after adjustments, if any, to align the accounting policies with those of the Company, from the date that significant influence commences until the date it ceases. Share of post acquisition profit/loss of associates is recognized in the statement of profit or loss. Distributions received from associates reduce the carrying amount of investment.

When the Company's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that investment (including any long-term interests that, in substance, form part of the Company's net investment in the associate) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Company has an obligation or has made payments on behalf of the investee.

The carrying amount of investments in associates is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the investments is estimated which is higher of its value in use and its fair value less costs to sell. An impairment loss is recognized if the carrying amount exceeds its recoverable amount and is charged to statement of profit or loss. An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount but limited to the extent of carrying amount that would have been determined if no impairment loss had been recognized. A reversal of impairment loss is recognized in the statement of profit or loss.

5.13 Employee post retirement benefits

5.13.1 Defined contribution plan - provident fund

The Company operates a provident fund scheme for its permanent employees. Obligation for contributions to the fund are recognized as an expense in the statement of profit or loss when they are due. A Trust has been established and its approval has been obtained from the Commissioner of Income tax. Monthly contributions are made by the Company and its employees to the fund as per Company policy.

5.14 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognized in statement of profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case it is also recognized in other comprehensive income or directly in equity respectively.

The Institute of Chartered Accountants of Pakistan has issued IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes and defined two approaches for bifurcation of tax between current and minimum taxes. The Company has adopted an approach to account for current tax calculated on taxable income using the notified tax rate as an income tax and minimum tax any amount over the current tax calculated on taxable income is accounted for as excess over the current tax and is recognised as a levy as per IFRIC 21/IAS37.

Current

Provision for current taxation is based on taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to be applied to the profit for the year. The charge for current tax also include adjustments, where considered necessary, to provision for tax made in previous years arising from assessment finalized during the current year for such years.

Deferred

Deferred tax is accounted for using the Balance Sheet liability method on all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profit will be available in future years to utilize deductible temporary differences, unused tax losses and tax credits. Deferred tax is not recognized on temporary differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

The carrying amount of deferred tax asset is reviewed at each statement of financial position date and reduced to the extent that is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax is calculated based on tax rates that have been enacted or substantively enacted up to the statement of financial position date and are expected to apply to the periods when the differences reverse.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

5.15 Foreign currencies translations

Transactions in foreign currencies are translated into Pakistani Rupees at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into Pakistani Rupees at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into Pakistani Rupees at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in the statement of profit or loss and presented with in other income / operating expenses.

5.16 Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer. Revenue from operations of the Company are recognized when the goods are provided, and thereby the performance obligations are satisfied. Revenue consists of baby care, oral care and hygiene which generally include single performance obligation. The Company's contract performance obligations are fulfilled at the point in time when the goods are dispatched to the customer. Invoices are generated and revenue is recognised at that point in time, as the control has been transferred to the customers. Revenue is measured at fair value of the consideration received or receivable, excluding amount of sales tax. The Company assesses its revenue arrangements against specific criteria that must be met before revenue is recognised.

Scrap sales are recognised on delivery to customers at realized amounts.

5.17 Dividend and appropriation

Dividend distribution to the Company's shareholders and appropriation to / from reserves is recognized in the period in which these are approved.

5.18 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made. Provision are reviewed at each reporting date and adjusted to reflect the current best estimates.

5.19 Contingencies and commitments

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

5.20 Earnings per share

The Company presents earnings per share (EPS) for its ordinary shares. EPS is calculated by dividing profit or loss for the year attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

5.21 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer who makes strategic decisions. Considering that the company deals in baby care, oral care and hygiene products which are subject to similar economic characteristic and the Chief Executive Officer's view the Company's operations as one operating segment. Accordingly, the management has determined that the company has a single reportable segment.

5.22 Cash and cash equivalent

Cash and cash equivalents comprises of cash balances and bank deposits. For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand, balances with banks, short-term running finance and short-term investments having maturity upto 3 months. Running finances under mark-up arrangements are shown with short term-borrowings in current liabilities on the reporting date.

5.23 Changes in accounting policy

Previously, sum of current tax expense calculated as per applicable tax laws, prior year tax expense and deferred tax was recorded as income tax expense.

During the year the Institute of Chartered Accountant of Pakistan has issued the guidance for accounting of minimum and final taxes through circular No. 7/2024 dated May 15, 2024 and defined following two approaches:

Approach 1: Designate the amount calculated as tax on gross amount of revenue or other basis as a levy within the scope of IFRIC 21/IAS 37 and recognize it as an operating expense. Any excess over the amount designated as a levy is then recognized as current income tax expense falling under the scope of IAS 12.

Approach 2: Designate the amount of tax calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognize it as current income tax expense. Any excess over the amount designated as income tax, is then recognized as a levy falling under the scope of IFRIC 21/IAS 37.

During the year ended June 30, 2024, the Company has revised its accounting policy and adopted approach 2. This change in accounting policy has been accounted for retrospectively as referred under International Accounting Standard - 8 'Accounting policies, Changes in Accounting Estimates and Errors', and the comparative financial statements have been restated.

For the year ended June 30, 2023					
		As previously reported	Restatement	As restated	
Note		------(Rupees)-----			
Effect on statement of profit or loss					
	Minimum tax	35	-	16,482,697	16,482,697
	Final tax		-	445,130	445,130
	(Loss)/ profit before income tax		227,055,598	(16,927,827)	210,127,771
	Taxation	36	82,091,443	(16,927,827)	65,163,616

The change has been applied retrospectively resulting in reclassifications in the statement of profit or loss.

The change do not have any impact on statement of financial position, statement of other comprehensive income, statement of cash flows and statement of changes in equity.

	Note	2024 Rupees	2023 Rupees
6 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	6.1	1,437,964,645	1,306,264,286
Capital work in progress	6.4	25,546,990	68,743,323
		<u>1,463,511,635</u>	<u>1,375,007,609</u>

6.1 Operating fixed assets

The following is the statement of operating fixed assets:

Description	Leasehold land	Building on leasehold land	Plant and machinery	Office equipment	Furniture and fittings	Computers	Motor vehicles	Total
----- (Rupees) -----								
Net carrying value basis year ended June 30, 2024								
Opening net book value	3,700,502	532,123,162	724,147,940	13,871,873	24,867,157	4,826,373	2,727,279	1,306,264,286
Addition (at cost)	-	80,397,910	167,771,798	2,075,200	649,809	1,606,261	-	252,500,978
Disposal (at NBV)	-	-	(1,077,817)	(26,766)	-	-	-	(1,104,583)
Depreciation charged	(49,230)	(31,834,976)	(81,049,037)	(2,074,866)	(2,495,292)	(1,647,179)	(545,456)	(119,696,036)
Closing net book value	3,651,272	580,686,096	809,792,884	13,845,441	23,021,674	4,785,455	2,181,823	1,437,964,645
Gross carrying value basis year ended June 30, 2024								
Cost	4,923,000	749,870,927	1,335,091,686	23,569,442	34,303,855	13,864,768	5,044,038	2,166,667,716
Accumulated depreciation	(1,271,728)	(169,184,831)	(525,298,802)	(9,724,001)	(11,282,181)	(9,079,313)	(2,862,215)	(728,703,071)
Closing net book value	3,651,272	580,686,096	809,792,884	13,845,441	23,021,674	4,785,455	2,181,823	1,437,964,645
Net carrying value basis year ended June 30, 2023								
Opening net book value	3,749,732	57,819,665	584,377,335	11,099,371	14,099,417	4,301,261	145,906	675,592,687
Addition (at cost)	-	493,190,351	216,979,695	4,927,595	12,581,694	2,131,350	3,023,009	732,833,694
Disposal (at NBV)	-	-	(1,230,464)	(87,706)	-	(4,829)	-	(1,322,999)
Depreciation charged	(49,230)	(18,886,854)	(75,978,626)	(2,067,387)	(1,813,954)	(1,601,409)	(441,636)	(100,839,096)
Closing net book value	3,700,502	532,123,162	724,147,940	13,871,873	24,867,157	4,826,373	2,727,279	1,306,264,286
Gross carrying value basis year ended June 30, 2023								
Cost	4,923,000	669,473,017	1,169,941,380	21,600,114	33,654,046	12,258,507	5,044,038	1,916,894,102
Accumulated depreciation	(1,222,498)	(137,349,855)	(445,793,440)	(7,728,241)	(8,786,889)	(7,432,134)	(2,316,759)	(610,629,816)
Closing net book value	3,700,502	532,123,162	724,147,940	13,871,873	24,867,157	4,826,373	2,727,279	1,306,264,286
Depreciation rate (% per annum)		1% 5%, 10% & 50%	10%	10% & 30%	10%	30%	20%	

	Note	2024 Rupees	2023 Rupees
6.2	Depreciation has been allocated as follows:		
Cost of sales	29	115,661,773	95,920,793
Selling and distribution expenses	30	3,268,341	3,882,218
Administrative and general expenses	31	765,922	1,036,085
		<u>119,696,036</u>	<u>100,839,096</u>

6.3 Particulars of Company's immovable property (i.e. lands and buildings) are as follows:

Particulars	Location	Area	
Building			
Office premises	Business Avenue, PECHS, Karachi	1,945	Sq.ft.
Factory	Landhi Industrial Area, Karachi	172,730	Sq.ft.
Land			
Leasehold land	Landhi Industrial Area, Karachi	12,279	Sq. yards.
Leasehold land	Kot Lakhpat, Lahore	15 Marla	50 Sq. ft.

	Note	2024 Rupees	2023 Rupees
6.4	Capital work in progress		
Plant and machinery		20,688,571	6,749,573
Advances to suppliers		4,858,419	61,993,750
	6.4.1	<u>25,546,990</u>	<u>68,743,323</u>

6.4.1 Movement of carrying amount is as follows:

Opening balance		68,743,323	578,147,397
Additions (at cost) during the year	6.4.2	185,209,857	198,374,721
		253,953,180	776,522,118
Transfer to operating fixed assets during the year		(228,406,190)	(707,778,795)
Closing balance		<u>25,546,990</u>	<u>68,743,323</u>

6.4.2 This includes borrowing cost capitalised during the year amounting to Rs. nil (2023: Rs. 26,397). The profit rate used to determine the amount of borrowing cost in 2023 was ranged from 11.78% to 16.92% per annum.

	Note	2024 Rupees	2023 Rupees
7	INTANGIBLE ASSETS		
Computer software	7.1	47,125	120,158
7.1	Net carrying value basis		
Opening net book value		120,158	187,126
Additions (at cost)		-	90,400
Amortization charge		(73,033)	(157,368)
Closing net book value		<u>47,125</u>	<u>120,158</u>

	Note	2024 Rupees	2023 Rupees
Gross carrying value basis			
Cost		5,006,434	5,006,434
Accumulated amortization		(4,959,309)	(4,886,276)
Net book value		47,125	120,158
Amortization rate % per annum		33.33%	33.33%

7.2 Amortisation has been allocated as follows:

Cost of sales	29	49,826	117,638
Selling and distribution expenses	30	12,969	25,948
Administrative and general expenses	31	10,238	13,782
		73,033	157,368

7.3 Intangible assets as at June 30, 2024 include items having an aggregate cost of Rs. 4.227 million (2023: Rs. 4.227 million) that have been fully amortized and are still in use of the Company.

	Note	2024 Rupees	2023 Rupees
8 INVESTMENT PROPERTY			
Investment property	8.1	111,319,998	113,026,519

8.1 INVESTMENT PROPERTIES

Particulars	June 30, 2024								Written down value as at June 30, 2024	Depreciation rate (% per annum)
	Cost			Depreciation						
	As at July 1, 2023	Deletion / transfer out	As at June 30, 2024	As at July 1, 2023	Depreciation for the year	on disposal	As at June 30, 2024			
	(Rupees)									
Leasehold land	115,004,844	-	115,004,844	7,543,055	1,150,048	-	8,693,103	106,311,741	1%	
Building on leasehold land	14,143,101	-	14,143,101	8,578,371	556,473	-	9,134,844	5,008,257	10%	
	129,147,945	-	129,147,945	16,121,426	1,706,521	-	17,827,947	111,319,998		

Particulars	June 30, 2023								Written down value as at June 30, 2023	Depreciation rate (% per annum)
	Cost			Depreciation						
	As at July 1, 2022	Deletion / transfer out	As at June 30, 2023	As at July 1, 2022	Depreciation for the year	on disposal	As at June 30, 2023			
	(Rupees)									
Leasehold land	115,004,844	-	115,004,844	6,393,007	1,150,048	-	7,543,055	107,461,789	1%	
Building on leasehold land	14,143,101	-	14,143,101	7,960,068	618,303	-	8,578,371	5,564,730	10%	
	129,147,945	-	129,147,945	14,353,075	1,768,351	-	16,121,426	113,026,519		

8.2 Particulars of the Company's immovable property (i.e. lands and buildings) are as follows:

Particulars	Location	Area
Building		
Building on leasehold land	PECHS, Karachi	13,165.24 Sq. ft.
Land		
Leasehold land	PECHS, Karachi	2,041.10 Sq. yards

8.3 Market value of investment property

An independent valuation of company's investment property was performed by an independent professional valuer to determine the fair value as at June 30, 2024 which is Rs. 380 million (2023: Rs. 302.083 million). The valuation was carried out by Joseph Lobo (Private) Limited on the basis of an assessment of present market value.

