



**BUILDING
A BRIGHTER FUTURE
TOGETHER**



A photograph of tree roots on a ground covered with fallen red and orange leaves. The roots are thick and gnarled, extending across the frame. The ground is dark and covered with a thick layer of fallen leaves in shades of red, orange, and yellow. The text is overlaid on the image in a white, sans-serif font.

Roots are the BUILDING blocks

Pathways that CONNECT

ESSENTIAL for GROWTH

A symbol of STRENGTH and LEGACY

Core Values

People

Employees are our most valued assets. We support professional development for all employees and are committed to create a work environment of trust and respect. We Strive to be honest and open in our communication, demonstrating both empathy and integrity.

Team Work

We are committed to create an atmosphere that facilitates teamwork, collaboration mutual support and respect in each other's success. We realize the value of cultural diversity and expertise for the achievement of corporate objectives. Thus we encourage and recognize team and individual achievement and leadership. We honor commitments to each other at all levels in the organization. We strive to provide opportunities to SHIELD employees to reach their full potential that impact the progress and direction of the organization.

Innovation

Innovation is fundamental to success of any organization and we are no exception. We value creative ability to develop new ways to identify opportunities and solve problems.



Communication

At Shield we encourage open and honest communication amongst all employees, creating an environment of trust & respect.

Achievement

Our collective ability to get results and accomplish our goals adds critical value to the company. We are committed to win in today's competitive market place.

Integrity

At Shield we insist on applying the highest ethical standard and adherence to company values. All Employees are required to conduct their business relationships, both internal and external, with the highest level of professionalism and integrity.

Respect

At Shield we expect all employees to treat their associates with respect. We appreciate diversity and value the importance of responding to ideas, opinions and approaches from our different backgrounds.

Vision

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

A young green seedling with two leaves growing out of dark soil against a green background. The seedling is positioned on the right side of the page, with its roots visible in the soil. The background is a gradient of green, transitioning from a darker shade at the top to a lighter shade at the bottom.

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 Corporation Limited established its operation in the year 1975.

We manufacture Baby Care, Oral Care & Hygiene products. The range includes a variety of Diapers, Toothbrushes, Baby Feeders, Soothers, Teethers, Nipples and Training Cups. 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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BPA
FREE

Feeding Range

The Shield BPA Free Range of Feeding Bottles and Accessories is made in line with the International Standards of safety, and made from 100% Food Grade PP Material. Shield's BPA Free Feeding Range is completely safe for babies and growing children. Innovation and quality standards have won Shield the trust of mothers across Pakistan.



ممتا کی زبان

Baby Diaper Range

Our diapers provide carefree playtime and a peaceful night 's sleep every day.

The gel locking technology of our diapers ensures super absorption.

Shield diapers' unique wetness indicator indicates when it is time to change the diaper.





Oralcare

Shield toothpastes carry therapeutic properties for prevention and remedy of a variety of oral ailments.

Used with Shield toothbrushes, they are the best protection against many oral complications.



EXPERT CARE

FAMILY CARE

ESSENTIAL CARE

BAMBOO TOOTH BRUSH



سنو... ذرا اور کھلےلا کے

Shield[®] Champs[®]



SHIELD CHAMPS

Children Centric flavours of Shield Champs toothpaste encourage children to brush regularly and independently.



مٹھاس سے ڈرنا کیسا

Hygiene Range

In the wake of the COVID-19 Pandemic, hygiene and protection from disease have become the need of the hour for people across all strata. To meet the increasing demand for hygiene products that provide protection and convenience, Shield has launched its line of Hygiene products. Shield Hand Sanitizer, Shield Disinfectant Spray and Shield Multipurpose Disinfectant Wipes are leading products in the category.



COMPANY INFORMATION

Board of Directors

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

Audit Committee

Mr. Abdul Ghaffar Umer Kapadia	Chairman
Mr. Vali Muhammad A. Habib	Member
Mr. Imran Chishti	Member

Human Resource & Remuneration Committee

Mr. Imran Chishti	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. Abdul Ghaffar Umer Kapadia	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, 2021, overall performance and effectiveness of the Board, its members and its committees has been satisfactory. 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 8, 2021

DIRECTORS' REPORT TO THE SHAREHOLDERS

The Directors of Shield Corporation Limited are pleased to present the annual report and the audited financial statements for the financial year ended June 30, 2021.

Financial Summary

Operating Results	2021	2020	Increase / (Decrease)
	(Rupees)	(Rupees)	
Net Sales	2,148,550,393	1,708,620,654	25.75%
Gross Profit	663,832,544	416,019,076	59.57%
Gross Profit %	30.90%	24.35%	655 bps
Selling and Distribution Expenses	318,350,706	277,342,742	14.79%
Administrative and General Expenses	51,226,977	67,786,821	(24.43%)
Finance Costs	52,491,216	100,882,938	(48.39%)
Profit / (Loss) Before Tax	227,222,391	(19,854,505)	1,244.44%
Profit / (Loss) After Tax	155,104,773	(18,453,408)	940.52%
Earnings / (Loss) per Share	39.77	(4.73)	940.52%

Financial Overview

Economic Outlook

The World is still facing the real challenge of Covid-19 (Corona Virus) pandemic. By the grace of Almighty Allah economy of Pakistan rebounded in FY 2021. Economic stimulus measures taken by the Government including measures taken by State Bank of Pakistan (SPB) in the form of concessional financing schemes and a stable monetary policy have helped businesses to pose recovery. However, businesses and communities are adapting to the new ways of living and conducting business.

The business environment in the financial year 2021 was on an overall basis favorable but inflationary pressure kept increasing. SBP kept the policy rate unchanged at 7% p.a. throughout the year to provide impetus to the economy.

Financial Highlights

1. The Company's top line has shown a remarkable growth of 25.75% with sales of Rs.2.148 billion. This is the highest ever sale in the history of the Company. The growth in sales compared to last year is mainly due to higher sales volume.
2. Gross margin improved by 6.55% mainly on account of favourable exchange rate and cost of input materials, also increase in sales volume has also resulted in better absorption of fixed overheads resulting in increased margin. The increase in gross margin is also attributable to change in product mix of the Company.
3. Finance cost of the Company has decreased by Rs. 48.39 million due to the decrease in utilization of short-term financing facilities and a lower Bank rate during the year.
4. The Company recorded profit before tax of Rs. 227.22 million for the year 2020-21. The Company recorded earnings per share of Rs. 39.77 as compared to loss per share of Rs. 4.73 per share of last year. After-tax profit for the year 2020-21 has been recorded as Rs. 155.10 million.
5. The Board of Directors proposed 20% final cash dividend i.e., Rs. 2.00 per share, amounting to Rs. 7.80 million for this financial year to be approved by the shareholders at the Annual General Meeting. The undistributed profit for the year of Rs. 147.30 million will add on in the revenue reserves of the Company.

Our Business Diversity & Highlights

Shield Corporation Limited was established in 1975. Over the last 46 years Shield has strategically expanded its product portfolio in Baby Care and Oral Care along with the launch of Hygiene category during Covid-19. These efforts have culminated in Shield ensuring prominent position in market.

Shield continues its legacy as a key market player in baby care category. Our success is built on our commitment to high quality, value for money and varied product range which is why mothers place their trust in Shield than in any other baby care brand in Pakistan. Shield is the first local company to introduce entire range of BPA Free feeders with new vibrant packaging. These bottles are now available in both Standard neck and Wide neck in transparent, translucent and Opaque colors. Shield launched its Glass feeders with Silicone Protector nationwide which has received a great response from the market. Shield Premium range of feeders comprising Wide Neck, Crystal and Glass Feeders have Anti colic feature which prevents air flow and reduces colic. Shield range of Baby care accessories include, BPA Free Soothers, Teethers, Training Cups, Nipples and Cleaning Brushes. Shield ensures safe products for the baby's early development by ensuring food grade material and compliance of halal standards.

Shield being a Baby Care Company also has in its portfolio Baby Diaper. Shield Baby Diaper is well accepted in the market and is trusted by Moms and loved by Babies.

Shield Toothbrush category is well known owing to its high product quality and a variety of product range. The portfolio has been divided into four categories namely Champs, Essential Care, Family Care and Expert Care thus giving it a special focus. An addition was made in adult Toothbrush range by introducing environment friendly Bamboo Toothbrush.

Shield toothpastes are offered in two different categories which are Adult & Kids Range. Adult toothpastes are available in two unique flavors; Cinnamon and Peppermint. Toothpaste category has a substantial potential for growth. Shield Kids toothpastes are available in two flavors namely Strawberry and Bubble Gum.

In the wake of Covid-19 pandemic, hygiene has become need of the hour. Shield has in its portfolio of Hygiene products, Hand Sanitizer, Disinfectant Spray and Multipurpose Disinfectant Wipes.

Corporate Social responsibility

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 and Pak Rehabilitation Education Welfare Association with the aim to educate special children. This year the Company has also made donation to Habib Public School to support needy students to acquire quality education.

Contribution to the National Exchequer

Your Company made a total contribution of Rs. 486 million to the National Exchequer on account of different government levies, including custom duty, regulatory duty, sales tax and income tax during the year 2020-21.

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, 2020 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, 2020 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. Abdul Ghaffar Umer Kapadia	Non-Executive / Independent Director
Mr. Imran Chishti	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. Abdul Ghaffar Umer Kapadia	Non-Executive / Independent Director	6/6
Mr. Pir Muhammad (up to July 20, 2020)	Non-Executive / Independent Director	Not Applicable
Mrs. Saadia Naveed	Non-Executive Director	5/6
Mr. Imran Chishti	Non-Executive / Independent Director	5/6
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 2020-21, please refer notes to the Financial Statements.

Pattern of Shareholding

The pattern of shareholdings as on June 30, 2021 and its disclosure, as required by the Code of Corporate Governance is annexed with this report.

The Board has reviewed the threshold for disclosure of interest by executives holding of Company's shares which include CEO, CFO, Head of Internal Audit, Company Secretary and Director Sales. The Directors, CEO, CFO, Head of Internal Audit, Company Secretary and Director Sales, their spouses and minor children did not carry out any trade in the shares of the Company.