	Note	2024 Rupees	2023 Rupees
9 STORES AND SPARES			
Stores and spares		72,486,889	60,412,875
Less: provision for slow moving stores and spares	9.1	(3,803,096)	(2,954,505)
		<u>68,683,793</u>	<u>57,458,370</u>
Spares in transit		-	609,839
		<u>68,683,793</u>	<u>58,068,209</u>
9.1 This includes provision for slow moving stores and spares as follows:			
Opening provision		2,954,505	-
Provision made during the year		848,591	2,954,505
Closing provision		<u>3,803,096</u>	<u>2,954,505</u>
10 STOCK-IN-TRADE			
Manufacturing:			
Raw and packing materials			
in hand		424,336,623	502,636,612
in transit		35,964,309	174,193,760
		<u>460,300,932</u>	<u>676,830,372</u>
Work-in-process		85,761,711	65,207,179
Finished goods		293,170,904	210,817,149
Less: Provision for slow moving stock	10.1	(16,765,064)	(11,694,475)
		<u>276,405,840</u>	<u>199,122,674</u>
Trading:			
in hand		17,802,337	10,465,167
Less: Provision for slow moving stock	10.2	(211,087)	(48,431)
		<u>17,591,250</u>	<u>10,416,736</u>
in transit		-	9,504,398
		<u>17,591,250</u>	<u>19,921,134</u>
		<u>840,059,733</u>	<u>961,081,359</u>
10.1 Breakup of provision is as follows:			
Opening provision		11,694,475	2,556,069
Provision made during the year		5,070,589	9,138,406
Closing provision		<u>16,765,064</u>	<u>11,694,475</u>
10.2 Breakup of provision is as follows:			
Opening provision		48,431	-
Provision made during the year		162,656	48,431
Closing provision		<u>211,087</u>	<u>48,431</u>

		2024	2023
	Note	Rupees	Rupees
11	TRADE DEBTS		
	(Unsecured - considered good)		
	Due from associated undertakings	17,956	196,524,415
	Others	72,069,074	60,492,890
		<u>72,087,030</u>	<u>257,017,305</u>
	(Unsecured - considered doubtful)		
	Considered doubtful	9,542,897	6,840,633
	Allowance for expected credit loss	(9,542,897)	(6,840,633)
		<u>72,087,030</u>	<u>257,017,305</u>
11.1	This comprises of amounts receivable from:		
	Premier Sales (Private) Limited	-	196,501,335
	Memon Medical Institute	17,956	23,080
		<u>17,956</u>	<u>196,524,415</u>
11.2	The aging of related party balances at the reporting date is as follows:		
	Not past due	7,875	196,512,495
	Past due from 1-30 days	-	-
	Past due from 31 days onward	10,081	11,920
		<u>17,956</u>	<u>196,524,415</u>
11.3	The maximum amount due from related parties at the end of any month during the year was:		
	Premier Sales (Private) Limited	247,881,222	196,501,335
	Memon Medical Institute	53,860	23,080
		<u>247,935,082</u>	<u>196,524,415</u>
11.4	Allowance for expected credit loss		
	Opening balances	6,840,633	3,047,304
	Allowance for expected credit loss	2,702,264	3,793,329
	Closing balances	<u>9,542,897</u>	<u>6,840,633</u>
12	LOANS AND ADVANCES		
	Loan to employees	777,646	1,874,503
	Advances		
	to suppliers	10,189,983	15,417,458
	to others	1,804,377	3,409,772
		<u>11,994,360</u>	<u>18,827,230</u>
		<u>12,772,006</u>	<u>20,701,733</u>
12.1	This represents advances to suppliers in the normal course of business and does not carry any interest or mark-up.		

	Note	2024 Rupees	2023 Rupees
13 INVESTMENT IN ASSOCIATE			
Carrying value		994,743	1,774,325
Less: Share of loss on equity accounted associate		-	(597,560)
Carrying value before impairment		994,743	1,176,765
Less: Provision for impairment		-	(182,022)
Less: Liquidation of investment		(994,743)	-
	13.1	-	994,743

13.1 This represents investment made in ordinary shares of Rs. 10 each of Saaf Sehatmand Services (Private) Limited that represented Nil (2023: 10%) (i.e. 400,000 shares) of the total holding of the Company. Further, the Company had significant influence over investee based on shareholders' agreement, accordingly, the investment had been accounted for as equity accounted associate.

	Note	2024 Rupees	2023 Rupees
14 TRADE DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
LC and LG margin		5,000,000	7,783,600
Security deposits	14.1	200,996	1,023,996
Prepayments		1,323	207,985
Sales Tax adjustable		9,432,717	-
Sales tax receivable		-	1,045,580
		14,635,036	10,061,161

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

	Note	2024 Rupees	2023 Rupees
15 TAXATION AND LEVY - NET			
Advance taxation		111,555,938	100,480,940
Income tax refundable		97,468,591	82,551,314
Taxation / levy	36	(67,607,051)	(57,914,953)
		141,417,478	125,117,301

	Note	2024 Rupees	2023 Rupees
16 CASH AND BANK BALANCES			
Cash in hand			
Local currency		144,320	137,459
Foreign currency		843,660	885,949
Cash at bank		987,980	1,023,408
Current account	16.1	4,634,571	3,472,208
		5,622,551	4,495,616

16.1 This includes balances amounting to Rs. 3.923 million (2023: Rs. 2.531 million) with Shariah compliant banks.

17 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

Number of ordinary shares of Rs. 10/- each			2024	2023
2024	2023		Rupees	Rupees
3,000,000	3,000,000	Fully paid in cash	30,000,000	30,000,000
900,000	900,000	Issued as fully paid bonus shares	9,000,000	9,000,000
<u>3,900,000</u>	<u>3,900,000</u>		<u>39,000,000</u>	<u>39,000,000</u>

17.1 Percentage of shares held by directors, chief executive officer and their spouses as at June 30, 2024 is 74.44% (2023: 74.45%).

17.2 The Company has one class of ordinary shares which carry no rights to fixed income. The holders of shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the meeting of the Company. All shares rank equally with regard to the Company's residual assets.

18 LOAN FROM SPONSORS

The Company had obtained a long term interest free loan from the Sponsors which at the reporting date amounts to Rs. 305 million (2023: Rs. 55 million). This loan is unsecured with no maturity period and repayable at the discretion of the Company. The loan has been classified as per the requirements of International Financial Reporting Standards (IFRS) and the requirements of Technical Release (TR-32) issued by the Institute of Chartered Accountants of Pakistan. The breakup is as follows.

	Note	2024 Rupees	2023 Rupees
Chief Executive		225,000,000	55,000,000
Director		80,000,000	-
		<u>305,000,000</u>	<u>55,000,000</u>

19 CAPITAL RESERVES

Capital reserve represent share premium reserve as per section 81 of the Companies Act, 2017. This can be used for the following purposes:

- to write off preliminary expenses of the Company;
- to write off expenses of, or the commission paid or discount allowed on, any issue of shares of the Company; and
- in providing for the premium payable on the redemption of any redeemable preference shares of the Company.

The Company may also use the share premium account to issue bonus shares to its members.

20 DEFERRED TAXATION

	Note	2024 Rupees	2023 Rupees
Taxable temporary differences			
Deferred tax liabilities			
Property, plant and equipment		122,691,213	102,069,200
Investment property		428,406	436,054

	2024 Rupees	2023 Rupees
Deductible temporary differences		
Intangible asset	(170,992)	(159,506)
Trade and other receivables, including advances	(2,751,182)	(1,962,346)
Slow moving stores and spares	(851,773)	(847,547)
Stock-in-trade	(599,713)	(403,379)
Difference of Turnover Tax and Normal Tax	-	(27,687,291)
Deferred tax on carry forward losses	(64,483,933)	-
Unabsorbed tax depreciation	(54,262,026)	-
	-	71,445,185

21 LONG TERM FINANCING - SECURED

	Installment payable	Repayment period	Profit rate	Note	2024 Rupees	2023 Rupees
Shariah Arrangements						
Bank Al-Habib Limited - Islamic banking	Quarterly	2019-25	0.75% above 6 months KIBOR	21.1	12,062,108	21,711,794
Bank Al-Habib Limited - Islamic banking	Quarterly	2019-25	1% above 6 months KIBOR	21.1	21,266,215	38,279,188
Bank Al-Habib Limited - Islamic banking	Quarterly	2022-27	1% above 6 months KIBOR	21.1	5,826,150	7,944,750
Bank Al-Habib Limited - Islamic banking	Quarterly	2022-27	1% above 6 months KIBOR	21.1	3,109,121	4,239,711
Bank Al-Habib Limited - Islamic banking	Quarterly	2023-28	1% above 6 months KIBOR	21.1	5,080,267	5,715,300
Bank Al-Habib Limited - Islamic banking	Quarterly	2024-28	1% above 6 months KIBOR	21.1	43,175,250	-
Bank Al-Habib Limited - Islamic banking	Quarterly	2024-28	1% above 6 months KIBOR	21.1	16,626,672	-
Bank Al-Habib Limited - Islamic banking	Quarterly	2024-28	1% above 6 months KIBOR	21.1	9,287,467	-
Bank Al-Habib Limited - Islamic banking	Quarterly	2024-28	1% above 6 months KIBOR	21.1	3,281,716	-
Bank Al-Habib Limited - Islamic banking	Quarterly	2024-28	1% above 6 months KIBOR	21.1	8,456,400	-
Meezan Bank Limited	Quarterly	2019-25	1% above 3 months KIBOR	21.2	1,327,046	3,096,438
Meezan Bank Limited	Quarterly	2019-25	1% above 3 months KIBOR	21.2	4,549,537	8,189,165
Meezan Bank Limited	Quarterly	2019-25	1% above 3 months KIBOR	21.2	1,639,363	2,732,267
Meezan Bank Limited	Quarterly	2019-25	1.2% above 3 months KIBOR	21.2	1,493,583	2,489,299
Meezan Bank Limited	Quarterly	2019-25	1% above 3 months KIBOR	21.3	20,468,396	40,936,800
Meezan Bank Limited	Quarterly	2020-23	1% above 3 months KIBOR	21.2	-	415,240
Meezan Bank Limited	Quarterly	2020-23	1% above 3 months KIBOR	21.2	-	660,570
Meezan Bank Limited	Quarterly	2020-23	1% above 3 months KIBOR	21.2	-	235,328
Meezan Bank Limited	Quarterly	2020-23	1% above 3 months KIBOR	21.2	-	341,774
Bank Al falah Limited	Quarterly	2023-32	4% above SBP Rate	21.4	5,356,456	5,578,325

	Installment payable	Repayment period	Profit rate	Note	2024 Rupees	2023 Rupees
Bank Al falah Limited	Quarterly	2023-31	4% above SBP Rate	21.4	2,539,664	2,763,213
Bank Al falah Limited	Quarterly	2024-32	4% above SBP Rate	21.4	12,983,208	12,855,378
Bank Al falah Limited	Quarterly	2024-32	4% above SBP Rate	21.4	117,476,998	110,001,245
Bank Al-Habib Limited - Islamic banking	Quarterly	2023-31	1% above 6 months KIBOR	21.5	273,527,524	318,838,345
Shariah Arrangements						
Less: Current portion shown under current liabilities						
Bank Al-Habib Limited - Islamic banking				21.1 & 21.5	(98,017,497)	(80,052,226)
Meezan Bank Limited				21.2 & 21.3	(27,523,699)	(29,618,962)
Bank Al falah Limited				21.4	(14,075,390)	(1,238,719)
					(139,616,586)	(110,909,907)
					429,916,555	476,114,223

- 21.1 This facility has been obtained from Bank Al-Habib Limited-Islamic banking under this diminishing musharakah aggregating to Rs. 389.667 million out of which Rs. 228.094 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 year, the Company had made repayment of Rs. 30.547 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.
- 21.2 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 year, the Company had made repayment of Rs. 9.151 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 rate of 20.00% (June 30, 2023: 13.01% to 20.00%) per annum.
- 21.3 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 year, the Company had made repayment of Rs. 20.468 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 rate of 20.00% (June 30, 2023: 15.85% to 19.09%) per annum.
- 21.4 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 year, the Company had made repayment of Rs. 1.239 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.
- 21.5 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 year, the Company had made repayment of Rs. 48.623 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.

	Note	2024 Rupees	2023 Rupees
22 DEFERRED GOVERNMENT GRANT			
Government grant	22.1	40,404,955	48,801,839
Less: Current portion shown under current liabilities		(8,425,158)	(8,396,884)
		<u>31,979,797</u>	<u>40,404,955</u>

22.1 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'.

	Note	2024 Rupees	2023 Rupees
23 TRADE AND OTHER PAYABLES			
Creditors		379,970,928	231,773,986
Bills payable		35,033,486	158,525,247
Accrued liabilities	23.1	92,760,626	72,806,182
Sales tax payable		-	3,176,684
Workers' profit participation fund	23.2	-	11,352,780
Workers' Welfare fund		-	3,146,618
Provident fund payable	23.3	79,236	7,204
Contract Liability	23.4	51,368,740	40,071,117
		<u>559,213,016</u>	<u>520,859,818</u>

23.1 Accrued liabilities

Salaries, wages and other benefits		25,977,242	21,391,838
Accrued expenses	23.1.1	65,843,784	50,610,284
Auditors' remuneration payable		939,600	804,060
		<u>92,760,626</u>	<u>72,806,182</u>

23.1.1 These include Rs. 23.859 million (2023: Rs. 8.04 million) levied through The Sindh Development and Maintenance of Infrastructure Cess, 2017. As per order dated September 9, 2022, the Supreme Court of Pakistan has directed the petitioners to provide 100% bank guarantees towards the Cess.

23.2 Workers' profit participation fund

Opening balance		11,352,780	539,840
Provision made during the year		-	11,352,780
		<u>11,352,780</u>	<u>11,892,620</u>
Interest on funds utilised in the Company's business		1,815,818	29,767
		<u>13,168,598</u>	<u>11,922,387</u>
Amounts paid		(13,168,598)	(569,607)
Closing balance		<u>-</u>	<u>11,352,780</u>

23.3 Investments out of provident fund have been made in accordance with the provisions of section 218 of the Act and the conditions specified thereunder.

23.4 This represents advance received from various customers. Revenue recognised during the year from amounts included in contract liabilities at the beginning of the year amounted to Rs. 21.933 million (2023: Rs. 3.710 million).

	Note	2024 Rupees	2023 Rupees
24 DUE TO RELATED PARTY			
Premier Sales (Private) Limited	24.1	236,148,435	-

24.1 The balance pertains to Premier Sales (Private) Limited, that acts as a sales distributor for the Company. It is responsible for distributing the Company's products in specified regions. In addition to the sales transactions, the Company reimburses its selling and distribution expenses, incurred in the ordinary course of business.

	Note	2024 Rupees	2023 Rupees
25 SHORT TERM BORROWINGS - SECURED			
From banking companies - secured			
Islamic mode			
Murabaha finance		123,527,977	479,681,205
Running musharakah		382,321,989	310,530,806
Istisna financing		130,185,645	93,416,947
	25.1	636,035,611	883,628,958

25.1 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. 1,025 million (June 30, 2023: Rs. 825 million) out of which Rs. 300 million (June 30, 2023: Rs. 225 million) is interchangeable with running musharakah & Rs. 675 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 year, 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.

	2024 Rupees	2023 Rupees
26 ACCRUED PROFIT		
Long-term financing from Banks		
Shariah Arrangement:		
Diminishing musharakah	20,331,294	22,465,676
Short-term borrowings from Banks		
Murabaha financing	5,767,643	19,972,531
Musharakah financing	13,345,442	11,561,458
Istisna financing	7,925,468	5,867,696
	27,038,553	37,401,685
Guarantee commission	73,187	-
	47,443,034	59,867,361

27 CONTINGENCIES AND COMMITMENTS

27.1 Contingencies

27.1.1 Contingent liability in respect of bank guarantees as at June 30, 2024 was Rs. 41.01 million (2023: Rs. 31.01 million). Out of this, Rs. 25 million (2023: 20 million) represents the bank guarantees issued to 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 (2023: Rs. 5.2 million) and Rs.5.66 million (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.

27.1.2 The Company had filed a suit for infringement and passing off its Trade Mark Shield on May 8, 2014 against Dalda Foods (Private) Limited and vide order dated September 16, 2014 temporary injunction till disposal of the suit was confirmed by the Court. Later on Dalda Foods (Private) Limited preferred an appeal against the confirmation of stay order which was allowed by Division Bench of Honorable High Court of Sindh on March 19, 2016. Shield Corporation Limited appealed before the Honorable Supreme Court of Pakistan.

The Honorable Supreme Court of Pakistan referred the case to the Honorable High Court with direction to decide the case on merits. Based on the Company's counsel advice, the management is of the opinion that the case is likely to be decided in the Company's favour.

27.1.3 The Company had filed a constitutional petition in Honourable High Court of Sindh on March 6, 2017 against impugned recovery notice dated January 20, 2017 for Rs. 2.5 million of Karachi Municipal Corporation (KMC) on account of Municipal Utility Charges Tax (MUCT) arrears in which stay was granted by the Honorable High Court of Sindh on March 7, 2017. Based on the Company's legal counsel advice, the management is hopeful for the favorable outcome of the court case and hence no provision has been made in these financial statements.

27.1.4 Additional Commissioner, Inland Revenue (FBR) had issued an amended assessment order dated March 22, 2021 for the tax year 2018 through which tax demand of Rs. 6.86 million on various issues of the Income Tax Ordinance, 2001, was created. The Company had filed an appeal to Commissioner Inland Revenue (Appeals) against the order that has been decided in favour of the Company. Commissioner, Inland Revenue (FBR) has filed second appeal before Appellate Tribunal against Commissioner Inland Revenue (Appeals) order for tax year 2018. Based on the Company's tax consultant advice, the management is of the opinion that the case will be decided in Company's favour and hence no provision has been made in these financial statements.

27.1.5 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 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 tax consultant advice, the management is of the opinion that the case will be decided in Company's favour and hence no provision has been made in these financial statements.

27.1.6 Additional Commissioner, Inland Revenue (FBR) had issued an amended assessment order dated December 23, 2022 for the tax year 2019 through which tax liability of Rs. 1.82 million on various issues of the Income Tax Ordinance, 2001, was created. The Company had filed an appeal to Commissioner Inland Revenue (Appeals) against the assessment order that has been decided partially in favor of the Company. The Company had filed an appeal to Appellate Tribunal Inland Revenue against the appeal order. Based on the Company's tax consultant advice, the management is of the opinion that the case will be decided in the Company's favour and hence no provision has been made in these financial statements.

27.1.7 Additional Commissioner Inland Revenue has issued an amended assessment order u/s 122(5A) dated April 5, 2024 for the tax year 2020 through which expenses amounting to Rs. 5.06 million were disallowed. The Company filed an appeal to Commissioner Inland Revenue (Appeals) against the order. Based on the Company's tax consultant advice, the management is of the opinion that the case will be decided in Company's favour and hence no provision has been made in these financial statements.

27.1.8 Deputy Commissioner Inland Revenue has 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 filed an appeal to Commissioner Inland Revenue (Appeals) against the order that has been decided in favor of the Company on most of the issues resulting in deletion of tax demand of Rs. 45.74 million. 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 tax consultant advice, the management is of the opinion that the case will be decided in Company's favour and hence no provision has been made in these financial statements.

27.1.9 Income Tax Refund for the tax year 2022 was processed wherein tax paid u/s 148 @ 5.5% Rs. 28.67 million was treated as minimum. The Company filed an appeal to Commissioner Inland Revenue (Appeals) against the refund order that has been decided in favor of the Company with the direction to treat the said as adjustable. 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 tax consultant advice, the management is of the opinion that the case will be decided in Company's favour and hence no provision has been made in these financial statements.

27.2 Commitments

- 27.2.1 The Company has commitments under letter of credit for purchases amounting to Rs. 110.919 million (June 30, 2023: Rs. 291.834 million).
- 27.2.2 The Company has letter of credit and other commitments for capital expenditures amounting to Rs. 4.453 million (June 30, 2023: Rs. 78.073 million).

	Note	2024 Rupees	2023 Rupees
28 SALES - NET			
Gross sales			
Local sales		4,776,086,024	5,410,470,733
Sales tax		(746,631,469)	(812,884,905)
		4,029,454,555	4,597,585,828
Discounts		(185,052,366)	(287,045,184)
		3,844,402,189	4,310,540,644
Export sales	28.1	22,719,200	47,090,787
		<u>3,867,121,389</u>	<u>4,357,631,431</u>

28.1 Information by geographical area for export sales

Afghanistan	-	10,344,160
Ghana	7,301,625	4,859,341
KSA	5,317,412	-
Ireland	-	360,903
Mozambique	3,500,395	4,710,983
Sudan	-	8,208,998
UAE	-	5,954,106
Uganda	467,515	-
USA	6,132,253	-
Yemen	-	12,652,296
	<u>22,719,200</u>	<u>47,090,787</u>

- 28.2 Out of the total sales, sales of Premier Sales (Private) Limited the related parties comprise of 49.44 % (2023: 63.57%) respectively.

	Note	2024 Rupees	2023 Rupees
29 COST OF SALES			
Raw and packaging materials consumed	29.1	2,265,072,782	2,594,411,843
Salaries, wages and other benefits	29.2	348,440,864	299,046,728
Fuel and power		223,382,232	168,726,235
Stores and spares consumed		39,605,290	51,078,058
Depreciation	6.2	115,661,773	95,920,793
Amortization	7.2	49,826	117,638
Provision for NRV	10	5,233,245	9,186,837
Repairs and maintenance		30,302,788	27,298,856
Traveling and conveyance		1,036,130	1,536,758
Rents, rates and taxes		48,004	2,767,248
Insurance		7,529,053	5,455,612
Freight		2,508,168	2,358,954
Printing and stationery		1,205,871	1,304,884
Postage, telegram and telephone		1,340,346	915,008
Others		3,724,668	7,851,053
		<u>3,045,141,040</u>	<u>3,267,976,505</u>

	2024 Rupees	2023 Rupees
Opening inventory of work in process	65,207,179	32,863,802
Closing inventory of work in process	(85,761,711)	(65,207,179)
	(20,554,532)	(32,343,377)
	3,024,586,508	3,235,633,128
Opening inventory of finished goods (including trading goods)	221,282,316	99,046,779
Purchase of trading goods	61,470,265	111,882,790
Closing inventory of finished goods (including trading goods)	(310,973,241)	(221,282,316)
	(28,220,660)	(10,352,747)
	2,996,365,848	3,225,280,381
29.1 Raw & packaging material consumed		
Opening stock	502,636,612	510,378,288
Purchases	2,186,772,793	2,586,670,167
	2,689,409,405	3,097,048,455
Closing stock	(424,336,623)	(502,636,612)
	2,265,072,782	2,594,411,843

29.2 These include provident fund contributions of Rs. 5.580 million (June 30, 2023: Rs. 4.668 million).

	Note	2024 Rupees	2023 Rupees
30 SELLING AND DISTRIBUTION EXPENSES			
Salaries, wages and other benefits	30.1	364,303,523	284,266,305
Traveling and conveyance		117,508,843	89,194,575
Depreciation	6.2	3,268,341	3,882,218
Amortization	7.2	12,969	25,948
Advertisement and sales promotion		201,148,390	98,360,510
Postage, telegram and telephone		2,072,369	1,536,795
Vehicle running and maintenance		25,392,568	5,706,922
Printing and stationery		316,313	131,549
Insurance		79,079	88,930
Freight		157,091,688	131,770,461
Legal and professional		1,440,547	4,350,637
Others		21,626,285	5,952,119
		894,260,915	625,266,969

30.1 These include provident fund contributions of Rs. 6.380 million (June 30, 2023: Rs. 5.515 million).

	Note	2024 Rupees	2023 Rupees
31 ADMINISTRATIVE AND GENERAL EXPENSES			
Salaries, wages and other benefits	31.1	36,881,271	34,026,921
Repairs and maintenance		5,556,950	5,306,910
Depreciation - Property, plant and equipment	6.2	4,178,964	1,036,085
Depreciation - Investment property	8.1	(1,706,521)	1,768,351
Amortization	7.2	10,238	13,782
Traveling and conveyance		394,578	269,375
Postage, telegram and telephone		2,213,687	1,855,181
Rent, rates and taxes		3,918,407	3,130,506

	Note	2024 Rupees	2023 Rupees
Insurance		89,357	268,369
Electricity and water charges		2,509,964	1,753,009
Printing and stationery		1,103,115	826,560
Legal and professional		6,125,555	7,684,673
Security charges		-	44,375
Fees and subscription		1,077,769	845,103
Director meeting fees		540,000	240,000
Charity and donations	31.2	480,000	2,648,000
Auditors' remuneration	31.3	1,047,600	869,616
Others		30,958	153,008
		64,451,892	62,739,824

31.1 These include provident fund contributions of Rs. 1.687 million (June 30, 2023: Rs. 1.305 million). Investments out of provident fund have been made in accordance with the provisions of section 218 of the Act and the conditions specified thereunder.

31.2 Break down of donation is as follows:	2024 Rupees	2023 Rupees
Baitussalam Welfare Trust	-	2,468,000
Family Educational Services Foundation	180,000	180,000
Landhi Association of Trade & Industry	150,000	-
Memon Medical Institute Hospital	150,000	-
	480,000	2,648,000

31.2.1 With reference to donation made to Memon Medical Institute Hospital,(MMI) a related party, interest of Chairman of the Board and Chief Executive Officer of the Company in MMI is limited to the extent of their involvement in MMI as Trustees.

31.3 Auditors' remuneration	2024 Rupees	2023 Rupees
Annual audit fee	720,000	640,000
Half yearly review fee	100,000	55,000
Compliance with corporate governance review fee	50,000	40,000
Out of pocket	50,000	30,000
Other Certifications	50,000	40,216
Sales Tax	77,600	64,400
	1,047,600	869,616

32 OTHER OPERATING EXPENSES

Provision for:		
Workers' Profit Participation Fund	-	11,352,780
Workers' Welfare Fund	-	3,146,618
Slow moving stores and spares	848,591	2,954,505
Exchange loss	7,711,929	27,746,483
Loss on disposal of operating fixed assets	325,863	1,149,151
	8,886,383	46,349,537

	Note	2024 Rupees	2023 Rupees
33 OTHER OPERATING INCOME			
Scrap sales		5,962,640	11,265,533
Rental income		17,982,000	16,200,000
Other income		191,731	126,283
Grant income		8,396,884	8,371,383
Gain on foreign exchange		-	723,976
Reversal of provision:			
Workers' welfare fund - prior		101,621	72,881
		<u>32,634,876</u>	<u>36,760,056</u>
34 FINANCE COSTS			
Shariah Arrangement			
Profit on short term borrowings		183,214,362	125,203,982
Rent on diminishing musharakah		114,945,520	76,043,878
Guarantee commission		194,767	74,578
Bank charges		645,988	344,871
		<u>299,000,637</u>	<u>201,667,309</u>
Non-Shariah Arrangement			
Interest on salary refinancing		-	1,158,611
Interest on WPPF		1,815,818	29,767
Guarantee commission		3,367	1,556
Bank charges		150,734	269,024
		<u>300,970,556</u>	<u>203,126,267</u>
35 MINIMUM TAX DIFFERENTIAL			
This represents portion of minimum tax paid under section 113 of Income Tax Ordinance (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37. (Note 5.14).			
36 TAXATION			
Current			
for the year		-	40,987,126
prior year	36.1	16,098,552	(4,630,019)
		<u>16,098,552</u>	<u>36,357,107</u>
Deferred			
	36.1	(71,445,185)	28,806,509
		<u>(55,346,633)</u>	<u>65,163,616</u>
36.1	On September 18, 2024, the Supreme Court of Pakistan rendered a judgment disallowing tax credits under Section 65B of the Income Tax Ordinance 2001 for tax years subsequent to 2019. Consequently, the Company has recorded a provision in relation to the tax credit claimed under Section 65B for the tax year 2020.		
36.2	Reconciliation of current tax charged as per tax laws for the year, with current tax recognised in the profit and loss account, is as follows:		
Income tax under IAS 12		-	40,987,126
Income tax levy under IFRIC 21/IAS 37		50,144,427	16,927,827
Current tax liability as per Income Tax Ordinance		<u>50,144,427</u>	<u>57,914,953</u>

The provision of current tax liability for the year contains minimum tax at 1.25% of the net turnover for the year and final tax regime at 1% of export proceeds.