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. Abdul Ghaffar Umer Kapadia	Chairman	4/4
Mr. Vali Muhammad A. Habib	Member	4/4
Mr. Imran Chishti	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 were 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. Imran Chishti	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. Abdul Ghaffar Umer Kapadia	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.
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.
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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, 2022 on such terms and conditions and remuneration as to be decided.

Internal Auditors

The Internal Audit Function is outsourced to M/s. Yousof 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:

- 1) 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

- 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.
- There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- 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.
- Proper books of account of the Company are maintained.
- Appropriate accounting policies have consistently been applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- The financials are prepared in accordance with International Financial Reporting Standards, as applicable in Pakistan and any deviation has been adequately disclosed and explained.
- 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.
- There are no significant doubts upon the company's ability to continue as a going concern.
- There is no default in payment of any debt during the year 2020-21.
- Outstanding duties, statutory charges and taxes, if any, have been duly disclosed in the financial statements.
- The value of investment of the Company's Provident Fund as on June 30, 2021 was Rs. 37.43 million.
- The key operating and financial data for the last six years in summarized form is annexed.
- All directors of the company are compliant with the requirement of the Code of Corporate Governance related to Directors Training Program.

Future Outlook

The overall economic outlook, global and domestic, remains uncertain considering the fear of pandemic's fourth wave.

We at Shield believe in constant growth and success. Therefore, we are actively on a quest to identify new product categories. These new categories will be supplementary to the existing categories and will help in leveraging Shield's brand power.

There seems no respite from economic difficulties in short term, as the disruption in global supply chain, increase in input cost due to increase in material prices, high freight cost and weakening Pak Rupee will impact profit of the Company. The Company will endeavour to overcome the challenges with competitive pricing strategy and building on our distribution led competitive edge.

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.



Mohammad Haroon Qassim
Chief Executive

On behalf of Board of Directors



Abdul Ghaffar Umer Kapadia
Director

Karachi: September 8, 2021

KEY FINANCIAL DATA

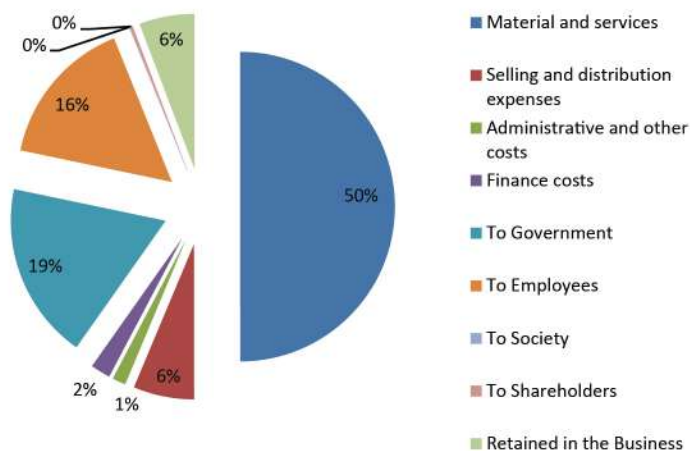
SIX YEARS AT A GLANCE

	2021	2020	2019	2018	2017	2016
	----- 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 & un-appropriated profit	554,997,768	454,892,995	389,921,403	362,213,796	313,810,363	287,151,550
Shareholders equity	593,997,768	493,892,995	428,921,403	401,213,796	352,810,363	326,151,550
Non-current liabilities	309,630,067	348,881,674	143,837,534	87,783,652	158,763,249	81,256,965
Current liabilities	608,943,705	601,326,535	567,890,669	361,847,395	280,605,898	304,303,856
Total equity and liabilities	1,512,571,540	1,444,101,204	1,140,649,606	850,844,843	792,179,510	711,712,371
Non-current assets	780,849,670	794,211,788	616,677,147	445,980,397	448,958,966	362,438,408
Current assets	731,721,870	649,889,416	523,972,459	404,864,446	343,220,544	349,273,963
Total assets	1,512,571,540	1,444,101,204	1,140,649,606	850,844,843	792,179,510	711,712,371
Profit and Loss Account						
Sales - net	2,148,550,393	1,708,620,654	1,778,794,872	1,678,897,969	1,662,086,046	1,548,321,733
Cost of sales	1,484,717,849	1,292,601,578	1,222,057,829	1,067,416,649	1,088,656,983	1,041,712,545
Gross profit	663,832,544	416,019,076	556,737,043	611,481,320	573,429,063	506,609,188
Selling and distribution expenses	318,350,706	277,342,742	338,493,789	418,214,780	427,702,275	388,299,071
Administrative and general expenses	51,226,977	67,786,821	65,532,759	60,753,032	65,149,589	39,901,493
(Reveral)/Recognition of Impairment						
loss on trade debts	(3,290,479)	(3,108,212)	1,544,424	284,573	-	-
Other operating expenses	31,431,667	588,264	26,001,455	17,302,986	6,455,334	5,081,446
Other operating income	14,427,008	8,123,313	2,048,824	1,913,664	22,972,424	2,119,332
Operating profit before finance costs	280,540,681	81,532,774	127,213,440	116,839,613	97,094,289	75,446,510
Share of loss on equity accounted						
associate	827,074	504,341	-	-	-	-
Finance costs	52,491,216	100,882,938	41,594,682	18,714,378	11,167,225	7,754,789
Profit / (loss) before taxation	227,222,391	(19,854,505)	85,618,758	98,125,235	85,927,064	67,691,721
Taxation	72,117,618	(1,401,097)	61,289,034	30,221,802	37,314,087	20,848,660
Profit / (loss) for the year	155,104,773	(18,453,408)	24,329,724	67,903,433	48,612,977	46,843,061

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:

	2021 Rupees	%	2020 Rupees	%
Revenue Generated				
Total revenue	<u>2,549,790,540</u>	100.00	<u>2,042,578,073</u>	100.00
Revenue Distributed				
Material and services	1,274,420,277	49.98	1,112,743,349	54.48
Selling and distribution expenses	161,752,223	6.34	150,769,962	7.38
Administrative and other costs	35,604,859	1.40	23,919,803	1.17
Finance costs	52,491,216	2.06	100,882,938	4.94
Income tax	72,117,618	2.83	-	-
Worker's welfare fund	4,653,372	0.18	-	-
Workers profit participation fund	11,361,106	0.45	-	-
Sales tax	383,522,660	15.04	321,324,797	15.73
To Government	471,654,756	18.50	321,324,797	15.73
Salaries, wages and other benefits	398,052,436	15.61	350,990,632	17.18
To Employees	398,052,436	15.61	350,990,632	17.18
Donations	710,000	0.03	400,000	0.02
To Society	710,000	0.03	400,000	0.02
Cash dividend *	7,800,000	0.31	-	-
To Shareholders	7,800,000.00	0.31	-	-
Retained in the Business	147,304,773	5.78	(18,453,408)	(0.90)
	<u>2,549,790,540.09</u>	100.00	<u>2,042,578,073</u>	100.00



VERTICAL ANALYSIS

	2021	2020	2019	2018	2017	2016
Balance Sheet Analysis (%)						
Non-current assets	51.62	55.00	54.06	52.42	56.67	50.92
Current assets	48.38	45.00	45.94	47.58	43.33	49.08
Total assets	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>
Share capital and reserves	39.27	34.20	37.60	47.15	44.54	45.83
Non-current liabilities	20.47	24.16	12.61	10.32	20.04	11.42
Current liabilities	40.26	41.64	49.79	42.53	35.42	42.75
Total equity and liabilities	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>
Profit and Loss Account Analysis (%)						
Net sales	100.00	100.00	100.00	100.00	100.00	100.00
Cost of sales	69.10	75.65	68.70	63.58	65.50	67.28
Gross profit	30.90	24.35	31.30	36.42	34.50	32.72
Selling and distribution expenses	14.82	16.23	19.03	24.91	25.73	25.08
Administrative and general expenses	2.38	3.97	3.68	3.62	3.92	2.58
(Reveral)/Recognition of Impairment loss on trade debts	(0.15)	(0.18)	0.09	0.02	-	-
Other operating expenses	1.46	0.03	1.46	1.03	0.39	0.33
Other operating income	0.67	0.48	0.12	0.11	1.38	0.14
Operating profit	13.06	4.77	7.15	6.96	5.84	4.87
Share of loss on equity accounted associate	0.04	0.03	-	-	-	-
Finance costs	2.44	5.90	2.34	1.11	0.67	0.50
Profit before taxation	10.58	(1.16)	4.81	5.84	5.17	4.37
Taxation	3.36	(0.08)	3.45	1.80	2.25	1.35
Profit after taxation	7.22	(1.08)	1.37	4.04	2.92	3.03

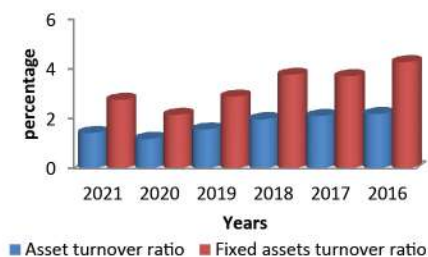
HORIZONTAL ANALYSIS

	2021	2020	2019	2018	2017	2016
Balance Sheet Analysis (%)						
Non-current assets	(1.68)	28.79	(0.66)	23.87	0.91	(2.63)
Current assets	12.59	24.03	17.96	(1.73)	7.67	(10.97)
Total assets	<u>4.74</u>	<u>26.60</u>	<u>7.41</u>	<u>11.31</u>	<u>4.11</u>	<u>(6.77)</u>
Share capital and reserves	20.27	15.15	13.72	8.17	8.08	15.67
Non-current liabilities	(11.25)	142.55	(44.71)	95.38	(39.20)	(22.93)
Current liabilities	1.27	5.89	28.95	(7.79)	22.62	(16.98)
Total equity and liabilities	<u>4.74</u>	<u>26.60</u>	<u>7.41</u>	<u>11.31</u>	<u>4.11</u>	<u>(6.77)</u>
Profit and Loss Account Analysis (%)						
Net sales	25.75	(3.95)	1.01	7.35	23.97	6.31
Cost of sales	14.86	5.77	(1.95)	4.51	19.63	7.62
Gross profit	59.57	(25.28)	6.64	13.19	33.95	3.41
Selling and distribution expenses	14.79	(18.07)	(2.22)	10.15	50.71	(5.92)
Administrative and general expenses	(24.43)	3.44	(6.75)	63.28	6.45	31.57
(Reveral)/Recognition of Impairment loss on trade debts	5.86	(301.25)	100.00	-	-	-
Other operating expenses	5,243.12	(97.74)	168.04	27.04	(3.11)	64.56
Other operating income	77.60	296.49	(91.67)	983.95	21.00	0.51
Operating profit	244.08	(35.91)	20.34	28.69	(5.19)	28.46
Finance costs	(47.97)	142.54	67.58	44.00	(50.75)	(34.30)
Profit before taxation	1,244.44	(123.19)	14.20	26.94	6.05	68.07
Taxation	5,247.23	(102.29)	(19.01)	78.98	28.84	9.22
Profit after taxation	940.52	(175.85)	39.68	3.78	(1.69)	105.72

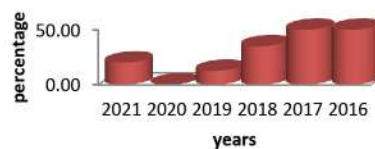
OPERATING & FINANCIAL HIGHLIGHTS

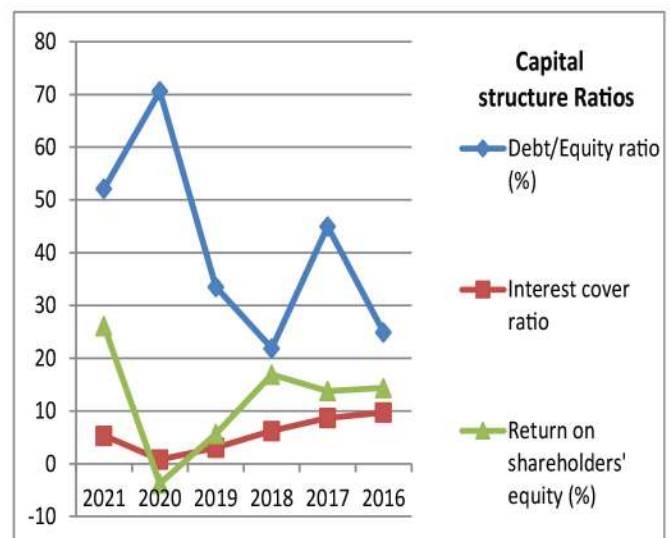
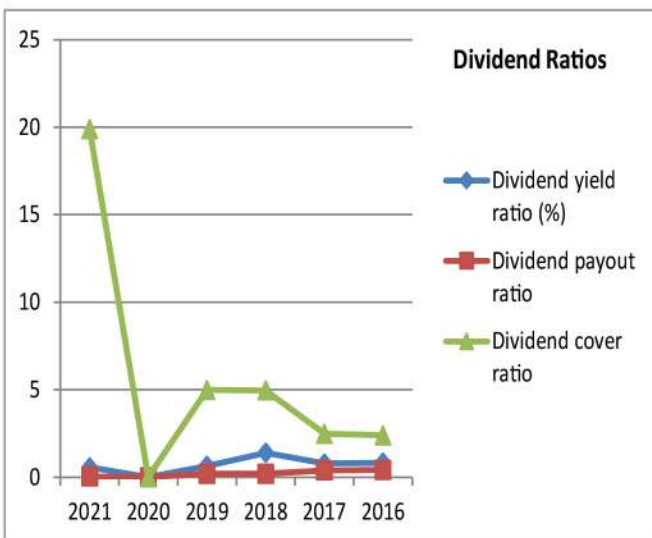
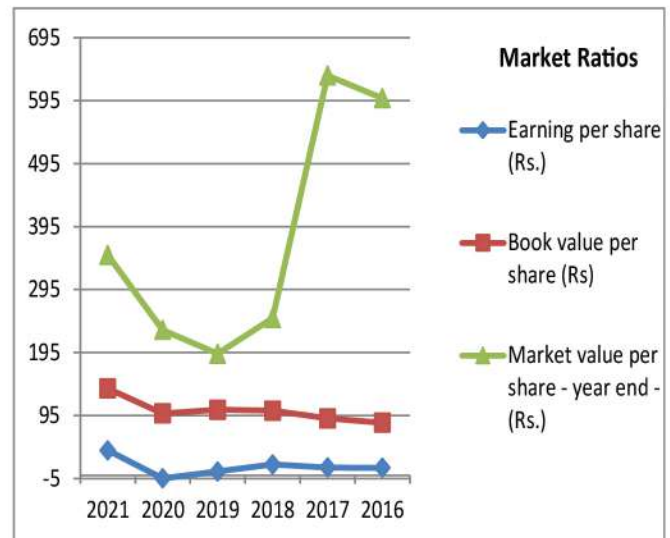
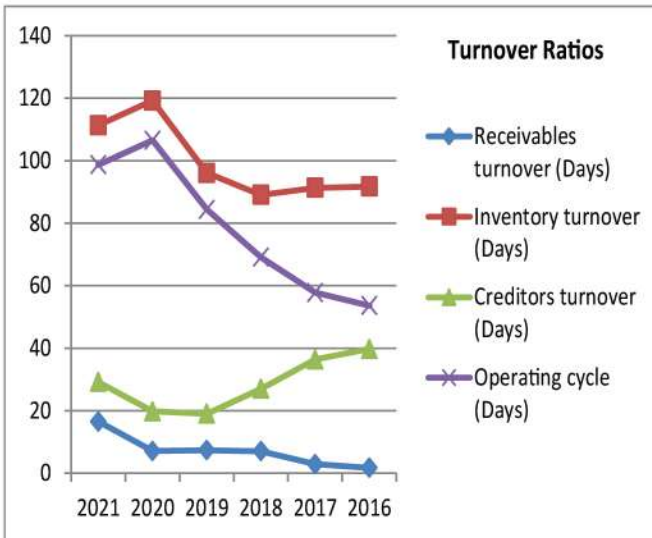
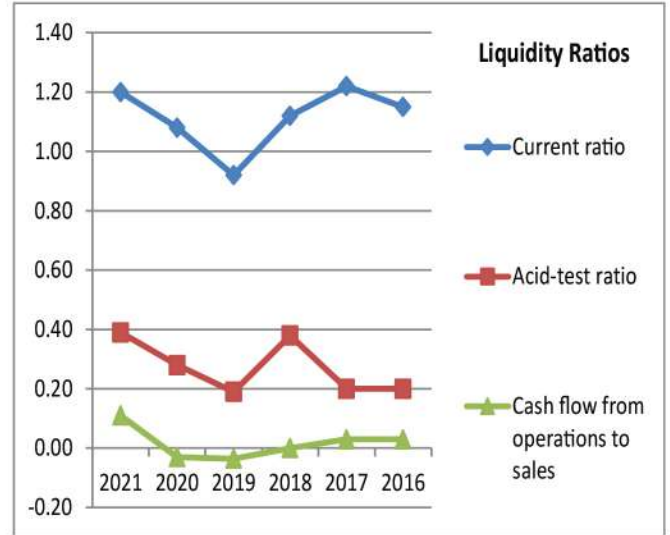
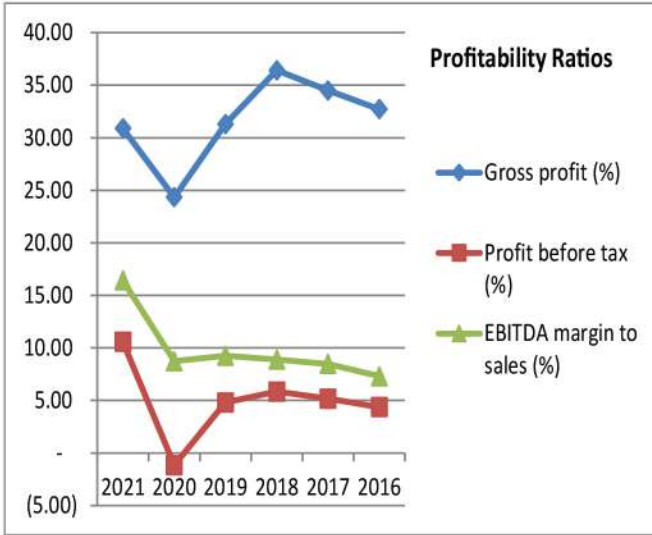
	2021	2020	2019	2018	2017	2016
Profitability Ratios						
Gross profit (%)	30.90	24.35	31.30	36.42	34.50	32.72
Net profit (%)	7.22	(1.08)	1.37	4.04	2.92	3.03
Profit before tax (%)	10.58	(1.16)	4.81	5.84	5.17	4.37
EBITDA margin to sales (%)	16.43	8.74	9.25	8.89	8.48	7.31
Operating leverage ratio (Times)	9.48	9.10	1.49	20.11	3.91	(0.22)
Return on capital employed (%)	34.01	10.23	24.32	25.61	22.59	23.02
Liquidity Ratios						
Current ratio	1.20	1.08	0.92	1.12	1.22	1.15
Acid-test ratio	0.39	0.28	0.19	0.38	0.20	0.20
Cash to current liabilities (%)	0.62	0.24	0.27	0.35	0.39	0.34
Cash flow from operations to sales	0.11	(0.03)	(0.04)	-	0.03	0.03
Activity / Turnover Ratios						
Asset turnover ratio	1.42	1.18	1.56	1.97	2.10	2.18
Fixed assets turnover ratio	2.75	2.15	2.88	3.76	3.70	4.27
Receivables turnover (Days)	16.56	7.13	7.40	7.08	2.93	1.74
Inventory turnover (Days)	111.34	119.26	96.10	89.09	91.33	91.73
Creditors turnover (Days)	29.21	19.83	19.08	27.02	36.43	39.81
Operating cycle (Days)	98.69	106.56	84.42	69.15	57.83	53.66
Receivables turnover (Times)	22.04	51.23	49.30	51.55	124.61	210.40
Inventory turnover (Times)	3.28	3.06	3.80	4.10	4.00	3.99
Creditors turnover (Times)	12.50	18.41	19.13	13.51	10.02	9.19
Investment/Market Ratios						
Earning per share (Rs.)	39.77	-4.73	6.24	17.41	12.46	12.01
Price earnings ratio	8.80	-48.84	30.97	14.36	50.94	49.87
Price to book ratio	2.53	2.35	1.85	2.43	7.02	7.16
Dividend yield ratio (%)	0.57	0.00	0.65	1.40	0.79	0.83
Dividend payout ratio	0.05	0.00	0.20	0.20	0.40	0.42
Dividend cover ratio	19.89	0.00	4.99	4.97	2.49	2.40
Dividend per share (%)	20.00	0.00	12.50	35.00	50.00	50.00
Book value per share - excluding loan from director & chief executive (Rs.)	138.20	98.43	104.42	102.88	90.46	83.63
Market value per share - year end - (Rs.)	350.00	231.00	193.25	250.00	635.00	599.00
Capital Structure Ratios						
Debt/Equity ratio (%)	52.13	70.64	33.53	21.88	45.00	24.91
Financial leverage ratio	1.14	1.57	1.32	0.74	0.70	0.50
Interest cover ratio	5.34	0.81	3.06	6.24	8.69	9.73
Return on shareholders' equity (%)	26.11	-3.74	5.67	16.92	13.78	14.36