	2024 Rupees	2023 Rupees
37 (LOSS) / EARNINGS PER SHARE - BASIC AND DILUTED		
(Loss) / profit for the year (Rupees)	(362,679,387)	144,964,155
	(Number of shares)	
Weighted average number of ordinary shares in issue during the year (shares)	3,900,000	3,900,000
(Loss) / earnings per share - basic (Rupees per share)	(92.99)	37.17

37.1 There are no dilutive potential ordinary shares outstanding as at June 30, 2024 and 2023.

	Note	2024 Rupees	2023 Rupees
38 CASH GENERATED FROM OPERATIONS			
(Loss) / (profit) before taxation		(367,881,593)	227,055,598
Adjustments for:			
Depreciation - Property, plant and equipment	6.2	119,696,036	100,839,096
Depreciation - Investment property	8.1	1,706,521	1,768,351
Amortization	7.2	73,033	157,368
Share of loss on equity accounted associate	13	-	597,560
Impairment loss in equity accounted associate	13	-	182,022
Provision of impairment of trade debts	11.4	2,702,264	3,793,329
Exchange loss / (gain)		51,627	(723,976)
Loss on disposal of property, plant and equipment		325,863	1,149,151
Finance costs	34	300,970,556	203,126,267
Changes in:			
Stores and spares		(10,615,584)	(10,825,303)
Stock-in-trade		121,021,626	(185,715,561)
Trade receivables		182,228,011	(204,700,718)
Loans and advances		7,929,727	1,178,094
Trade deposits and short term prepayments		(4,573,875)	37,867,002
Trade and other payables		38,353,198	257,565,537
Due to related party		236,148,435	-
Cash generated from operations		628,135,845	433,313,817

38.1 Reconciliation of movements of liabilities to cash flows arising from financing activities

	Long term financing	Loan from Sponsors	Short term borrowings	Dividend payable	Total
Note	21	18	25		
-----Rupees-----					
Balance as on July 01, 2023	635,825,969	55,000,000	573,098,152	886,520	1,264,810,641
Dividend declared				-	-
Proceeds from long term loans	88,431,088	-	-	-	88,431,088
Loan proceeds from CEO and Director	-	250,000,000	-	-	250,000,000
Proceeds from short term borrowings	-	-	1,085,827,567	-	1,085,827,567
Repayment of long term loans	(114,318,961)	-	-	-	(114,318,961)
Repayment of short term borrowings	-	-	(1,405,212,097)	-	(1,405,212,097)
Dividend paid	-	-	-	(6,842)	(6,842)
	(25,887,873)	250,000,000	(319,384,530)	(6,842)	(95,279,245)
Balance as on June 30, 2024	609,938,096	305,000,000	253,713,622	879,678	1,169,531,396
Balance as on July 01, 2022	723,671,831	55,000,000	482,059,575	998,894	1,261,730,300
Dividend declared				-	-
Proceeds from long term loans	67,725,823	-	-	-	67,725,823
Proceeds from short term borrowings	-	-	1,272,456,468	-	1,272,456,468
Repayment of long term loans	(155,571,685)	-	-	-	(155,571,685)
Repayment of short term borrowings	-	-	(1,181,417,891)	-	(1,181,417,891)
Dividend paid	-	-	-	(112,374)	(112,374)
	(87,845,862)	-	91,038,577	(112,374)	3,080,341
Balance as on June 30, 2023	635,825,969	55,000,000	573,098,152	886,520	1,264,810,641

	Note	2024 Rupees	2023 Rupees
39 CASH AND CASH EQUIVALENTS			
Running musharakah - secured	25	(382,321,989)	(310,530,806)
Cash and bank balances	16	5,622,551	4,495,616
		<u>(376,699,438)</u>	<u>(306,035,190)</u>

40 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 :

	2024	2023
Baby care	90.34%	89.64%
Oral care	8.73%	8.94%
Hygiene	0.93%	1.42%
	<u>100.00%</u>	<u>100.00%</u>

41 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

41.1 Risk management policies

The Company's objective in managing risks is the creation and protection of shareholders' value. Risk is inherent in the Company's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Company's continuing profitability. The Company is exposed to credit risk, liquidity risk and market risk (which includes foreign currency risk, interest rate risk and other price risk) arising from the financial instruments it holds.

The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee beside various management reports for the risk management purpose.

The Company finances its operations through equity, borrowings and management of working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk.

41.2 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties fail to perform as contracted and arises principally from trade debt, other receivables, and bank balances. The Company's policy is to enter into financial contracts with reputable counter parties in accordance with the internal guidelines and regulatory requirements.

Exposure to credit risk

Credit risk of the Company arises principally from the trade debts, deposits, loan and bank balances. The carrying amount of financial assets represents the maximum credit exposure and the maximum exposure to credit risk at the reporting date is as follows:

	2024 Rupees	2023 Rupees
Deposits	1,346,982	2,169,982
Loans	777,646	1,874,503
Trade debts	72,087,030	257,017,305
Cash and bank balances	5,622,551	4,495,616
	<u>79,834,209</u>	<u>265,557,406</u>

The maximum exposure to credit risk before any credit enhancements for trade debts at the reporting date by type of customer is as follows:

Distributors	-	196,501,335
Institutions / others	72,087,030	60,515,970
	<u>72,087,030</u>	<u>257,017,305</u>

Based on the past experience, consideration of financial position, past track records and recoveries, the management does not expect non-performance on its credit exposure. Accordingly, the credit risk is minimal.

	2024 Rupees	2023 Rupees
The aging of trade debts at the reporting date is:		
Not past due	37,875,786	217,615,676
Past due 1-30 days	14,965,849	27,855,480
Past due 31-180 days	16,618,370	12,042,821
Past due 181 - 360 days	11,105,524	4,640,861
Above 360 days	1,064,398	1,703,100
	<u>81,629,927</u>	<u>263,857,938</u>
Allowance for expected credit loss	<u>(9,542,897)</u>	<u>(6,840,633)</u>
	<u>72,087,030</u>	<u>257,017,305</u>

To manage exposure to credit risk in respect of trade debts, management performs credit reviews taking into account the customer's financial position, past experience and other factors. Where considered necessary, advance payments are obtained from certain parties. For trade receivables, the Company has a policy to record provision for expected credit losses as per requirements of IFRS-9, the basis of which have been disclosed in detail in note 5.8.1

The exposure to banks is managed by dealing with variety of major banks and monitoring exposure limits on continuous basis. The ratings of banks ranges from AA+ to AAA.

Concentration of credit risk

Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligation to be similarly affected by the changes in economic, political or other conditions. The Company believes that it is not exposed to any major concentration of credit risk.

41.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due under both normal and stress conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The following are the contractual maturities of financial liabilities, including interest payments, if any:

Financial liabilities

	Carrying amount	On Demand	Contractual Cash Flows	Less than one year	Two to ten years
June 30, 2024					
Long-term financing	569,533,141	-	569,533,141	139,616,586	429,916,555
Trade and other payables	507,844,276	-	507,844,276	507,844,276	-
Accrued profit	47,443,034	-	47,443,034	47,443,034	-
Short-term borrowings	636,035,611	-	636,035,611	636,035,611	-
	<u>1,760,856,062</u>	<u>-</u>	<u>1,760,856,062</u>	<u>1,330,939,507</u>	<u>429,916,555</u>

	Carrying amount	On Demand	Contractual Cash Flows	Less than one year	Two to ten years
June 30, 2023					
Long-term financing	587,024,130	-	587,024,130	110,909,907	476,114,223
Trade and other payables	463,112,619	-	463,112,619	463,112,619	-
Accrued profit	59,867,361	-	59,867,361	59,867,361	-
Short-term borrowings	883,628,958	-	883,628,958	883,628,958	-
	<u>1,993,633,068</u>	<u>-</u>	<u>1,993,633,068</u>	<u>1,517,518,845</u>	<u>476,114,223</u>

41.4 Market risk

Market risk is the risk that changes in market price, such as foreign currency rates, interest rates and equity prices will effect the Company's income or the value of its holdings of financial instruments. The Company is not exposed to any other price risk.

a) Foreign currency risk

Foreign currency risk is the risk that the future cash flows of financial asset or a liability will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions entered into in foreign currencies. At the reporting date the Company's exposure to foreign currency risk is as follows:

	USD		JPY	
	2024	2023	2024	2023
Net exposure	96,592	549,468	4,000,000	-

The following significant exchange rates have been applied.

	Average rate		Reporting date rate	
	2024	2023	2024	2023
	-----Rupees-----			
USD to PKR	283.24	248.00	278.34	285.99
JPY to PKR	1.90	1.81	1.73	1.99

Sensitivity analysis

At the reporting date, if the PKR had strengthened by 10% against the USD and JPY with all other variables held constant, it will increase the profit by the amount shown below;

Effect on profit or loss	2024	2023
USD	2,688,538	15,714,227
JPY	692,000	-
	<u>3,380,538</u>	<u>15,714,227</u>

The weakening of the PKR against USD and JPY would have had an equal but opposite impact on the profit.

The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year and assets / liabilities of the Company.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from long term loans and short term borrowings. At the reporting date the interest rate profile of the Company's interest bearing financial instruments is as follows:

Financial liabilities	2024	2023	2024	2023
	Effective rate (In percent)		Carrying amount	
Variable rate instruments				
Long term loans	24.16 - 17.44	23.09 - 11.74	431,176,815	455,825,969
Short term borrowings	25.21 - 17.64	11.23 - 22.86	382,321,989	310,530,806
			<u>813,498,804</u>	<u>766,356,775</u>

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect the statement of profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increase / (decrease) profit for the year by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for the prior year.

	Statement of profit or loss	
	100 bps increase	100 bps decrease
	-----Rupees'-----	
At June 30, 2024		
Cash flow sensitivity - Variable rate financial liabilities	8,134,988	(8,134,988)
At June 30, 2023		
Cash flow sensitivity - Variable rate financial liabilities	7,663,568	(7,663,568)

The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year and assets / liabilities of the Company.

c) Other price risk

The risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices such as of equity securities due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market.

Exposure

The Company has classified its investments at equity accounting therefore no exposure to other price risk exists at the reporting date.

41.5	Financial instruments by category	Note	2024 Rupees	2023 Rupees
	Financial assets at amortized cost			
	Deposits		1,346,982	2,169,982
	Loan to employees		777,646	1,874,503
	Trade debts	11	72,087,030	257,017,305
	Cash and bank balances	16	5,622,551	4,495,616
			<u>79,834,209</u>	<u>265,557,406</u>
	Financial liabilities at amortized cost			
	Long term financing - secured	21	569,533,141	587,024,130
	Trade and other payables	23	507,844,276	463,112,619
	Accrued profit	26	47,443,034	59,867,361
	Short term borrowings - secured	25	636,035,611	883,628,958
			<u>1,760,856,062</u>	<u>1,993,633,068</u>

42 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value is 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.

Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the Company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset either directly that is, derived from prices.
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unadjusted) inputs.

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred. At the reporting date, none of the financial instruments of the company are carried at fair value.

The Company has not disclosed the fair values for all other financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

43 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise of other associated companies, key management personnel, directors and post employment benefit plan. Transactions with related parties and associated undertakings other than those disclosed elsewhere in the financial statements are as under:

43.1 Transactions

Name	Nature of relationship	Basis of relationship	Nature of transaction	2024	2023
				Rupees	Rupees
Premier Sales (Private) Limited	Associated undertaking	Common Director	Sale of goods - net off discount of Rs. 00.125 million (2023: Rs.97.265 million)	1,911,741,792	2,855,397,932
			Reimbursement of selling and distribution expenses	321,855,509	208,946,474
Memon Medical Institute	Associated undertaking	Common Director	Sale of goods	50,586	51,044
			Donation	150,000	-
EHC (Private) Limited	Associated undertaking	Key management personnel	Sale of goods	-	5,422,452
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
Mr. Mohammad Haroon Qassim	Related parties	Chief Executive	Loan received	170,000,000	-
Mr. Mohammad Salman Qassim	Related parties	Director	Loan received	80,000,000	-
Employees provident fund	Retirement benefit fund	Employees benefit fund	Contribution made	13,646,786	11,488,671
Key management personnel	Related parties	Executives	Remuneration and benefits	57,857,329	52,181,300

43..2 The Company does not have any shareholding in above related parties as on June 30, 2024 (June 2023: Nil).

	2024 Rupees	2023 Rupees
43..3 Year end balances		
Receivable from related parties (refer note 11.1)	17,956	196,524,415
Payable to related parties (refer note 24)	236,148,435	-
Loan from Sponsors (refer note 18)	305,000,000	55,000,000

43..4 The details of compensation paid to key management personnel are shown under the heading of "Remuneration of Chief Executive, Directors and Executive (note 44)". There are no transactions with key management personnel other than under their terms of employment.

43..5 The transactions with related parties are conducted at terms agreed and as approved by the Company's Board of Directors.

44 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

a) The aggregate amount charged in the financial statements for remuneration, including all benefits to Chief Executive, Directors and Executives of the Company is as follows:

	2024				2023			
	Chief Executive	Director	Executives	Total	Chief Executive	Director	Executives	Total
	(Rupees)							
Managerial remuneration	-	-	67,162,381	67,162,381	-	-	64,180,235	64,180,235
Bonus	-	-	-	-	-	-	9,955,612	9,955,612
Provident fund	-	-	6,731,276	6,731,276	-	-	6,221,796	6,221,796
Meeting fees	-	540,000	-	540,000	-	240,000	-	240,000
Other benefits	-	-	77,826,654	77,826,654	-	-	76,438,736	76,438,736
Total	-	540,000	151,720,311	152,260,311	-	240,000	156,796,379	157,036,379
Number of persons	1	3	27	31	1	3	32	36

b) The Chief Executive and Executive Director have not drawn any remuneration.

c) The Chief Executive, Executive Director, Executives and their families are also covered under hospitalization insurance.

d) The Chief Executive, Executive Director and Executives are also covered under group life insurance.

e) Chairman of the Board, Chief Executive, Executive Director and one of the Non-Executive Director have not drawn any board and its committees attendance fees from the Company.

45 CAPITAL MANAGEMENT

The Company's objectives when managing capital are:

- (i) to safeguard its ability to continue as a going concern in order to provide adequate returns for shareholders and benefits for other stakeholders.
- (ii) to maintain an optimal capital structure to reduce the cost of capital.

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitor the return on capital, which the Company defines as profit or loss for the year divided by total shareholders' equity. The Board of Directors also monitor the level of dividend to ordinary shareholders. There were no changes to the Company's approach to capital management during the year and the Company is not subject to externally imposed capital requirements.

The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt etc.

The Company finances its operations through equity, borrowings and management of working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk.

	2024 Rupees	2023 Rupees
The proportion of debt to equity at the reporting date was:		
Total Borrowings (notes 21 & 25)	1,205,568,752	1,470,653,088
Less: cash and bank balances (note 16)	(5,622,551)	(4,495,616)
Net debt	1,199,946,201	1,466,157,472
Total equity	636,244,501	748,923,888
Total capital	1,836,190,702	2,215,081,360
Gearing ratio	65.35%	66.19%

46 CAPACITY AND PRODUCTION

The production capacity of the plant can not be determined as this depends upon relative proportion of various products and components.

47 NUMBER OF EMPLOYEES

The number of employees as at period ended Jun 30, 2024 was 128 (June 30, 2023: 129) and average number of employees during the year was 134 (June 30, 2023: 127).

48 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on September 26, 2024 by the Board of Directors of the Company.

49 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation. However, no significant reclassification has been made other than those mentioned in these financial statements.

50 GENERAL

Figures have been rounded off to the nearest Pakistan rupee unless otherwise stated.



Muhammad Haroon Qassim
Chief Executive



Muhammad Rafique Umer Afinwala
Director



Yasir Yousuf Chhabra
Chief Financial officer

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 53rd Annual General Meeting (AGM) of the shareholders of the Company will be held on Monday, October 28, 2024 at 10:00 a.m. at 109, Business Avenue, Block 6, P.E.C.H.S., Shahrah-e-Faisal, Karachi and through video link to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of the last Annual General Meeting held on October 19, 2023.
2. To receive, consider and adopt the audited Financial Statements of the Company for the year ended June 30, 2024 along with Auditors' report and Directors' report thereon.



<https://corporate.shield.com.pk/corporate/invrealion/>

3. To appoint auditors of the Company for the ensuing year ending June 30, 2025 and fix their remuneration.

OTHER BUSINESS

4. To transact any other business with the permission of the Chair.

By order of the Board

Hafiz Muhammad Hasan
Company Secretary

Karachi: September 26, 2024

Notes:

1. The Share Transfer Book of the Company will remain closed from October 17, 2024 to October 28, 2024 (both days inclusive).
2. A member entitled to attend and vote at the meeting may appoint another member as his/her proxy to attend, speak and vote on his/her behalf. Forms of proxy must be deposited at the registered office of the Company not less than 48 hours before the time of the meeting.
3. Pursuant to circular 4 of 2021 issued by SECP, shareholders who wish to participate virtually in the AGM are requested to email below mentioned information with subject "Registration for 53rd AGM of Shield" along with valid copy of both sides of Computerized National Identify Card (CNIC) at general.meetings@shield.com.pk not less than 48 hours before the time of the meeting.

Name of Shareholder	CNIC Number	Folio / CDS Account #	Registered email Address	Cell Number
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Video conference link details and login credentials shall be shared with only those shareholders whose required information is received through their registered email address within the specified time.

Shareholders can also provide their comments and questions for the agenda items of the AGM at the aforesaid email address.

4. Shareholders (non-CDC) are requested to promptly notify the Company's Share Registrar of any change in their addresses and submit if applicable to them, the Non-deduction of Zakat Form CZ-50 with the Share Registrar of the Company M/s. CDC Share Registrar Services Limited, CDC House, 99-B, Block-B, S.M.C.H.S., Main Shahrah-e-Faisal, Karachi. All the Shareholders holding their shares in book entry form are requested to please update their addresses and Zakat status with their respective Participants.
5. Under the provisions of Section 242 of the Companies Act, 2017 and the Companies (Distribution of Dividends) Regulations, 2017, it is mandatory for a listed company to pay cash dividend to its shareholders only through electronic mode directly into bank account designated by the entitled shareholders. Shareholders who have not yet submitted their International Bank Account Number (IBAN) are requested to fill in Electronic Credit Mandate Form available on the Company's website; www.shield.com.pk and send it, duly signed along with a copy of CNIC, to the Share Registrar of the Company in case of physical shares. In case shares are held in CDC then Electronic Credit Mandate Form must be submitted directly to shareholder's broker/participant/CDC account services.
6. As per provisions of Section 244 of the Companies Act, 2017, any dividend and/or share certificate which are remained unclaimed or unpaid for a period of three years from the date these have become due and payable, the Company shall be liable to deposit those unclaimed / unpaid amounts with the Federal Government as per the directives to be issued by SECP from time to time. Shareholders, whose dividends still remain unclaimed and/or undelivered share certificates are available with the Company, are hereby requested to approach the Company to claim their outstanding dividend amounts and/or undelivered share certificates.
7. In compliance with section 223(6) of the Companies Act, 2017, pursuant to the SECP's S.R.O. 389(I)/2023 dated March 21, 2023 and the shareholders' approval in the 52nd Annual General Meeting held on October 19, 2023 to circulate the annual audited financial statements to its members through QR enabled code and weblink. Thus, the audited financial statements of the Company for the year ended June 30, 2024 can be accessed through the QR enabled code and the weblink. The Company will, however, provide hard copy of the Annual Audited Financial Statements to the shareholders at their registered addresses, within seven days, on request, free of cost. The request form is available on Company's website.
8. As per section 72 of the Companies Act, 2017 every existing Company is required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by SECP, within a period not exceeding four years from the commencement of the Companies Act, 2017. The SECP through its letter # CSD/ED/Misc./2016-639-640 dated March 26, 2021 has advised the listed companies to pursue their such members who still hold shares in physical form, to convert their shares into book-entry form. The shareholders having physical shareholding may please open CDC sub-account with any of the brokers or investors account directly with CDC to place their physical shares into script-less form. This will facilitate the shareholders in many ways, including safe custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange Limited.
9. Shareholders can also avail video conference facility, in this regard, please fill the following and submit to registered address of the Company at least 7 days before holding of the Annual General Meeting. If the Company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting through video conference at least 7 days prior to date of the meeting, the Company will arrange video conference facility in the city subject to availability of such facility in that city.

I/We _____ of _____ being a member of Shield Corporation Limited, holding _____ ordinary shares as per Registered Folio / CDS Account No. _____ hereby opt for video conference facility at _____.

Name and signature

Date

10. According to Section 119 of the Companies Act, 2017 and Regulation 19 of the Companies (General Provisions and Forms) Regulations, 2018, all physical shareholders are advised to provide their mandatory information such as CNIC number, address, email address, contact mobile/telephone number, International Bank Account Number (IBAN), etc. to our Share Registrar immediately to avoid any non-compliance of law or any inconvenience in future.
11. CDC Account Holders will further have to follow the under mentioned guideline as laid down in circular 1 dated January 26, 2000 issued by SECP.

A. For Attending the Meeting

- i. In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his/her identity by showing his/her original computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.
- ii. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

B. For Appointing Proxies

- i. In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
 - ii. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned in the form.
 - iii. Attested copies of CNIC or passport of beneficial owner and the proxy shall be furnished with the proxy form.
 - iv. The proxy shall produce his / her original CNIC or passport at the time of the meeting. In case of corporate entity, the Board of Directors' resolution / power of attorney with the specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.
12. Pursuant to Para 3(a) of SRO 634(I)/2014 dated July 10, 2014 issued by the SECP the financial statements and reports have been placed on website of the Company.

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Company Secretary
Shield Corporation Limited
Office No 1007, 10th Floor, Business Avenue,
Block 6, P.E.C.H.S., Shahrah-e-Faisal, Karachi-74500, Pakistan
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مختار نامہ (پراکسی فارم)

کمپنی سیکریٹری

شیلڈ کارپوریشن لمیٹڈ

آفس 1007، بزنس ایونیو، بلاک 6

پی، ای، سی، ایچ، ایس، شاہراہ فیصل

کراچی، 74500، پاکستان

میں/ہم..... (نام و پتہ)..... بحیثیت رکن شیلڈ کارپوریشن لمیٹڈ اور حامل

..... عام حصص..... (نام و پتہ)

..... کو یا ان کی غیر حاضری کی صورت میں..... (نام و پتہ)

کو جو کہ خود بھی شیلڈ کارپوریشن لمیٹڈ کے رکن ہیں، 28 اکتوبر 2023ء کو ہونے والے سالانہ اجلاس عام میں شرکت کرنے اور میرے/ہمارے ایما پر حق رائے دہی استعمال کرنے کے لیے یا کسی بھی التوا کی صورت میں اپنا/ہمارا پراکسی (مختار) مقرر کرتا ہوں۔

آج بروز..... تاریخ..... میرے/ہمارے دستخط ان کی موجودگی میں کیے گئے:

موصول ٹکٹ
چسپاں کریں

..... پہلے گواہ کے دستخط..... دوسرے گواہ کے دستخط.....

..... نام:..... نام:

..... نمبر: CNIC..... نمبر: CNIC.....

..... نام:..... شیزر ہولڈر کے دستخط.....

..... فوئیو نمبر یا سی ڈی سی اکاؤنٹ نمبر:.....

نوٹس:

1- رکن سے درخواست ہے کہ

(ا) محصول ٹکٹ اوپر مخصوص جگہ پر لگائیں

(ب) بالکل وہی دستخط کریں جیسے کہ کمپنی کے رجسٹر میں کیے گئے ہیں

(ج) اپنا فوئیو نمبر / سی ڈی سی اکاؤنٹ نمبر لکھیں

2- درج بالا پراکسی کی تقرری کے مؤثر ہونے کے لیے ضروری ہے کہ یہ فارم کمپنی کو مینٹنگ شروع ہونے سے 48 گھنٹے قبل کمپنی کے رجسٹرڈ آفس 1007، بزنس ایونیو، بلاک 6، پی، ای، سی، ایچ، ایس، شاہراہ فیصل کراچی پر موصول ہو جائے۔

3- اس مختار نامہ (پراکسی فارم) میں کسی بھی قسم کی تبدیلی و ترمیم کا مجاز وہی فرد ہے جس نے اس پر دستخط کیے ہیں۔

4- جوائنٹ ہولڈرز ہونے کی صورت میں سینئر رکن اپنا ووٹ کا خواہ خود اندراج کرے یا مختار کار کے ذریعے، یہ تسلیم کر لیا جائے گا کہ دوسرے جوائنٹ ہولڈرز کے ووٹ خارج ہو گئے ہیں۔ اس حوالے سے سینئر ہونے کا تعین رجسٹر میں درج ناموں کی ترتیب کے حساب سے کیا جائے گا۔

5- مختار کار کا کمپنی کارکن ہونا ضروری ہے۔

سی ڈی سی اکاؤنٹ ہولڈرز/کارپوریٹ ادارے کے لیے

درج بالا کے علاوہ ذیل کی شرائط و ضوابط پر بھی پورا اترنا ضروری ہے:

1- مختار نامہ (پراکسی فارم) پر گواہ کے طور پر دو افراد کے دستخط ہونے چاہئیں، اور ان کے نام، پتے اور قومی شناختی کارڈ نمبر فارم میں درج ہوں

2- مختار نامہ (پراکسی فارم) کے ساتھ پیفیشیری (مستفید ہونے والے فرد) اور مختار کار کے شناختی کارڈ یا پاسپورٹ کی نقول موجود ہوں

3- مختار کار کو مینٹنگ کے وقت اپنا اصل شناختی کارڈ یا پاسپورٹ پیش کرنا ہوگا

4- کارپوریٹ ادارہ ہونے کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی کے دستخط، اگر پہلے فراہم نہ کیے گئے ہوں، مختار نامہ (پراکسی فارم) کے ہمراہ کمپنی میں جمع کرانا ہوں گے۔

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Company Secretary
Shield Corporation Limited
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- i- سال ۲۰۲۳-۲۴ کے دوران کسی بھی واجب الادا قرض کی ادائیگی کے حوالے سے کسی نادہندگی کا سامنا نہیں ہوا۔
- j- کسی بھی قسم کے بقایا جات، قانونی الزامات ٹیکسز، اگر کوئی ہوں، انہیں فنانشل اسٹیٹمنٹس میں واضح کر دیا گیا ہے۔
- k- ۳۰ جون ۲۰۲۳ کو کمپنی کے پروویڈنٹ فنڈ سے کی گئی سرمایہ کاری کی مالیت 60.45 ملین روپے ہے۔
- l- گذشتہ 6 سال کے لیے اہم آپریٹنگ اور فنانشل ڈیٹا کا خلاصہ ساتھ منسلک ہے۔
- m- کمپنی کے تمام ڈائریکٹرز، ڈائریکٹرز ٹریننگ پروگرام سے متعلق کوڈ آف کارپوریٹ گورننس کی شرائط اور ضروریات کے ساتھ مطابقت رکھتے ہیں۔

مستقبل کا منظر نامہ

اپنی مصنوعات کی قیمتوں کی ایڈجسٹمنٹ پر ہم حجم میں اضافے کے لئے پرعزم ہیں۔ اس کے علاوہ ہم اپنی برآمدات میں اضافے کے لیے کوشاں ہیں۔ زرمبادلہ کی شرح میں استحکام اور پالیسی ریٹ میں 22% سے 17.5% تک حالیہ کمی اور ورکنگ کیپیٹل کی ضروریات میں افادیت کے ساتھ، کمپنی کو مالیاتی لاگت کے اخراجات میں کمی توقع ہے۔

کمپنی کے موجودہ چیلنجوں اور معاشی صورت حال کے باوجود، انتظامیہ کمپنی کی پائیداری کے حصول کے لیے کوشاں ہے۔ کاروباری برادری آئی ایم ایف کے نئے پروگرام سے پالیسی ریٹ میں مزید کمی اور معیشت میں استحکام کی منتظر ہے۔

اظہار تشکر

ہم باقاعدہ تعریف اور اظہار تشکر کرنا چاہتے ہیں:

- اپنے بورڈ کے رفقاء کی قابل قدر ہمنائی اور حمایت پر مشکور ہیں
- اپنے قابل قدر کسٹمرز اور کنٹریبیوٹرز کا جنھوں نے ہماری پروڈکٹس پر بھرپور اعتماد کیا اور کمپنی کی پائیدار ترقی میں اپنی حمایت اور تعاون کو یقینی بنایا۔
- اپنے ملازمین کا، جو اپنی پرعزم کوششوں، وفاداری اور لگن کا مظاہرہ کر رہے ہیں۔
- اپنے قابل احترام سپلائرز، بینکرز، اور تمام اسٹیک ہولڈرز کا جو ہماری کمپنی کی مسلسل ترقی میں اپنی مدد اور حصہ لارہے ہیں۔

بورڈ آف ڈائریکٹرز کی طرف سے



محمد رفیق عمر افینوالا
ڈائریکٹر



محمد ہارون قاسم
چیف ایگزیکٹو

کراچی: ۲۶ ستمبر ۲۰۲۳

کمپنی بزنس کے ماحول پر اثرات

- کمپنی EMS ISO 14001 کی کمپلائنس اور سرویلنس کے ذریعے ماحول پر پڑنے والے اثرات کو کم سے کم کرنے کے لیے پرعزم ہے۔ ہر شعبہ اس بات کو یقینی بناتا ہے کہ ان کی روزمرہ کی سرگرمیاں مندرجہ ذیل ماحولیاتی پہلوؤں پر محیط ہوں:
 - ویسٹ مینجمنٹ کی حکمت عملیوں کے ذریعے آلودگی سے بچاؤ اور وسائل کی کھپت کو کم کیا جاتا ہے، ان طریقوں سے مناسب حد تک نکلنے والے کچرے اور فضلے وغیرہ کے اخراج کے دوبارہ استعمال کو کم سے کم کرنے، ریکوری اور ری سائیکلنگ کو فروغ ملتا ہے۔
 - قدرتی وسائل جیسے بجلی، قدرتی گیس، تیل، ڈیزل اور پانی کے استعمال کی باقاعدہ نگرانی اور جانچ کی جاتی ہے۔ ہم ایسی ٹیکنالوجیز کے حصول کے لیے سرمایہ کاری جاری رکھے ہوئے ہیں، جو توانائی کے استعمال کے حوالے سے زیادہ کارگر ہوں اور جنہیں ہم اپنی موجودہ مشینوں سے بدل سکیں۔
 - ماہانہ فائر ڈرنرز کے ساتھ ایمرجنسی میں تیار رہنے کی مشق کی جاتی ہے۔ تمام اسٹاف کو اپنے ماحولیاتی پروگرام کی تربیت دی جاتی ہے اور انہیں اس میں شریک ہونے اور حصہ لینے کے قابل بنایا جاتا ہے۔
- غرض کہ، ماحول کی بہتری سے وابستہ ہمارا عزم ہمارے دائرہ عمل یعنی ہمارے صارفین، اسٹاف اور کمیونٹی تک وسعت اختیار کرتا ہے۔