Turnover ratios



Dividend per share(%)





PATTERN OF SHAREHOLDING

As at June 30, 2021

Number of Shareholders	Shareholding		Total Shares Held
	From	To	
186	1	100	4,847
95	101	500	28,367
19	501	1,000	14,084
36	1,001	5,000	80,260
2	5,001	10,000	16,630
1	10,001	15,000	13,600
1	20,001	25,000	23,200
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
350			3,900,000

Categories of Shareholders	No of Shares Held	Percentage
Directors, Chief Executive Officer, and their spouses and minor children	2,903,464	74.45
Associated Companies, undertakings and related parties	-	-
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	989,925	25.38
b. Foreign	300	0.01
Others	5,811	0.15

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. Abdul Ghaffar Umer Kapadia	100	0.00
Mrs. Saadia Naveed	650	0.02
Mr. Imran Chishti	500	0.01
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
	2,903,464	74.45
II) ASSOCIATED COMPANIES, UNDERTAKINGS AND RELATED PARTIES	-	-
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 5% 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. Muhammad Jamil Qassim	411,710	10.56
Mrs. Kulsum Bano	758,615	19.45
Mrs. Zohra Bano	346,840	8.89
Mrs. Wazira Parveen	305,520	7.83
Mrs. Saba Qassim	320,288	8.21
	3,578,962	91.77
IX) OTHERS AND GENERAL PUBLIC	996,036	25.54

Financial Calendar

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

For the financial year 2021-22, financial results will be announced as per the following tentative schedule.

Un-Audited Financial Results for First Quarter	Last week of October, 2021
Reviewed Half yearly Financial Results	Third week of February, 2022
Un-Audited Financial Results for Third Quarter	Last week of April, 2022
Audited Annual Results for the year ended June 30, 2022	Second week of September, 2022

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 FOR THE YEAR ENDED JUNE 30, 2021

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. Abdul Ghaffar Umer Kapadia
Mr. Imran Chishti
 - 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
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 the 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. Abdul Ghaffar Umer Kapadia – Chairman
Mr. Vali Muhammad A. Habib
Mr. Imran Chishti

HR and Remuneration Committee:

Mr. Imran Chishti – Chairman
Mr. Mohammad Haroon Qassim
Mr. Vali Muhammad A. Habib

Risk Management Committee:

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

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 2021, 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.



Mohammad Haroon Qassim
Chief Executive Officer



Abdul Ghaffar Umer Kapadia
Director

Karachi: September 8, 2021

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 Shield Corporation Limited for the year ended June 30, 2021 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.

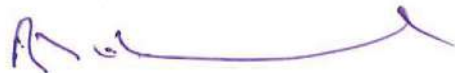
As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control 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, 2021.

KARACHI

DATED: SEPTEMBER 8, 2021



CHARTERED ACCOUNTANTS
Engagement Partner: Zulfikar Ali Causer

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, 2021, and the statement of profit or loss, the statement of comprehensive income, the statement of cash flows, the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory 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 cash flows and the statement of changes in equity 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, 2021 and of the profit and other comprehensive income, its cash flows and the changes in equity 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 the stated in note 5.5. At the reporting date value of stock in trade as disclosed in note 11 to the financial statement amounted to Rs. 453.390 million. Stock in trade forms material part of the Company's assets representing 29.93% of the total assets.	Our audit procedures in respect of valuation of stock in trade, amongst others, included the following: <ul style="list-style-type: none"> ○ understanding of internal controls over purchases and valuation of stock in trade and testing, on a sample basis, their design, implementation and operating effectiveness;

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 (estimated selling price in ordinary course of business less estimated cost of completion and estimated costs necessary to make the sale) of stock-in-trade items in line with accounting policy.</p> <p>Due to above factor, we have considered the valuation of stock in trade as key audit matter.</p>	<ul style="list-style-type: none"> ○ testing, on sample basis, the purchases with supporting documentation and contracts if any; ○ compared calculations of the allocation of directly attributable costs with the underlying supporting documents; ○ verified on test basis, the weighted average calculations of raw material stock as per accounting policy; ○ tested the calculations of the actual overhead costs and checked allocation of labor and overhead costs to the finished goods and work in process; ○ 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 ○ 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.

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) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.


The engagement partner on the audit resulting in this independent auditor's report is Zulfikar Ali Causer.

KARACHI

DATED: 08 SEP 2021



BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS



STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2021

	Note	2021 Rupees	2020 Rupees
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment	6	656,221,677	784,876,532
Intangible asset	7	280,000	466,667
Investment property	8	116,631,922	-
Long term deposits		5,047,486	5,372,930
Investment in equity accounted associate	9	2,668,585	3,495,659
		780,849,670	794,211,788
CURRENT ASSETS			
Stores and spares	10	40,276,144	31,299,080
Stock-in-trade	11	453,390,070	452,376,885
Trade debts	12	151,204,854	43,734,368
Loans and advances	13	16,743,113	12,331,436
Trade deposits, prepayments and other receivable	14	12,457,345	1,595,440
Taxation - net	15	53,903,416	107,091,713
Cash and bank balances	16	3,746,928	1,460,494
		731,721,870	649,889,416
TOTAL ASSETS		1,512,571,540	1,444,101,204
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
15,000,000 (June 30, 2020 : 15,000,000) ordinary shares of Rs. 10/- each		150,000,000	150,000,000
Issued, subscribed and paid-up capital			
3,900,000 ordinary shares of Rs. 10/- each	17	39,000,000	39,000,000
Loan from Chief Executive and Director	18	55,000,000	110,000,000
Capital reserve	19	10,000,000	10,000,000
Revenue reserves		489,997,768	334,892,995
		593,997,768	493,892,995
NON - CURRENT LIABILITIES			
Deferred taxation	20	72,637,090	42,565,400
Long term financing - secured	21	230,801,891	303,453,486
Security deposit		5,400,000	-
Deferred government grant	22	791,086	2,862,788
		309,630,067	348,881,674
CURRENT LIABILITIES			
Trade and other payable	23	153,834,148	113,502,722
Accrued profit	24	6,846,778	18,767,466
Current portion of long term financing - secured	21	135,218,883	23,179,838
Current portion of deferred government grant	22	4,184,638	2,884,006
Short term borrowings - secured	25	307,904,890	441,954,267
Unpaid dividend		334,227	351,946
Unclaimed dividend		620,141	686,290
		608,943,705	601,326,535
TOTAL EQUITY AND LIABILITIES		1,512,571,540	1,444,101,204
CONTINGENCIES AND COMMITMENTS			
	26		

The annexed notes from 1 to 51 form an integral part of these financial statements.



Muhammad Haroon Qassim
Chief Executive



Abdul Ghaffar Umer Kapadia
Director



Yasir Yousuf Chhabra
Chief Financial Officer

STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 Rupees	2020 Rupees
Sales - net	27	2,148,550,393	1,708,620,654
Cost of sales	28	(1,484,717,849)	(1,292,601,578)
Gross profit		663,832,544	416,019,076
Selling and distribution expenses	29	(318,350,706)	(277,342,742)
Administrative and general expenses	30	(51,226,977)	(67,786,821)
Reversal of impairment loss on trade debts		3,290,479	3,108,212
Other operating expenses	31	(31,431,667)	(588,264)
Other operating income	32	14,427,008	8,123,313
Operating profit before finance costs		280,540,681	81,532,774
Share of loss on equity accounted associate	9	(827,074)	(504,341)
Finance costs	33	(52,491,216)	(100,882,938)
Profit / (loss) before taxation		227,222,391	(19,854,505)
Taxation	34	(72,117,618)	1,401,097
Profit / (loss) for the year		155,104,773	(18,453,408)
Earnings / (loss) per share - basic and diluted	35	39.77	(4.73)

The annexed notes from 1 to 51 form an integral part of these financial statements.



Muhammad Haroon Qassim
Chief Executive



Abdul Ghaffar Umer Kapadia
Director



Yasir Yousuf Chhabra
Chief Financial Officer

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2021

	2021 Rupees	2020 Rupees
Profit / (loss) for the year	155,104,773	(18,453,408)
Other comprehensive income	-	-
Total comprehensive income / (loss) for the year	<u>155,104,773</u>	<u>(18,453,408)</u>

The annexed notes from 1 to 51 form an integral part of these financial statements.