متعلقہ پارٹی ٹرانزیکشنز

لسٹنگ ریگولیشنز کی ضروریات کی تعمیل کی غرض سے کمپنی تمام متعلقہ پارٹی ٹرانزیکشنز آڈٹ کمیٹی اور بورڈ کے روبرو ان کے جائزے اور منظوری کے لیے پیش کی گئیں۔ یہ ٹرانزیکشنز آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز کی اس مقصد کے لیے کی جانے والی میٹنگز میں منظور کی گئیں۔ تمام متعلقہ پارٹی ٹرانزیکشنز کی تفصیلات مالیاتی گوشواروں کے منسلک نوٹس میں فراہم کر دی گئی ہیں۔

کارپوریٹ اور فنانشل رپورٹنگ فریم ورک پر بیان

ڈائریکٹرز کی ذمہ داریوں کا بیان

- بورڈ کمپنی کی حکمت عملی کی سمت کا مسلسل جائزہ لیتا رہتا ہے۔ چیف ایگزیکٹو کی جانب سے بزنس کے فروغ کے لیے طے کیے گئے سالانہ منصوبوں اور کارکردگی کے اہداف پر کمپنی کے مجموعی مقاصد کی روشنی میں بورڈ نظر ثانی کرتا ہے۔ بورڈ کارپوریٹ گورننس کے اعلیٰ ترین معیارات کو برقرار رکھنے کے لیے پرعزم ہے۔ کمپنی سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور پاکستان اسٹاک ایکسچینج کی ترمیم شدہ لسٹنگ رولز کی دفعات سے ہم آہنگ ہے اور مکمل تعمیل کرتی ہے۔
- کارپوریٹ گورننس کے لیے بہترین طریقوں پر عمل کے سلسلے میں لسٹنگ ریگولیشنز میں درج تفصیلات سے کسی بھی مرحلے پر روگردانی نہیں کی گئی ہے۔
- کمپنی کی مینجمنٹ کی جانب سے تیار کیے گئے فنانشل اسٹیٹمنٹس میں معاملات کی اصل حالت، آپریشنز کے نتائج، جامع اور مکمل آمدنی، کیش کی روانی اور ایکویٹی میں ہونے والی تبدیلیاں واضح طور پر عیاں کی گئی ہیں۔
- کمپنی کے اکاؤنٹ کی باقاعدہ بکس مرتب کی گئی ہیں۔
- فنانشل اسٹیٹمنٹس کی تیاری کیلئے اکاؤنٹنگ کی معقول پالیسی کا اطلاق کیا جاتا ہے اور اکاؤنٹنگ تخمینے انتہائی مناسب اور محتاط فیصلوں کی بنیاد پر مبنی ہیں۔
- فنانشل رپورٹنگ اسٹینڈرڈز کے مطابق تیار کیے جاتے ہیں، جو کہ پاکستان میں قابل اطلاق ہیں اور ان سے کسی بھی نوعیت کے انحراف کو مناسب انداز میں ظاہر اور واضح کیا گیا ہے۔
- کمپنی نے بہت جامع اور مکمل انٹرنل کنٹرول سسٹم برقرار رکھا ہوا ہے، جس سے فنانشل اسٹیٹمنٹس میں کسی بھی غیر ارادی یا ارادتا غلط بیانی یا نقصان کے خلاف معقول یقین دہانی حاصل ہو جاتی ہے۔ انٹرنل کنٹرول سسٹم کا مسلسل جائزہ لیا جاتا رہتا ہے۔ اسے بورڈ کی آڈٹ کمیٹی باضابطہ دیکھتی ہے اور ضرورت کے مطابق اپ ڈیٹ کیا جاتا ہے۔
- کمپنی کی قابلیت اور صلاحیت سے متعلق کسی بھی معاملے میں کسی شک و شبہ کی گنجائش نہیں ہے۔

۴۔ آپریشنل خطرات

خطرات

اہم پوزیشنز پر ملازمین کے ٹرن اوور میں اضافہ ہو جاتا ہے۔

اثرات کو کم کرنے کی حکمت عملی

کمپنی میں ملازمین کی تربیت اور ترقی دینے کا کلچر موجود ہے، ملازمین کو مختلف شعبوں میں ترقی دینے اور شعبے تبدیل کرنے کا عمل تسلسل کے ساتھ جاری رہتا ہے۔ کام کرنے کے باقاعدہ طریقہ کار اور ہدایات موجود ہیں، جس سے کسی بھی نئے ملازم کو کوئی طریقہ عمل اختیار کرنے سے پہلے رہنمائی حاصل ہوتی ہے۔

بڑے حادثات کے خطرات کے ملازمین، ریکارڈز اور پراپرٹی پر اثرات۔

آپریٹنگ کے معیاری طریقہ کار، ملازمین کی تربیت اور آپریشنز سے متعلق نظم و نسق کو نافذ کیا جاتا ہے۔

بجلی جانے کی صورت میں کمپنی کے پاس استعمال کے لیے اسٹینڈ بائے جزیٹرز موجود ہیں۔

کمپنی بجلی کی عدم دستیابی کی وجہ سے زیادہ سے زیادہ گنجائش کو آپریٹ کرنے کے قابل نہ رہے۔

۵۔ کیمپلائنس کے خطرات

خطرات

ریگولیشنری باڈیز کے ذریعے قانونی فریم ورک میں ترامیم

اثرات کو کم کرنے کی حکمت عملی

کسی بھی قانون شکنی سے محفوظ رہنے کے لیے ریگولیشنری فریم ورک میں کی گئی تازہ ترین اپ ڈیٹس پر نگاہ رکھی جاتی ہے۔ ملازمین کو قوانین اور قواعد و ضوابط میں کی جانے والی حالیہ تبدیلیوں سے ہر لمحہ آگاہ رکھنے کے لیے ٹریٹنگ کرائی جاتی ہیں۔

بعد کے واقعات

کمپنی کے مالیاتی سال کے اختتام سے اس رپورٹ کے درمیان کوئی اہم تبدیلی نہیں ہوئی جس کا اثر اس سال کے مالیاتی نتائج پر اثر انداز ہو۔

بیرونی آڈیٹرز

میسرز بی ڈی او ابراہیم اینڈ کوچارٹڈ اکاؤنٹنٹس، کمپنی کے آڈیٹرز کی حیثیت سے ریٹائر ہوئے ہیں اور اہلیت کے باعث انہوں نے اپنی دوبارہ تقرری کی پیشکش کی ہے۔ بورڈ آف ڈائریکٹرز، آڈٹ کمیٹی کی تجویز پر میسرز بی ڈی او ابراہیم اینڈ کوچارٹڈ اکاؤنٹنٹس کی ۳۰ جون ۲۰۲۵ کو ختم ہونے والے سال کے لیے باہمی رضامندی سے طے کی گئی فیس پر تقرری کی سفارش کرتا ہے۔

اندرونی آڈیٹرز

انٹرنل آڈٹ کی خدمات میسرز یوسف عادل چارٹڈ اکاؤنٹنٹس سے لی جاتی ہیں اور انٹرنل آڈٹ کے سربراہ اور بورڈ کی آڈٹ کمیٹی کو رپورٹ پیش کی جاتی ہے۔ یوں انٹرنل کنٹرولز کے نظام اور انٹرنل آڈٹ کے طریقہ کار کا جائزہ لیا جاتا ہے۔

۱۔ حکمت عملی سے متعلق خطرات

خطرات

صارفین کی ترجیح میں تبدیلی کی صورت میں کمپنی بے بی کیئر مصنوعات میں اپنا مارکیٹ شیئر کھوسکتی ہے۔

اثرات کو کم کرنے کی حکمت عملی

کمپنی صارفین کی ضرورت اور پسند کے مطابق مصنوعات فراہم کرنے کے مقصد کے تحت نئی ٹیکنالوجی کو استعمال کرنے کے لیے سرمایہ کاری کر رہی ہے۔ کمپنی اقتصادی مصنوعات متعارف کر رہی ہے تاکہ لوگوں کے لیے یہ سستی ہوں۔
خفیہ/مالکانہ معلومات کو غیر متعلقہ اور غیر مجاز رسائی سے محفوظ رکھنے کے لیے آئی ٹی کنٹرولز اور فارو والز کے ذریعے موثر بنایا جاتا ہے۔ خلاف ورزیوں، غلطیوں اور بے قاعدگیوں کے خطرات کی نگرانی اور ان کی کم سے کم کرنے کے لیے مستقل بنیادوں پر سسٹم اپ ڈیٹس، آئی ٹی آڈٹس اور ٹریٹنگلو کرائی جاتی ہیں۔

آئی ٹی سیکورٹی ریسک

۲۔ مالی خطرات

خطرات

غیر ملکی کرنسی کی شرح میں اتار چڑھاؤ۔

اثرات کو کم کرنے کی حکمت عملی

کمپنی غیر ملکی کرنسی کی شرح میں اتار چڑھاؤ کے خطرات کم کرنے کے لیے اپنی برآمدات میں اضافہ کرنے کی کوشش کر رہی ہے۔
ہماری زیادہ تر سیلز کیش یا ایڈوانس کی صورت میں ہوتی ہیں۔ کریڈٹ سیلز کے لیے گاہکوں کے لیے کریڈٹ لمٹس مقرر کی گئی ہیں۔
کمپنی کا ایک فعال کیش منجمنٹ سسٹم ہے۔ اگر کوئی لیکویڈٹی فرق ہو تو اسے پورا کرنے کے لیے بینک کی طرف کمپیڈ کریڈٹ لائسنز دستیاب ہوتی ہیں۔

صارفین کمپنی کو ادائیگی کے لیے نادر ہندہ ہو جائیں۔

واجبات کی ادائیگی کے لیے مناسب کیش کی عدم دستیابی کی وجہ سے لیکویڈٹی کے مسائل کا سامنا

۳۔ کمرشل خطرات

خطرات

پروڈکشن اور ڈسٹری بیوشن کے اخراجات میں اضافے کے نتیجے میں کمپنی کے منافع میں کمی۔

اثرات کو کم کرنے کی حکمت عملی

محصولات، ڈیولپمنٹ، ریگولیشن اور دیگر اخراجات کمپنی کے کنٹرول سے باہر ہوتے ہیں۔ البتہ کمپنی ممکنہ حد تک اس خطرے کو کم سے کم کرنے کے لیے آپریشنل امور سے متعلق صلاحیتوں میں بہتری اور اخراجات پر موثر انداز میں قابو پانے کے لیے اقدامات پر عزم ہے۔ کمپنی قیمتوں میں اضافے کو آخری آپشن تصور کرتی ہے۔

خام مال کا لاگتی جزو کمپنی کی مجموعی پیداواری لاگت کا اہم حصہ ہے۔ بین الاقوامی اقتصادی حالات کی وجہ سے سپلائرز، فراہم کردہ مصنوعات کی قیمتوں میں اضافہ۔

کمپنی کی قیمت خرید کا موازنہ اور قابو کرنے کے لیے مختلف سپلائرز کی جانب سے دی گئی خام مال کی قیمتوں کا تجزیہ مستقل بنیادوں پر کرتی ہے۔ مزید برآں یہ بین الاقوامی خام مال سپلائرز کے ساتھ حکمت عملی پر مبنی باہمی تعلق ہے جس سے کمپنی کو قیمتوں میں مذاکرات اور میٹرل کی فوری ڈیلیوری کے فائدے مل جاتے ہیں۔

ڈائریکٹر کا نام	کمیٹی میں پوزیشن	حاضری
جناب عبدالغفار عمر کپاڈیا	چیئر مین	1 / 1
جناب محمد ہارون قاسم	رکن	1 / 1
جناب ولی محمد اے حبیب	رکن	1 / 1

رسک مینجمنٹ کمیٹی

- کمپنی کے بورڈ آف ڈائریکٹرز نے لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز ۲۰۱۹ کے اصولوں کے مطابق تین ممبران پر مشتمل ایک رسک مینجمنٹ کمیٹی تشکیل دی ہے۔ اس کمیٹی میں ایک ایگزیکٹو ڈائریکٹر، ایک نان ایگزیکٹو ڈائریکٹر اور ایک آزاد ڈائریکٹر شامل ہیں۔ رسک مینجمنٹ کمیٹی کی ٹرمز آف ریفرنس درج ذیل ہیں:
- تمام میٹریبلز کنٹرولز کی نگرانی اور جائزہ (فنانشل، آپریشنل، کمپلائنس)
 - اس بات کو یقینی بنانا کہ خطرات کو کم سے کم کرنے کے لیے ٹھوس اقدامات اور مالیاتی معلومات کی سالمیت یقینی بنائی جاتی ہے اور
 - ڈائریکٹر رپورٹ میں کمپنی کے رسک فریم ورک اور انٹرنل کنٹرول سسٹم کو مناسب حد تک ظاہر کرنا

رسک مینجمنٹ کمیٹی کی میٹنگز

رواں سال کے دوران رسک مینجمنٹ کمیٹی کی ایک (1) میٹنگ منعقد ہوئی، جس میں کمیٹی کے ٹرمز آف ریفرنس کے تحت آنے والے معاملات پر بحث کے بعد ان کی منظوری دی گئی۔ ہر ڈائریکٹر کی حاضری ذیل کے مطابق رہی:

ڈائریکٹر کا نام	کمیٹی میں پوزیشن	حاضری
جناب محمد ہارون قاسم	چیئر مین	1 / 1
جناب محمد رفیق عرفینوالا	رکن	1 / 1
جناب ولی محمد اے حبیب	رکن	1 / 1