Muhammad Haroon Qassim
Chief Executive



Abdul Ghaffar Umer Kapadia
Director



Yasir Yousuf Chhabra
Chief Financial Officer

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 Rupees	2020 Rupees
Cash flows from operating activities			
Cash generated from operations	36	275,580,836	95,947,701
Finance costs paid		(64,411,905)	(95,228,024)
Income tax - net		11,142,369	(45,983,709)
Security deposit		5,400,000	-
Net cash generated from / (used in) operating activities		227,711,300	(45,264,032)
Cash flows from investing activities			
Fixed capital expenditure including capital work in progress		(79,118,527)	(245,228,283)
Addition in intangible assets	7.1	-	(560,000)
Sale proceeds from disposal of property, plant and equipment		4,239,688	264,834
Net cash used in investing activities		(74,878,839)	(245,523,449)
Cash flows from financing activities			
Long term financing - net		38,616,380	146,620,393
Loan (repaid) / received from Chief Executive and Director	18	(55,000,000)	88,300,000
Short term murabaha finance and istisna finance - net		(129,820,741)	65,043,391
Dividend paid		(83,868)	(4,844,277)
Net cash (used in) / generated from financing activities		(146,288,229)	295,119,507
Net increase in cash and cash equivalents		6,544,232	4,332,026
Cash and cash equivalents at the beginning of the year	37	(181,537,563)	(185,460,400)
Effect of movements in exchange rates on cash held		(29,162)	(409,189)
Cash and cash equivalents at end of the year	37	(175,022,493)	(181,537,563)

The annexed notes from 1 to 51 form an integral part of these financial statements.



Muhammad Haroon Qassim
Chief Executive



Abdul Ghaffar Umer Kapadia
Director



Yasir Yousuf Chhabra
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2021

Issued, subscribed and paid-up capital	Loan from Chief Executive and Director	Reserve				Sub total	Total
		Capital reserve	Revenue reserves				
		Share Premium	General	Unappropriated profit			
----- (Rupees) -----							
Balance as at July 1, 2019	39,000,000	21,700,000	10,000,000	55,000,000	303,221,403	368,221,403	428,921,403
Total comprehensive loss for the year ended June 30, 2020							
Loss for the year	-	-	-	-	(18,453,408)	(18,453,408)	(18,453,408)
Other comprehensive income for the year	-	-	-	-	-	-	-
	-	-	-	-	(18,453,408)	(18,453,408)	(18,453,408)
Transactions with owners							
Dividend for the year June 30, 2019 - Final '1' @ Rs. 1.25 per share	-	-	-	-	(4,875,000)	(4,875,000)	(4,875,000)
Loan received during the year	-	88,300,000	-	-	-	-	88,300,000
Balance as at June 30, 2020	<u>39,000,000</u>	<u>110,000,000</u>	<u>10,000,000</u>	<u>55,000,000</u>	<u>279,892,995</u>	<u>344,892,995</u>	<u>493,892,995</u>
Balance as at July 1, 2020	39,000,000	110,000,000	10,000,000	55,000,000	279,892,995	344,892,995	493,892,995
Total comprehensive income for the year ended June 30, 2021							
Profit for the year	-	-	-	-	155,104,773	155,104,773	155,104,773
Other comprehensive income for the year	-	-	-	-	-	-	-
	-	-	-	-	155,104,773	155,104,773	155,104,773
Transactions with owners							
Loan repaid during the year	-	(55,000,000)	-	-	-	-	(55,000,000)
Balance as at June 30, 2021	<u>39,000,000</u>	<u>55,000,000</u>	<u>10,000,000</u>	<u>55,000,000</u>	<u>434,997,768</u>	<u>499,997,768</u>	<u>593,997,768</u>

The annexed notes from 1 to 51 form an integral part of these financial statements.



Muhammad Haroon Qassim
Chief Executive



Abdul Ghaffar Umer Kapadia
Director



Yasir Yousuf Chhabra
Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

1 STATUS AND NATURE OF BUSINESS

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

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is situated at office No. 1007, 10th Floor, Business Avenue, Block 6, P.E.C.H.S., Shahr-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 convention except as disclosed otherwise.

3.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupees 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 note 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 5.17)

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, 2021

The following standards, amendments and interpretations are effective for the year ended June 30, 2021. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the financial statements.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32 to update these pronouncements with regard to references to and quotes from the framework or to indicate where they refer to different version of the Conceptual Framework.	
Amendments to IFRS 3 'Business Combinations' - Definition of a business	January 01, 2020
Amendments to IFRS 9 'Financial Instruments', IAS 39 'Financial Instruments: Recognition and Measurement' and IFRS 7 'Financial Instruments: Disclosures Interest rate benchmark reform	January 01, 2020
Amendments to IFRS 16 'Leases' - Covid - 19 related rent concessions	June 01, 2020
Amendments to IAS 1 'Presentation of Financial Statements' and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of materiality	January 01, 2020

Certain annual improvements have also been made to a number of IFRSs.

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.

Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	January 01, 2021
Amendments to IFRS 3 'Business Combinations' - Reference to the conceptual framework	January 01, 2022
Amendments to IFRS 16 'Leases' - Extended practical relief regarding Covid - 19 related rent concessions	April 01, 2021
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2023
Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of Accounting Policies	January 01, 2023

	Effective date (annual periods beginning on or after)
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 16 'Property, Plant and Equipment' - Proceeds before intended use	January 01, 2022
Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts - Cost of fulfilling a contract	January 01, 2022

The following new standards and interpretations have been issued by the International Accounting Standards Board (IASB), which have not been adopted locally by the Securities and Exchange Commission of Pakistan (SECP):

IFRS 1	First Time Adoption of International Financial Reporting Standards; and
IFRS 17	Insurance Contracts.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 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 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 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

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 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

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 recognized using the statement of financial position liability method, providing for all the temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that are enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences. A deferred tax asset is recognized for all deductible differences, carry forward of unused tax credits and unused tax losses to the extent that it is probable that future taxable profits or taxable temporary difference will be available against which the asset can be utilized. Deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefits will be realized.

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.

5.17 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.

5.18 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.

5.19 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.

	Note	2021 Rupees	2020 Rupees
6 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	6.1	653,332,458	762,126,973
Capital work in progress	6.6	2,889,219	22,749,559
		<u>656,221,677</u>	<u>784,876,532</u>

6.1 Operating fixed assets

The following is the statement of operating fixed assets:

Description	Leasehold land Note 6.5	Building on leasehold land Note 6.5	Plant and machinery Note 6.5	Office equipment	Furniture and fittings	Computers	Motor vehicles	Total
----- (Rupees) -----								
Net carrying value basis								
year ended June 30, 2021								
Opening net book value	114,760,125	75,882,114	552,329,720	5,699,140	11,777,312	1,278,002	400,560	762,126,973
Addition (at cost)	-	406,977	93,162,386	2,151,515	1,950,992	1,306,999	-	98,978,869
Disposal (at NBV)	-	-	(14,951,793)	-	-	(31,192)	(154,046)	(15,137,031)
Transfer to Investment Property	(109,761,885)	(6,870,037)	-	-	-	-	-	(116,631,922)
Impairment charged	-	-	(3,766,189)	-	-	-	-	(3,766,189)
Depreciation charged	(1,199,278)	(7,602,930)	(60,509,500)	(989,736)	(1,302,844)	(569,823)	(64,131)	(72,238,242)
Closing net book value	3,798,962	61,816,124	566,264,624	6,860,919	12,425,460	1,983,986	182,383	653,332,458
Gross carrying value basis								
year ended June 30, 2021								
Cost	4,923,000	172,847,866	904,605,813	11,452,983	18,202,826	6,903,264	2,021,029	1,120,956,781
Accumulated depreciation	(1,124,038)	(111,031,742)	(334,575,000)	(4,592,064)	(5,777,366)	(4,919,278)	(1,838,646)	(463,858,134)
Accumulated impairment	-	-	(3,766,189)	-	-	-	-	(3,766,189)
Closing net book value	3,798,962	61,816,124	566,264,624	6,860,919	12,425,460	1,983,986	182,383	653,332,458
Net carrying value basis								
year ended June 30, 2020								
Opening net book value	115,959,403	80,412,492	386,472,900	4,746,782	7,387,251	1,947,710	500,700	597,427,238
Addition (at cost)	-	3,730,960	221,752,040	1,892,728	5,541,515	-	-	232,917,243
Disposal (at NBV)	-	-	(191,232)	(136,520)	-	(116,157)	-	(443,909)
Depreciation charged	(1,199,278)	(8,261,338)	(55,703,988)	(803,850)	(1,151,454)	(553,551)	(100,140)	(67,773,599)
Closing net book value	114,760,125	75,882,114	552,329,720	5,699,140	11,777,312	1,278,002	400,560	762,126,973
Gross carrying value basis								
year ended June 30, 2020								
Cost	119,927,844	186,583,990	852,949,983	9,301,468	16,251,834	5,806,622	5,927,404	1,196,749,145
Accumulated depreciation	(5,167,719)	(110,701,876)	(300,620,263)	(3,602,328)	(4,474,522)	(4,528,620)	(5,526,844)	(434,622,172)
Net book value	114,760,125	75,882,114	552,329,720	5,699,140	11,777,312	1,278,002	400,560	762,126,973
Depreciation rate (% per annum)	1%	10%	10%	10% & 30%	10%	30%	20%	

6.2 The following property plant and equipment having book value exceeding Rs. 0.500 million were sold during the year:

Description	Cost	Accumulated depreciation	Book value	Sale proceeds	Gain / (loss)	Mode of disposal	Particular of buyers
----- (Rupees) -----							
Machinery	2,097,699	1,202,245	895,454	407,056	(488,398)	Negotiation	HVAC DOT COM
Machinery	2,000,584	1,264,523	736,061	84,275	(651,786)	Negotiation	Mr. M. Pervaiz
Machinery	2,312,943	1,124,860	1,188,083	11,633	(1,176,450)	Negotiation	Mr. M. Pervaiz
Machinery	2,840,921	979,553	1,861,368	18,225	(1,843,143)	Negotiation	Mr. M. Pervaiz
Machinery	3,284,345	695,347	2,588,998	25,349	(2,563,649)	Negotiation	Mr. M. Pervaiz
Machinery	3,508,277	742,756	2,765,521	27,077	(2,738,444)	Negotiation	Mr. M. Pervaiz

	Note	2021 Rupees	2020 Rupees
Gross carrying value basis			
Cost		4,787,334	4,787,334
Accumulated amortization		(4,507,334)	(4,320,667)
Net book value		<u>280,000</u>	<u>466,667</u>
Amortization rate % per annum		33.33%	33.33%

7.2 Amortisation has been allocated as follows:

Cost of sales	28	173,333	86,667
Administrative and general expenses	30	13,334	6,666
		<u>186,667</u>	<u>93,333</u>

7.3 Intangible assets as at June 30, 2021 include items having an aggregate cost of Rs. 4.227 million (2020: Rs. 4.227 million) that have been fully amortized and are still in use of the Company.

8 INVESTMENT PROPERTY

Investment property - at cost	8.1	<u>116,631,922</u>	-
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8.1 INVESTMENT PROPERTIES

Particulars	June 30, 2021									
	Cost				Depreciation				Written down value as at June 30, 2021	Depreciation rate (%per annum)
	As at July 1, 2020	Transfer from property plant and equipment	Deletion / transfer out	As at June 30, 2021	As at July 1, 2020	Depreciation for the year / transfer in	on disposal	As at June 30, 2021		
(Rupees)										
Leasehold land	-	109,761,885	-	109,761,885	-	-	-	-	109,761,885	1%
Building on leasehold lar	-	6,870,037	-	6,870,037	-	-	-	-	6,870,037	10%
	-	<u>116,631,922</u>	-	<u>116,631,922</u>	-	-	-	-	<u>116,631,922</u>	

8.2 Investment property has been transferred from property plant equipment at the year end. Therefore, there is no rental income and accordingly no depreciation has been charged.

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

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

	Note	2021 Rupees	2020 Rupees
9 INVESTMENT IN EQUITY ACCOUNTED ASSOCIATE			
Carrying value		3,495,659	4,000,000
Less: Share of loss on equity accounted associate		(827,074)	(504,341)
	9.1	<u>2,668,585</u>	<u>3,495,659</u>
9.1 This represents investment made in ordinary shares of Rs. 10 each of Saaf Sehatmand Services (Private) Limited that represents 10% (i.e. 400,000 shares) of the total holding of the Company. Further, the Company has significant influence over investee based on shareholders' agreement, accordingly, the investment has been accounted for as equity accounted associate.			
10 STORES AND SPARES			
Stores and spares		39,985,082	34,235,092
Spares in transit		291,062	-
Provision against slow moving stores and spares	10.1	-	(2,936,012)
		<u>40,276,144</u>	<u>31,299,080</u>
10.1 Provision for slow moving stores and spares			
Opening balances		2,936,012	4,155,540
Provision write off / reversed during the year	10.2	(2,936,012)	(1,219,528)
Closing balances		<u>-</u>	<u>2,936,012</u>
10.2 During the year, the Company has written off the stores and spares amounting to Rs. 3.660 million which includes provision for slow moving store and spares amounting to Rs.2.936 million.			
11 STOCK-IN-TRADE			
Manufacturing:			
Raw and packing materials			
in hand		244,187,424	368,201,325
in transit		66,596,552	2,812,801
		<u>310,783,976</u>	<u>371,014,126</u>
Work-in-process		29,113,198	17,609,185
Finished goods	11.1	99,340,160	49,062,083
Trading:			
in hand	11.1	6,296,676	14,691,491
in transit		7,856,060	-
		<u>453,390,070</u>	<u>452,376,885</u>
11.1 This includes finished goods with cost of Rs. 46.794 million (2020: 18.940 million) which are being carried at their net realizable value of Rs. 42.706 million (2020: 17.479 million).			
12 TRADE DEBTS			
(Unsecured - considered good)			
Due from associated undertakings	12.1	125,814,755	12,633,008
Others		25,390,099	31,101,360
		<u>151,204,854</u>	<u>43,734,368</u>
(Unsecured - considered doubtful)			
Considered good		1,516,710	4,807,189
Allowance for expected credit losses	12.4	(1,516,710)	(4,807,189)
		<u>151,204,854</u>	<u>43,734,368</u>

	Note	2021 Rupees	2020 Rupees
12.1	This comprises of amounts receivable from:		
		-	12,425,861
		125,109,422	-
		-	13,500
		5,581	139,500
		83,373	37,767
		16,380	16,380
		599,999	-
	12.2	<u>125,814,755</u>	<u>12,633,008</u>
12.2	The aging of related party balances at the reporting date is as follows:		
		125,109,422	12,544,450
		607,565	84,551
		97,768	4,007
		<u>125,814,755</u>	<u>12,633,008</u>
12.3	The maximum amount due from related parties at the end of any month during the year was Rs. 125.81 million (2020: Rs. 13.00 million).		
12.4	Allowance for expected credit losses		
		4,807,189	7,915,401
		(3,290,479)	(3,108,212)
		<u>1,516,710</u>	<u>4,807,189</u>
13	LOANS AND ADVANCES		
		1,092,608	100,000
	13.1	15,470,757	11,413,162
		179,748	818,274
		<u>15,650,505</u>	<u>12,231,436</u>
		<u>16,743,113</u>	<u>12,331,436</u>
13.1	This represents advances to suppliers in the normal course of business and does not carry any interest or mark-up.		
14	TRADE DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
		6,785,291	-
	14.1	2,453,996	493,996
		533,584	55,864
		1,045,580	1,045,580
	14.2	1,638,894	-
		<u>12,457,345</u>	<u>1,595,440</u>
14.1	This represents short term deposits in the normal course of business and does not carry any interest or mark-up.		

	Note	2021 Rupees	2020 Rupees
14.2 Workers' profit participation fund			
Opening balance		-	(4,596,699)
Provision made during the year		(11,361,106)	-
		(11,361,106)	(4,596,699)
Interest on funds utilised in the Company's business		-	(34,503)
		(11,361,106)	(4,631,202)
Amounts paid		13,000,000	4,631,202
Closing balance		1,638,894	-
15 TAXATION - NET			
Advance taxation		55,675,002	62,263,860
Income tax refundable		39,255,011	58,456,084
Provision for taxation	34	(41,026,597)	(13,628,231)
		53,903,416	107,091,713
16 CASH AND BANK BALANCES			
Cash in hand			
Local currency		183,298	160,502
Foreign currency		486,570	533,740
		669,868	694,242
Cash at bank			
Current account	16.1	3,077,060	766,252
		3,746,928	1,460,494

16.1 This includes balances amounting to Rs. 2.797 million (2020: Rs. 0.559 million) with Shariah compliant banks.

17 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

Number of ordinary shares of Rs. 10/- each			2021 Rupees	2020 Rupees
2021	2020			
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
3,900,000	3,900,000		39,000,000	39,000,000

17.1 Percentage of shares held by Directors, Chief Executive Officer and their spouses as at June 30, 2021 is 74.45% (2020: 74.46%).

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 CHIEF EXECUTIVE AND DIRECTOR

The Company has obtained a long term interest free loan from the Chief Executive and the Director which at the reporting date amounts to Rs. 55 million (2020: 92.7 million) and Rs. nil (2020: 17.3 million) respectively. 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) issued by the Institute of Chartered Accountants of Pakistan.

19 CAPITAL RESERVES

Capital reserve includes 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	2021 Rupees	2020 Rupees
Deferred tax credits / (debits) arising in respect of :		
Taxable temporary differences:		
Property, plant and equipment and investment property	73,565,959	69,389,551
Deductible temporary differences		
Intangible asset	(165,180)	(161,904)
Trade and other receivables, including advances	(426,751)	(1,300,586)
Inventories	(336,938)	(1,805,918)
Tax loss	-	(23,555,743)
	<u>72,637,090</u>	<u>42,565,400</u>

21 LONG TERM FINANCING - SECURED

	Installment payable	Repayment period	Profit rate	Note	2021 Rupees	2020 Rupees
Shariah Arrangements						
Bank Al-Habib Limited - Islamic banking	Quarterly	2017-22	0.50% above 6 months KIBOR	21.1 & 21.2	33,000,000	38,500,000
Bank Al-Habib Limited - Islamic banking	Quarterly	2019-25	0.75% above 6 months KIBOR	21.1 & 21.2	41,011,167	41,011,167
Bank Al-Habib Limited - Islamic banking	Quarterly	2019-25	1% above 6 months KIBOR	21.1 & 21.2	72,305,133	76,558,376
Meezan Bank Limited	Quarterly	2019-21	1% above 3 months KIBOR	21.1 & 21.3	2,470,491	2,470,490
Meezan Bank Limited	Quarterly	2019-22	1% above 3 months KIBOR	21.1 & 21.3	3,283,133	4,377,510
Meezan Bank Limited	Quarterly	2019-25	1% above 3 months KIBOR	21.1 & 21.3	6,635,222	7,077,570
Meezan Bank Limited	Quarterly	2019-25	1% above 3 months KIBOR	21.1 & 21.3	15,468,421	15,468,421
Meezan Bank Limited	Quarterly	2019-25	1% above 3 months KIBOR	21.1 & 21.3	4,918,075	5,191,301
Meezan Bank Limited	Quarterly	2019-25	1.2% above 3 months KIBOR	21.1 & 21.3	4,480,731	4,729,660
Meezan Bank Limited	Quarterly	2019-25	1% above 3 months KIBOR	21.1 & 21.4	81,873,609	86,990,710
Meezan Bank Limited	Quarterly	2020-23	1% above 3 months KIBOR	21.3	3,737,193	-
Meezan Bank Limited	Quarterly	2020-23	1% above 3 months KIBOR	21.3	5,945,105	-
Meezan Bank Limited	Quarterly	2020-23	1% above 3 months KIBOR	21.3	2,117,944	-
Meezan Bank Limited	Quarterly	2020-23	1% above 3 months KIBOR	21.3	3,075,999	-
Bank Al Falah Limited	Quarterly	2023-30	4% above SBP Rate	21.6	2,457,600	-
					282,779,823	282,375,205
Non shariah Arrangements						
Habib Metropolitan Bank	Quarterly	2021-22	2% above SBP Rate	21.5	83,240,951	44,258,119
					366,020,774	326,633,324
Less: Current portion shown under current liabilities						
Shariah Arrangements						
Bank Al-Habib Limited - Islamic banking				21.2	(48,662,659)	(9,753,243)
Meezan Bank Limited				21.3 & 21.4	(40,331,333)	(7,175,981)
					(88,993,992)	(16,929,224)
Non shariah Arrangements						
Habib Metropolitan Bank				21.5	(46,224,891)	(6,250,614)
					230,801,891	303,453,486

21.1 As per State Bank of Pakistan relief package, all of the principal payments under diminishing musharakah arrangements were deferred by one year. Consequently, the term for all of arrangements is increased by a year.