رسک مینجمنٹ

کمپنی کی ایکٹیویٹیز سے مختلف نوعیت کے خطرات واضح ہو کر سامنے آئے ہیں۔ مجموعی طور پر کمپنی کے رسک مینجمنٹ پروگرام کی بنیادی توجہ اسی نکتے پر مرکوز ہے کہ کمپنی کی کارکردگی پر اثر انداز ہونے والے ممکنہ منفی عوامل کو کم سے کم کیا جائے۔ کمپنی کی تمام رسک مینجمنٹ، کمپنی کی سینئر مینجمنٹ ٹیم کے ذریعے کی جاتی ہے اور اس کے نتائج رسک مینجمنٹ کمیٹی اور بورڈ آف ڈائریکٹرز کے ساتھ شیئر کیے جاتے ہیں۔ یہ کمپنی کی املاک کی شناخت، جائزے اور حکمت عملی، فنانشل، کمرشل، آپریشنل اور کمپلائنس رسک کو کم سے کم کرنے کے لیے جو اقدامات کرتی ہے وہ ذیل میں بیان کیے گئے ہیں:

- بورڈ آف ڈائریکٹرز کو ایکسٹرنل آڈیٹرز کی تقرری، ان کے اخراج، آڈٹ فیس، ایکسٹرنل آڈیٹرز کی جانب سے ان کے مالیاتی گوشواروں کے ساتھ ساتھ کمپنی کو فراہم کی گئی اور خدمت کا جائزہ لینے کی سفارش کرنا۔ بورڈ آف ڈائریکٹرز آڈٹ کمیٹی کی تجاویز پر مناسب طریقے سے غور کرے گا اور جہاں ضروری ہو اس پر عمل بھی کیا جائے گا بصورت دیگر یہ وجوہات کو ریکارڈ کرے گا۔
- کسی اور مسئلے یا معاملے پر غور و خوض، جو بورڈ آف ڈائریکٹرز کی جانب سے متعین کیا جاسکتا ہے۔

آڈٹ کمیٹی کی میٹنگز

رواں سال کے دوران آڈٹ کمیٹی کی چار (4) میٹنگز ہوئیں۔ ہر رکن کی حاضری ذیل کے مطابق ہے:

ڈائریکٹر کا نام	کمیٹی میں پوزیشن	حاضری
جناب محمد رفیق عمرافیوالا	چیئر مین	4 / 4
جناب ولی محمد اے حبیب	رکن	4 / 4
جناب عبدالغفار عمر کپاڈیا	رکن	4 / 4

ہیومن ریسورس اور مشاہرہ کمیٹی

- بورڈ نے ایک ہیومن ریسورس اور مشاہرہ کمیٹی تشکیل دی ہے۔ تین ارکان پر مشتمل اس کمیٹی میں ایک چیف ایگزیکٹو، ایک نان ایگزیکٹو ڈائریکٹر اور ایک آزاد ڈائریکٹر ہیں، جو کہ کمیٹی کے چیئر مین بھی ہیں۔ ہیومن ریسورس اینڈ مشاہرہ کمیٹی سال میں کم از کم ایک بار ملتی ہے۔ ہیومن ریسورس اینڈ مشاہرہ کمیٹی کی ٹرمز آف ریفرنس درج ذیل ہیں:
- ڈائریکٹرز (ایگزیکٹو اور نان ایگزیکٹو دونوں ڈائریکٹرز) اور سینئر مینجمنٹ کے ممبرز جن میں چیف فنانشل آفیسر، کمپنی سیکریٹری اور انٹرنل آڈٹ کے سربراہ شامل ہیں، کے مشاہروں کا تعین کرنے کی غرض سے جائزے اور منظوری کے لیے ایک پالیسی فریم ورک بورڈ کے سامنے پیش کرنا۔
- بورڈ کی بحیثیت مجموعی اور اس کی کمیٹیوں کی کارکردگی کا سالانہ جائزہ۔
- ہیومن ریسورس مینجمنٹ کی پالیسیز کی بورڈ کو تجویز دینا۔
- بورڈ کو چیف چیف فنانشل آفیسر، کمپنی سیکریٹری اور انٹرنل آڈٹ کے سربراہ کے انتخاب، جائزہ و تعین، ڈیولپمنٹ، معاوضے (بشمول ریٹائرمنٹ کے فوائد) کی تجاویز دینا۔
- جہاں ریسورس اور مشاہرہ کے مشیروں کی تقرری عمل میں آتی ہے، کمیٹی بھی ان کے کوائف اور اسناد سے آگاہ ہو جائے گی اور ان کی جانب ایک اقرار بھی کیا جائے گا آیا کہ ان کا کمپنی کے ساتھ کوئی اور تعلق تو نہیں۔

ہیومن ریسورس اور مشاہرہ کمیٹی کی میٹنگز

رواں سال کے دوران ہیومن ریسورس اور مشاہرہ کمیٹی کی ایک (1) میٹنگ منعقد ہوئی، جس میں کمیٹی کے ٹرمز آف ریفرنس کے تحت آنے والے معاملات پر بحث کے بعد ان کی منظوری دی گئی۔ ہر رکن کی حاضری ذیل کے مطابق رہی:

شیر ہولڈنگ کا طریقہ کار

کمپنی کے حصص یافتگان کا پیٹرن اور اضافی معلومات برطابق ۳۰ جون ۲۰۲۳ کو ظاہر کرنے والا ایک بیان رپورٹ میں شامل کیا گیا ہے۔

بورڈ نے ان ایگزیکٹوز کی طرف سے کمپنی کے شیرز کے لین دین کے سلسلے میں حد کا تعین کیا ہے جس میں چیف ایگزیکٹو آفیسر، چیف فنانس آفیسر، انٹرنل آڈٹ کے ہیڈ، کمپنی سیکریٹری اور ملازمین جو بیس لاکھ یا اس سے زیادہ سالانہ بنیادی تنخواہ حاصل کر رہے ہیں، شامل ہیں۔

آڈٹ کمیٹی

آڈٹ کمیٹی 3 نان ایگزیکٹو ڈائریکٹرز پر مشتمل ہے جن میں سے دو خود مختار ڈائریکٹرز ہیں۔ ایک خود مختار ڈائریکٹر آڈٹ کمیٹی کے چیئرمین ہیں۔ آڈٹ کمیٹی سال میں کم از کم 4 بار اجلاس کرتی ہے۔ کمپنی سیکریٹری آڈٹ کمیٹی کے سیکریٹری کے فرائض سرانجام دیتا ہے۔ آڈٹ کمیٹی کی ٹرمز آف ریفرنس کی تفصیل درج ذیل ہے:

- کمپنی کے اثاثہ جات کی حفاظت کے لیے مناسب اقدامات کرنے کا عزم۔
- بورڈ آف ڈائریکٹرز کی منظوری سے قبل، کمپنی کے سالانہ اور عبوری مالیاتی گوشواروں کا جائزہ۔
- بیرونی اشاعت سے قبل نتائج کے ابتدائی اعلانات کا جائزہ۔
- بیرونی آڈٹ میں سہولت فراہم کرنا اور آڈٹرز کے ساتھ عبوری اور حتمی آڈٹ میں سامنے آنے والے اہم مشاہدات اور کوئی ایسا معاملہ جسے آڈٹرز نمایاں کرنا چاہیں، پر گفتگو کرنا (مینجمنٹ کی غیر حاضری میں، جہاں ضروری ہو)۔
- بیرونی آڈٹرز کی جانب سے جاری کیے گئے انتظامیہ خط اور اس پر انتظامیہ کے رد عمل کا جائزہ۔
- کمپنی کے اندرونی اور بیرونی آڈٹرز کے درمیان ہم آہنگی کو یقینی بنانا۔
- انٹرنل آڈٹ، آڈٹ پلان، رپورٹنگ فریم ورک اور طریقہ کار اور حد کا جائزہ اور یہ یقینی بنانا کہ انٹرنل آڈٹ فنکشن مناسب وسائل کا حامل ہے اور کمپنی میں انتہائی موثر انداز سے موجود ہے۔
- اندرونی تحقیقات میں سامنے آنے والی جعل سازی، بدعنوانی اور اختیارات کے غلط استعمال جیسی سرگرمیوں کے حوالے سے نمایاں معاملات اور اس پر مینجمنٹ کے رد عمل پر غور و خوص۔
- انٹرنل کنٹرول سسٹمز بشمول مالی اور آپریشنل کنٹرولز کو یقینی بنانا، ساتھ ہی بروقت اور مناسب انداز سے خرید و فروخت، رسیدیں اور ادائیگیاں، اثاثہ جات اور ذمہ داریاں اور رپورٹنگ کا طریقہ کار انتہائی مناسب اور موثر ہے۔
- بورڈ آف ڈائریکٹرز کی تصدیق اور اندرونی آڈٹ رپورٹس سے قبل، انٹرنل کنٹرول سسٹمز پر کمپنی کے بیان کا جائزہ۔
- چیف ایگزیکٹو آفیسر کی مشاورت سے خاص پروجیکٹس کے قیام، روپے کے حوالے سے مطالعہ یا بورڈ کی جانب سے نشاندہی کیے گئے کسی بھی معاملے کی تحقیقات کرنا اور ایکسٹرنل آڈٹرز یا کسی اور ایکسٹرنل باڈی سے متعلق ریٹینشن کے کسی بھی معاملے پر غور و خوص۔
- متعلقہ قانونی ضروریات کی مطابقت کا تعین۔
- لٹیکلیپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز ۲۰۱۹ کے اصول و ضوابط اور اس حوالے سے نمایاں خلاف ورزیوں کی نشاندہی کے ساتھ مطابقت کا جائزہ۔
- عملے اور انتظامیہ کے لیے انتظامات کا جائزہ لینا تاکہ آڈٹ کمیٹی کو اعتماد کے ساتھ رپورٹ جس کے تحت اگر کوئی مالیاتی یا کسی اور معاملے سے متعلق اصل یا متوقع غلطیوں اور اس کے ازالے اور کمی کے لیے اقدامات کرنا۔

ڈائریکٹرز کا انتخاب

سال کے دوران، ڈائریکٹرز کے انتخاب کے لیے ۲۰۲۳ جولائی ۲۰۲۳ کو کمپنی کا ایک غیر معمولی اجلاس عام منعقد ہوا۔ اجلاس میں کمپنی کے شیئر ہولڈرز نے سات ڈائریکٹرز کو منتخب کیا تھا، جو کہ ۲۰ جولائی ۲۰۲۳ شروع ہونے والی مدت کیلئے درج ذیل کمپوزیشن کے ساتھ کام کر رہے ہیں:

ڈائریکٹر	کیٹگری
جناب ابراہیم قاسم	نان ایگزیکٹو ڈائریکٹر / چیئر مین
جناب محمد بارون قاسم	ایگزیکٹو ڈائریکٹر / چیف ایگزیکٹو آفیسر
جناب ولی محمد اے حبیب	نان ایگزیکٹو ڈائریکٹر
جناب محمد رفیق عمر اینوالا	نان ایگزیکٹو ڈائریکٹر / آزاد ڈائریکٹر
جناب عبدالغفار عمر کپاڈیا	نان ایگزیکٹو ڈائریکٹر / آزاد ڈائریکٹر
محترمہ سعدیہ نوید	نان ایگزیکٹو ڈائریکٹر
جناب محمد سلمان قاسم	ایگزیکٹو ڈائریکٹر

بورڈ ممبران

اس سال کے دوران بورڈ آف ڈائریکٹرز کی چھ (6) ممبران کی گئیں۔ ہر ڈائریکٹر کی حاضری تفصیل ذیل کے مطابق ہے:

ڈائریکٹر کا نام	عہدہ	حاضری
جناب ابراہیم قاسم	نان ایگزیکٹو ڈائریکٹر / چیئر مین	6 / 6
جناب محمد بارون قاسم	ایگزیکٹو ڈائریکٹر / چیف ایگزیکٹو آفیسر	6 / 6
جناب ولی محمد اے حبیب	نان ایگزیکٹو ڈائریکٹر	6 / 6
جناب محمد رفیق عمر اینوالا	نان ایگزیکٹو ڈائریکٹر / آزاد ڈائریکٹر	6 / 6
جناب عبدالغفار عمر کپاڈیا	نان ایگزیکٹو ڈائریکٹر / آزاد ڈائریکٹر	5 / 6
محترمہ سعدیہ نوید	نان ایگزیکٹو ڈائریکٹر	6 / 6
جناب عمران چشتی (۲۰ جولائی ۲۰۲۳ تک)	نان ایگزیکٹو ڈائریکٹر / آزاد ڈائریکٹر	قابل اطلاق نہیں
جناب محمد سلمان قاسم	ایگزیکٹو ڈائریکٹر	6 / 6

بورڈ نے ان تمام ڈائریکٹرز کو غیر حاضری پر رخصت دی جو بورڈ ممبران میں شریک ہونے سے قاصر رہے۔ پورے سال کے دوران کوئی بھی اتفاقی یا عارضی جگہ خالی نہیں ہوئی۔

ڈائریکٹرز کے لیے مشاہرے کی پالیسی

بورڈ ممبران کے مشاہرے کی منظوری بورڈ خود کرتا ہے۔ تاہم کوڈ آف کارپوریٹ گورننس کے مطابق اس بات کو یقینی بنایا جاتا ہے کہ کوئی بھی ڈائریکٹر اپنے مشاہرے کے فیصلے میں حصہ نہ لے۔ کمپنی نان ایگزیکٹو ڈائریکٹرز بشمول آزاد ڈائریکٹرز کو مشاہرہ ادا نہیں کرتی سوائے اجلاسوں میں شرکت کی فیس کے ۲۳-۲۰۲۳ میں ڈائریکٹرز اور سی ای او کے مشاہرے سے متعلق معلومات کے لیے، براہ مہربانی مالیاتی گوشواروں کے نوٹس کو دیکھیں۔

سماجی سرگرمیاں

شیلڈ کی انتظامیہ ایک مقصد کے ساتھ کاروبار کرنے پر پختہ یقین رکھتی ہے۔ شیلڈ ہمیشہ لوگوں کی زندگی میں بہتری کے مواقع کی تلاش میں رہتی ہے۔ کمپنی خصوصی بچوں کو تعلیم دینے کے مقصد سے فیملی ایجوکیشن سروسز فاؤنڈیشن کی مسلسل مدد کر رہی ہے۔

اورل صحت سے متعلق آگاہی کو فروغ دینے کی ایک ٹھوس کوشش میں، شیلڈ نے فخر کے ساتھ ورلڈ اورل ہیلتھ ڈے 2024 کے سپانسر کے طور پر کام کیا۔ پاکستان بھر میں کمیونٹیز کی فلاح و بہبود کے لیے ہماری وابستگی کو اجاگر کرتے ہوئے ہم نے دانتوں کے ہسپتالوں اور کلینک میں مفت چیک اپ کیا۔