- 21.2 The Company has a long term loan arrangement with Bank Al-Habib Limited - Islamic banking for an amount of Rs. 239.993 million (2020: Rs. 236.647 million). The term of the loan was 5 years from the date of disbursement, repayable in 20 equal quarterly installments. During the year, the Company has made repayment of Rs. 13.099 million (2020: Rs. 25.578 million) on which, profit rate was ranging from 7.63% to 14.45% (2020: 13.57% to 15.08%) per annum. The Company has total facility of Rs. 459.667 million. Islamic finance under this diminishing musharakah is secured by a equitable mortgage of head office property, first exclusive charge of particular machinery of the Company and personal guarantee of Chairman of the Board of Directors.
- 21.3 The Company has a long term loan arrangement with Meezan Bank Limited for an amount of Rs. 79.844 million (2020: Rs. 61.662 million). The term of the loan was from 2 to 5 years from the date of disbursement, repayable in 8 to 20 equal quarterly installments. During the year, the Company has made repayment of Rs. 5.364 million (2020: Rs. 16.311 million) on which, profit rate was ranging from 7.86% to 11.94% (2020: 12.15% to 14.91%) per annum. The Company has total facility of Rs. 95 million. Islamic finance under this diminishing musharakah is secured by a first exclusive charge over particular machinery of the Company.
- 21.4 The Company has a long term loan arrangement with Meezan Bank Limited of an amount of Rs. 102.342 million. 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 has made repayment of Rs. 5.117 million (2020: Rs. 15.351 million) on which, profit rate was ranging from 8.27% to 9.37% (2020: 12.29% to 15.11%) per annum. The Company has total facility of Rs. 125 million. Islamic finance under this diminishing musharakah 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.
- 21.5 The Company has entered a long term loan arrangement with Habib Metropolitan Bank Limited of an amount of Rs. 100.819 million (2020: Rs. 50.004 million). The term of the loan was 2 years from the date of disbursement, repayable in 8 equal quarterly installments started from April 2021. During the year, the Company had made repayment of Rs. 12.602 million (2020: Rs. Nil) on which, profit was 2% per annum. The Company has total facility of Rs. 107 million obtained specifically for payment of salaries and wages to company's employees under refiance scheme of State Bank of Pakistan. SBP-Refinance Scheme is secured by Pari Passu charge over movables & recievables (Stock and recievables) of the company with 25% margin for Rs. 142.667 million. During the year, the Company received Rs. 50.815 million (2020: Rs.50.004 million).
- 21.6 The Company has entered a long term loan arrangement with Bank Al Falah Limited under SBP - ITERF scheme of an amount of Rs. 180 million (2020: Rs. nil). The term of the loan was 10 years from the date of disbursement including 2 years grace period, repayable in 32 equal quarterly installments. The Company has total facility of Rs. 180 million. SBP-ITERF Scheme is secured by first exclusive charge over specific plant & machinery imported through BAFL with 25% margin of Rs. 60 million secured by first pari passu charge of over existing and future plant and machinery of the company and cross corporate guarantee of related party PharmaEvo (Pvt) Limited for Rs. 60 million, and personal guarantee of Chairman of the Board of Director for Rs. 225 million.

	Note	2021 Rupees	2020 Rupees
22 DEFERRED GOVERNMENT GRANT			
Government grant	22.1	4,975,724	5,746,794
Less: Current portion shown under current liabilities		(4,184,638)	(2,884,006)
		<u>791,086</u>	<u>2,862,788</u>

- 22.1 The Company had availed long term financing facility as described in detailed in note 21.5 to the financial statements. Institute of Chartered Accountants of Pakistan (ICAP) issued the guidance for accounting of said financing through circular No. 11/2020. Accordingly, the Company recognized the Deferred Government Grant in accordance with the requirements of 'IAS 20-Accounting for Government Grants and Disclosure of Government Assistance'.

	Note	2021 Rupees	2020 Rupees
23 TRADE AND OTHER PAYABLES			
Creditors		96,042,754	62,461,909
Accrued liabilities	23.1	29,742,083	8,957,302
Retention money		-	24,382
Sales tax payable		4,197,718	24,287,632
Workers' Welfare fund		4,653,372	-
Advance from customers - unsecured		19,198,221	17,771,497
		<u>153,834,148</u>	<u>113,502,722</u>

23.1 Accrued liabilities

Salaries, wages and other benefits		18,432,933	650,073
Accrued expenses		10,714,145	7,712,224
Auditors' remuneration payable		595,005	595,005
		<u>29,742,083</u>	<u>8,957,302</u>

- 23.2 The investments by the provident fund in collective investment schemes, listed equity and debts securities have been made in accordance with the conditions specified in section 218 of the Companies Act, 2017 and rules specified thereunder.

24 ACCRUED PROFIT

Long-term financing from Banks			
Shariah Arrangement:			
Diminishing musharakah		3,300,687	5,253,518
Non shariah Arrangement:			
Salary refinancing		439,874	90,562
Short-term borrowings from Banks			
Murabaha financing		432,098	5,753,187
Musharakah financing		2,546,078	6,041,584
Istisna financing		128,041	1,628,615.00
		<u>3,106,217</u>	<u>13,423,386</u>
		<u>6,846,778</u>	<u>18,767,466</u>

25 SHORT TERM BORROWINGS - SECURED

From banking companies - secured			
Islamic mode			
Murabaha finance		85,293,936	144,005,933
Running musharakah		178,769,421	182,998,057
Istisna financing		43,841,533	114,950,277
	25.1	<u>307,904,890</u>	<u>441,954,267</u>

- 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. 600 million (2020: Rs. 600 million) out of which Rs. 225 million (2020: Rs 225 million) is interchangeable with running musharakah & Rs. 325 million (2020: Rs. 223.13) with istisna. In addition, the Company has running musharakah facility of Rs. 50 million (2020 Rs. 50 million). During the period, profit rate on such arrangements ranged between KIBOR + 0.50% to KIBOR + 0.85% (2020: KIBOR + 0.30% to KIBOR + 0.75%) per annum.

26 CONTINGENCIES AND COMMITMENTS

26.1 Contingencies

- 26.1.1 During the year ended June 30, 2021, the High Court of Sindh disposed off the suit filed by Beecham Group Plc, in favor of the Company. The suit was for permanent injunction, restraining infringement, passing off the trademark "Flex". Consequently, previously submitted bank guarantee of Rs. 5 million has been received by the Company as per the order of the High Court of Sindh.

- 26.1.2 Contingent liability in respect of bank guarantees as at June 30, 2021 was Rs. 12.77 million (2020: Rs. 7.10 million). Out of this, Rs. 5.2 million (2020: Rs. 5.2 million) and Rs. 7.43 million (2020: Rs. 1.76 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.

- 26.1.3 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.

- 26.1.4 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.

- 26.1.5 The Company had filed a constitutional petition in Honourable High Court of Sindh on December 26, 2019 against Federation of Pakistan, Federal Board of Revenue and Commissioner of Inland Revenue challenging the changes made through Finance Act, 2019 in relation to curtailment of tax credit under section 65B from the period June 30, 2021 to June 30, 2019 and additionally reducing tax credit under section 65B from 10% to 5%, for the tax year 2019. The Honourable High Court of Sindh has granted a stay order and consequently the Company has claimed tax credit. In case the decision comes against the Company, it will increase tax expense of Rs. 26.284 million. Based on the Company's legal counsel advice, the management is of the opinion that the matter will be decided in favour of the Company, therefore no provision has been made in these financial statements.

- 26.1.6 The Company had filed a constitutional petition in Honourable High Court of Sindh on April 28, 2020 against Federation of Pakistan, National Electric Power Regulatory Authority and K-Electric Limited challenging the retrospective ISPA levy amounting to Rs. 5,166,379/- that is related to the period from July 2019 to December 2019. The Company has submitted a cheque of the aforesaid amount in favour of the Nazir of the Sindh High Court. During the year, the High Court of Sindh has decided the constitutional petition in favour of the Company through judgement dated September 28, 2020. K-Electric Limited has filed CPLA against the judgement in the Supreme Court of Pakistan. The matter is pending adjudication.
- 26.1.7 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 has 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.

26.2 Commitments

- 26.2.1 The Company has commitments for purchases amounting to Rs. 119.654 million (2020: Rs. 18.509 million).
- 26.2.2 The Company has letter of credit and other commitments for capital expenditures amounting to Rs. 167.996 million (2020: Rs. 42.291 million).

	Note	2021 Rupees	2020 Rupees
27 SALES - NET			
Gross sales			
Local sales		2,627,637,349	2,190,801,054
Sales tax		(383,522,660)	(321,324,797)
		2,244,114,689	1,869,476,257
Discounts		(100,044,962)	(161,525,999)
		2,144,069,727	1,707,950,258
Export sales		4,480,666	670,396
		2,148,550,393	1,708,620,654

27.1 Information by geographical area for export sales

Mozambique	4,377,896	670,396
Ireland	102,770	-
	4,480,666	670,396

- 27.2 Out of the total sales, sales to premier agencies and premier sales (private) limited the related parties comprise of nil (2020: 89.22%) and 88.63% (2020: nil) respectively.