پائیداری سے متعلق خطرات

پائیداری سے متعلق خطرات میں ماحولیاتی، سماجی اور گورننس (ESG) شامل ہیں۔ کمپنی نئی مونیٹرنگ ٹیکنالوجی کو چلانے اور شامل کرنے، متبادل ری نیو ایبلز کی تنصیب اور گورننس کے طریقوں کو اپنانے میں کوشاں ہے۔ مونیٹرنگ رانی کے ذریعے، ہم ESG ہدف کے لیے پرعزم ہیں جو کمپنی کے مقصد کو بڑھانے اور مثبت سماجی اثرات کے مطابق ہیں۔

تنوع، مساوات اور شمولیت

ہمیں مساوی مواقع کا اہم پلازہ ہونے پر فخر ہے، افراد کو بااختیار بنانے اور تنوع کو اپنانے کی کوشش کرتے ہیں۔ شیلڈ میں ایسا کلچر رائج ہے جہاں عمر، جنس، نسل، مذہب، تعلیم کے فرق کو قبول کیا جاتا ہے۔

قومی خزانے میں حصہ

آپ کی کمپنی نے مختلف حکومتی ٹیکسز بشمول کسٹم ڈیوٹی، ریگولیٹری ڈیوٹی، سیلز ٹیکس اور انکم ٹیکس کی مدد میں سال ۲۰۲۳-۲۴ کے دوران قومی خزانے میں 1031 ملین روپے کی مجموعی رقم جمع کرائی ہے۔

کارپوریٹ گورننس

کمپنی اسٹاک ریگولیشن آف پاکستان اسٹاک ایکسچینج لمیٹڈ میں درج کوڈ آف کارپوریٹ گورننس کے قوانین کی مکمل تعمیل کرتی ہے۔ اس سے متعلق رپورٹ کے ساتھ ایک اسٹیٹمنٹ منسلک ہے۔

بورڈ کی تشکیل

بورڈ درج ذیل کے ساتھ 6 حضرات اور 1 خاتون پر مشتمل ہے۔

2	خود مختار ڈائریکٹرز
3	دیگر نان ایگزیکٹو ڈائریکٹرز
2	ایگزیکٹو ڈائریکٹرز
7	ڈائریکٹرز کی کل تعداد

اور کمپنی کے ملازمین کے معاوضے کے اخراجات ہیں۔

- 3- مالیاتی لاگت میں %48.17 اضافہ ہوا جس کی وجہ سے سال کے دوران بہت زیادہ پالیسی شرح ہے۔ اس کے علاوہ، پچھلے سال کمپنی نے قرض لینے کی لاگت کو کھپلا کر کیا تھا جس کے نتیجے میں موجودہ سال کے لیے مالیاتی لاگت میں اضافہ ہوا۔
- 4- مذکورہ وجوہات کی بناء پر، کمپنی کو بعد از ٹیکس 362.68 ملین کا نقصان ہوا۔ کمپنی نے فی حصص 92.99 روپے کا نقصان ریکارڈ کیا جس کے مقابلے میں پچھلے سال فی حصص آمدنی 37.17 روپے ریکارڈ کی گئی تھی۔
- 5- سال کے دوران ہونے والے نقصان کو مد نظر رکھتے ہوئے ۳۰ جون ۲۰۲۲ کو ختم ہونے والے سال کے لیے کوئی ڈیویڈنڈ تجویز نہیں کیا گیا ہے۔

ہمارے کاروبار کی وسعت اور جھلکیاں

شیلڈ کارپوریشن لمیٹڈ اپنی وسیع بے بی کیئر اور اول کیئر مصنوعات کے ساتھ پچھلے ۲۹ سالوں سے مارکیٹ میں ہے۔ شیلڈ بے بی کیئر کیٹیگری میں اپنی قائدانہ حیثیت برقرار رکھے ہوئے ہے۔ ہمارے پاس بی پی اے فری کی مکمل رینج بشمول فیڈرز، نپلز، سوٹھرز، ٹیٹھرز، ٹریگ کپ اور کلیننگ برش ہے۔ اپنے مختلف کسٹمرز کو اور بہتر مصنوعات دینے کی جستجو کی وجہ سے ہم نے فیڈنگ رینج کی پیکنگ کو بہتر بنایا۔ یہ اقدام ہماری پریمیم، درمیانی درجے اور انکومی مصنوعات کے درمیان واضح فرق فراہم کرتا ہے اور اس بات کو یقینی بناتا ہے کہ ہر طبقہ موثر طریقے سے اپنے متعلقہ کسٹمرز کو اپیل کرے۔

اس مالی سال، ہم نے ڈائپرز کا ایک پریمیم ویریٹنٹ متعارف کرایا، جو معیار اور آرام کے اعلیٰ ترین معیارات کو پورا کرنے کے لیے ڈیزائن کیا گیا ہے، ان ڈائپرز میں ایلو ویرا جیل، وٹامن ای، وینٹس انڈیکسٹر، ہوا دار کاٹن بیک شیٹ، اور انتہائی نرم اور جذب کی صلاحیتیں اور اچھی خوشبو، سب ایک میں گئے ہوئے ہیں۔ یہ لائچ نہ صرف ہماری پروڈکٹ پورٹ فولیو کو بڑھاتا ہے بلکہ اپنے چھوٹے بچوں کے لیے پریمیم حل تلاش کرنے والے کی بھی ضرورت پوری کرتا ہے۔

اورل ہیلتھ کے فروغ کے عزم کے تحت، ہم نے اورل رینج میں شیلڈ سینسیٹیو ٹوتھ پیسٹ متعارف کرایا ہے۔ حساسیت کے مسائل والے افراد کے لیے خاص طور پر تیار کیا گیا یہ نیا اضافہ ہریبل اور پیپر منٹ ٹوتھ پیسٹ کے ہمارے موجودہ ذائقوں کی تکمیل کرتا ہے، جو خاندان کے ہر فرد کے لیے ایک جامع انتخاب فراہم کرتا ہے۔

جیسا کہ ہم اب تک کے اپنے سفر پر غور کرتے ہیں، ہم بھی کیئر اور اول کیئر میں بہترین کارکردگی پیش کرنے کے اپنے عزم پر ثابت قدم ہیں، جو ہم جدت، معیار اور اپنے صارفین اور حصص یافتگان کے لیے گہری لگن سے کارفرما ہیں۔ ہم اپنے حصص یافتگان کے غیر متزلزل تعاون کے لیے ان کا تہہ دل سے شکریہ ادا کرتے ہیں۔

منسلک بوساطت مواصلات

شیلڈ کارپوریشن میں، ہمارا مشن ہمدردی اور سمجھ بوجھ کے ذریعے والدین کے تجربے کو بہتر کرنا ہے۔ ممتا کی زباں مہم ماؤں کی اکثر نہ کہی جانے والی ضروریات پر توجہ مرکوز کر کے اور ہماری اختراعی مصنوعات کے ذریعے متفکر حل فراہم کر کے اس عزم کو ظاہر کرتی ہے۔ ایک مضبوط میڈیا کمیونٹی کے ساتھ شروع کی گئی مہم نے بڑے ٹی وی چینلز اور ڈیجیٹل پلیٹ فارمز میں مواقعوں کو موثر طریقے سے استعمال کیا۔

ہمارے ڈیجیٹل اقدامات کے علاوہ، شیلڈ کارپوریشن کراچی، لاہور اور اسلام آباد میں سول فیسٹیول، کراچی ایٹ، مسالہ فیملی فیسٹیول، میٹن بازار اور دیگر تقریبات میں خاندانوں کے ساتھ فعال طور پر منسلک رہی۔ ہم نے ماؤں کے لیے مخصوص محفوظ جگہیں قائم کیں جس سے 10,000 سے زیادہ ماؤں کو اپنے بچوں کو ایک معاون ماحول میں آرام سے کھانا کھانے اور تبدیل کرنے کی سہولت دی گئی۔

ڈائریکٹرز رپورٹ برائے شیئر ہولڈرز

شیڈ کا رپوریشن لمیٹڈ کے ڈائریکٹرز ۳۰ جون ۲۰۲۲ کو ختم ہونے والے مالی سال کی سالانہ رپورٹ اور آڈٹ شدہ مالیاتی گوشوارے پیش کر رہے ہیں۔

سرمائے کا خلاصہ

اضافہ/ (کمی)	2023 (روپے)	2024 (روپے)	عملداری نتائج
(11.26%)	4,357,631,431	3,867,121,389	خالص سیلز
(23.10%)	1,132,351,050	870,755,541	مجموعی منافع
(347 bps)	25.99%	22.52%	مجموعی فیصدی منافع
43.02%	625,266,969	894,260,915	فروخت اور تقسیم کاری کے اخراجات
2.73%	62,739,824	64,451,892	انتظامی اخراجات
48.17%	203,126,267	300,970,556	مالیاتی لاگت
(262.02%)	227,055,598	(367,881,593)	قبل از ٹیکس (نقصان)/ منافع
(350.19%)	144,964,155	(362,679,387)	بعد از ٹیکس (نقصان)/ منافع
(350.19%)	37.17	(92.99)	نی شیئر (نقصان)/ آمدنی

مالی جائزہ

معاشی نقطہ نظر

یہ سال کاروباری اداروں اور ملک کے لیے سب سے مشکل سالوں میں سے ایک تھا، جس میں بڑھتی ہوئی افراط زر، قوت خرید میں کمی، انتہائی بلند پالیسی ریٹ، درآمدات سے متعلق چیلنجز، ایندھن کی قیمتوں میں اضافہ وغیرہ شامل ہیں۔ معیشت اب بھی دباؤ میں ہے اور آئی ایم ایف کے ساتھ پرانحصار کر رہی ہے۔

مالیاتی کارکردگی کی جھلکیاں

- 1- کاروباری چیلنجوں کی وجہ سے کمپنی کی خالص سیلز گزشتہ سال کے مقابلے میں 11.26% کم ہوئی۔ کمی بنیادی طور پر موجودہ سال میں حجم میں کمی کی وجہ سے ہے جس کا بڑا اثر آخری سہ ماہی میں آیا ہے۔ بڑھتی ہوئی مہنگائی صارفین کی کھپت کے انداز اور قوت خرید میں تبدیلی کا باعث بنی ہے جو کہ سیلز میں کمی کا باعث بھی بنی۔ مجموعی منافع میں کمی بنیادی طور پر زیادہ یوٹیلیٹی بلز، افراط قوت کی لاگت میں اضافے اور کم حجم کی وجہ سے ہوئی جس کے نتیجے میں مجموعی مارجن میں کمی واقع ہوئی۔ مجموعی مارجن میں کمی اس لئے بھی آئی کیونکہ کمپنی نے قیمتیں مسابقتی رکھنے کے لئے ایڈجسٹ کریں۔
- 2- فروخت اور تقسیم کے اخراجات میں 43.02% اضافہ ہوا، جس کی بنیادی وجہ اس مدت کے دوران کی گئی اے ٹی ایل مارکیٹنگ مہم، مال برداری کی لاگت میں اضافہ

چیئر مین کی جائزہ رپورٹ

میرے لیے کمپنیز ایکٹ ۲۰۱۷ کی شق ۱۹۲ کے تحت چیئر مین کی جائزہ رپورٹ پیش کرنا باعث مسرت ہے۔

مجموعی طور پر بورڈ اپنے تنظیمی ڈھانچے اور اسٹرکچر کی بنا پر اچھے طریقے سے کام کر رہا ہے۔ بورڈ اراکین مناسب صلاحیت، علم اور تجربے کے حامل ہیں جو کہ کاروبار کو موثر طریقے سے چلانے کیلئے انتہائی ضروری ہے۔ کوڈ آف کارپوریٹ گورننس کے تقاضے کے تحت آپ کی کمپنی کے ڈائریکٹرز کا سالانہ جائزہ لیا جاتا ہے جس کا مقصد اس بات کو یقینی بنانا ہے کہ کمپنی کے لیے تعین کئے گئے اہداف و مقاصد سے وابستہ توقعات کے حوالے سے بورڈ کی مجموعی کارکردگی اور اثرات کو مقررہ معیار کے مطابق پرکھا جائے۔

۳۰ جون ۲۰۲۲ کو ختم ہونے والے مالی سال کے لئے بورڈ، اس کے ارکان اور اس کی کمیٹیوں کی مجموعی کارکردگی اور کام پر اثرات تسلی بخش رہے ہیں تاہم، مختلف اقتصادی عوامل جیسے کہ بہت زیادہ پالیسی ریٹ، مہنگائی وغیرہ نے کمپنی کو نمایاں نقصان پہنچایا۔ مجموعی جائزہ جن بنیادوں پر قابل اطمینان رہا ان لازمی اجزاء میں سوچ، مقصد اور حکمت عملی کے حوالے سے منصوبہ بندی میں مصروفیت، پالیسیز کی تشکیل، آرگنائزیشن کی کاروباری سرگرمیوں کی نگرانی، مالی وسائل کے انتظام کی نگرانی، موثر مالیاتی نگرانی، تمام ملازمین کے ساتھ برابری کا سلوک اور بورڈ کے امور اور اس کی کمیٹیوں کی موثر کارکردگی شامل ہیں۔ بہتری ایک مسلسل جاری رہنے والا عمل ہے جو منصوبوں کی عملی تشکیل کی صورت میں ہی سامنے آتا ہے۔

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز کو ایجنڈے اور ضروری تحریری مواد بشمول فولو اپ میٹریل بورڈ اور اس کی کمیٹی اجلاس شروع ہونے سے مناسب وقت پہلے موصول ہو جاتا ہے۔ بورڈ اپنی ذمہ داریوں سے مناسب انداز سے عہدہ برآ ہونے کے لیے گاہے بگاہے اجلاس منعقد کرتا ہے۔ اہم فیصلوں میں نان ایگزیکٹو اور آزاد ڈائریکٹرز بھی برابری کی بنیاد پر شامل ہوتے ہیں۔ تمام ڈائریکٹرز، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کے ڈائریکٹرز اینگ پروگرام (DTP) کے تقاضے کو مکمل کر چکے ہیں۔

میں اپنے ساتھی ڈائریکٹرز کا شکر گزار ہوں جنہوں نے اپنی ذمہ داریاں محنت اور جانفشانی سے سرانجام دی ہیں اور مستقبل میں بھی ان کی معاونت کی توقع رکھتا ہوں۔



ابراہیم قاسم
چیئر مین

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