	Note	2021 Rupees	2020 Rupees
28 COST OF SALES			
Raw and packaging materials consumed	28.1	1,073,241,397	842,534,428
Salaries, wages and other benefits	28.2	210,297,572	179,858,229
Fuel and power		82,469,696	54,210,024
Stores and spares consumed		26,361,265	32,653,673
Depreciation	6.3	67,063,654	62,422,792
Amortization	7.2	173,333	86,667
Repairs and maintenance		23,092,935	16,355,521
Traveling and conveyance		18,862	1,615,668
Rents, rates and taxes		3,686,282	4,158,763
Insurance		3,572,212	3,293,663
Freight		1,194,733	1,749,910
Printing and stationery		685,263	662,010
Postage, telegram and telephone		720,290	1,336,510
Others		4,360,076	2,664,833
		<u>1,496,937,570</u>	<u>1,203,602,691</u>
Opening inventory of work in process		17,609,185	19,439,910
Closing inventory of work in process		(29,113,198)	(17,609,185)
		<u>(11,504,013)</u>	<u>1,830,725</u>
		<u>1,485,433,557</u>	<u>1,205,433,416</u>
Opening inventory of finished goods (including trading goods)		63,753,574	77,915,896
Purchase of trading goods		41,167,555	73,005,840
Closing inventory of finished goods (including trading goods)		(105,636,837)	(63,753,574)
		<u>(715,708)</u>	<u>87,168,162</u>
		<u>1,484,717,849</u>	<u>1,292,601,578</u>
28.1 Raw & packaging material consumed			
Opening stock		368,201,325	266,400,674
Purchases		949,227,496	944,335,079
		<u>1,317,428,821</u>	<u>1,210,735,753</u>
Closing stock		(244,187,424)	(368,201,325)
		<u>1,073,241,397</u>	<u>842,534,428</u>
28.2 Detail of salaries, wages and other benefits			
Salaries, wages and other benefits		206,478,468	176,286,140
Provident fund contributions		3,819,104	3,572,089
		<u>210,297,572</u>	<u>179,858,229</u>
29 SELLING AND DISTRIBUTION EXPENSES			
Salaries, wages and other benefits	29.1	156,598,483	126,572,780
Traveling and conveyance		36,148,159	40,126,891
Depreciation	6.3	2,808,716	2,829,343
Advertisement and sales promotion		60,423,958	57,409,241
Postage, telegram and telephone		943,794	546,629
Vehicle repairs and maintenance		2,065,600	1,768,971
Printing & stationery		70,459	62,912
Insurance		121,538	134,460
Freight		56,374,477	43,871,254
Legal and professional		1,183,975	2,057,800
Others		1,611,547	1,962,461
		<u>318,350,706</u>	<u>277,342,742</u>

	Note	2021 Rupees	2020 Rupees
29.1	Detail of salaries, wages and other benefits		
	Salaries, wages and other benefits	154,387,263	125,524,170
	Provident fund contributions	2,211,220	1,048,610
		<u>156,598,483</u>	<u>126,572,780</u>
30	ADMINISTRATIVE AND GENERAL EXPENSES		
	Salaries, wages and other benefits	30.1 31,156,381	44,559,623
	Repairs and maintenance	3,824,027	4,639,433
	Depreciation	6.3 2,365,872	2,521,464
	Amortization	7.2 13,334	6,666
	Traveling and conveyance	161,578	280,889
	Postage, telegram and telephone	1,663,570	1,128,489
	Rent, rates and taxes	3,146,179	295,270
	Insurance	215,953	208,016
	Electricity and water charges	866,527	1,208,960
	Printing and stationery	930,236	1,108,563
	Legal and professional	4,284,013	9,119,830
	Security charges	77,739	325,585
	Fees and subscription	821,089	838,849
	Director meeting fees	260,000	440,000
	Charity and donations	30.2 710,000	400,000
	Auditors' remuneration	30.3 684,105	684,105
	Others	46,374	21,079
		<u>51,226,977</u>	<u>67,786,821</u>
30.1	Detail of salaries, wages and other benefits		
	Salaries, wages and other benefits	30,008,640	42,517,426
	Provident fund contributions	1,147,741	2,042,197
		<u>31,156,381</u>	<u>44,559,623</u>
30.2	Break down of donation is as follows:		
	Family Educational Services Foundation	240,000	240,000
	Pak Rehabilitation Education Welfare Association	320,000	160,000
	Habib Public School	150,000	-
		<u>710,000</u>	<u>400,000</u>
30.2.1	The directors or their spouses have no interest in the donation made during the year.		
30.3	Auditors' remuneration		
	Annual audit fee	550,000	550,000
	Half yearly review fee	31,931	31,931
	Compliance with corporate governance review fee	27,500	27,500
	Out of pocket	24,000	24,000
	Sales Tax	50,674	50,674
		<u>684,105</u>	<u>684,105</u>

	Note	2021 Rupees	2020 Rupees
31 OTHER OPERATING EXPENSES			
Provision for:			
Workers' Profit Participation Fund		11,361,106	-
Workers' Welfare Fund		4,653,372	-
Impairment of fixed assets		3,766,188	-
Loss on foreign exchange		29,162	409,189
Loss on disposal of operating fixed assets		10,897,343	179,075
Loss on disposal of stores and spares		724,496	-
		31,431,667	588,264
32 OTHER OPERATING INCOME			
Scrap sales		7,869,747	5,588,991
Other income		175,406	-
Grant income		4,845,121	253,316
Exchange gain on purchases		1,536,734	-
Reversal of provision:			
Workers' Welfare Fund - prior		-	1,061,478
Slow moving stores and spares		-	1,219,528
		14,427,008	8,123,313
33 FINANCE COSTS			
Shariah Arrangement			
Profit on short term borrowings		19,794,343	59,208,758
Rent on diminishing musharakah		25,433,090	40,783,562
Guarantee commission		35,628	14,208
Bank charges		529,931	408,682
		45,792,992	100,415,210
Non-Shariah Arrangement			
Interest on WPPF		-	34,503
Interest on salary refinancing		6,625,443	343,878
Guarantee commission		41,310	23,296
Bank charges		31,471	66,051
		52,491,216	100,882,938
34 TAXATION			
Current			
for the year		41,026,597	13,628,231
prior year		1,019,331	(8,019,649)
		42,045,928	5,608,582
Deferred		30,071,690	(7,009,679)
	34.1	72,117,618	(1,401,097)

	Note	2021 Rupees	2020 Rupees
34.1 Relationship between taxation expense and accounting profit			
Profit / (loss) before taxation		227,222,391	(19,854,505)
Tax at the applicable income tax rate of 29% (2020: 29%)		65,894,493	(5,757,806)
Tax effect of inadmissible expenses / losses			
Impact of turnover tax		-	26,161,419
Tax effect of income assessed under final tax regime		124,306	3,554,904
Rate change impact - deferred tax		2,805,272	-
Tax credit allowed		-	(17,462,624)
Prior year tax		1,019,331	(8,019,649)
Permanent differences		347,791	-
Others		1,926,425	122,660
		72,117,618	(1,401,097)
35 EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED			
Profit / (loss) for the year		155,104,773	(18,453,408)
		(Number of shares)	
Weighted average number of ordinary shares in issue during the year		3,900,000	3,900,000
Earnings / (loss) per share basic and diluted		39.77	(4.73)
36 CASH GENERATED FROM OPERATIONS		Rupees	Rupees
Profit / (loss) before taxation		227,222,391	(19,854,505)
Adjustments for:			
Depreciation	6.3	72,238,242	67,773,599
Amortization	7.2	186,667	93,333
Impairment net of disposal		3,766,188	-
Share of loss on equity accounted associate	9	827,074	504,341
Reversal of impairment loss on trade receivables	12.4	(3,290,479)	(3,108,212)
Reversal against slow moving stores and spares	10.1	-	(1,219,528)
Exchange Loss		29,162	409,189
Loss on disposal of property, plant and equipment		10,897,343	179,075
Disposal of stores and spares		3,660,508	-
Finance costs	33	52,491,216	100,882,938
Changes in:			
Stores and spares		(12,637,572)	(6,937,950)
Stock-in-trade		(1,013,185)	(60,059,742)
Trade receivables		(104,180,007)	(17,651,883)
Loans and advances		(4,411,677)	(9,535,284)
Long term deposits		325,444	(561,540)
Trade deposits and short term prepayments		(10,861,905)	12,887,277
Trade and other payables		40,331,426	32,146,593
Cash generated from operations		275,580,836	95,947,701

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

	Long term financing	Loan from a Director and CEO	Short term borrowings	Dividend payable	Total
Note	21	18	25		
-----Rupees-----					
Opening balance	332,380,118	110,000,000	258,956,210	1,038,236	702,374,564
Dividend declared					-
Proceeds from long term loans	74,799,817	-	-	-	74,799,817
Proceeds from short term borrowings	-	-	295,627,352	-	295,627,352
Repayment of long term loans	(36,183,440)	-	-	-	(36,183,440)
Repayment of director and CEO loan	-	(55,000,000)	-	-	(55,000,000)
Repayment of short term borrowings	-	-	(425,448,093)	-	(425,448,093)
Dividend paid	-	-	-	(83,868)	(83,868)
	38,616,377	(55,000,000)	(129,820,741)	(83,868)	(146,288,232)
Closing balance	370,996,495	55,000,000	129,135,469	954,368	556,086,332

	Note	2021 Rupees	2020 Rupees
37 CASH AND CASH EQUIVALENTS			
Running musharakah - secured	25	(178,769,421)	(182,998,057)
Cash and bank balances	16	3,746,928	1,460,494
		<u>(175,022,493)</u>	<u>(181,537,563)</u>

38 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 :

Baby care	86.64%	84.45%
Oral care	12.99%	13.59%
Hygiene	0.37%	1.96%
	<u>100.00%</u>	<u>100.00%</u>

39 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reports issued to the chief operating decision maker, the chief executive officer has been identified as the chief operating decision maker who is responsible for allocating resources and assessing performance of the operating segments.

40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

40.1 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 currency risk, interest rate risk and 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.

40.2 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:

	Note	2021 Rupees	2020 Rupees
Deposits		7,501,482	5,866,926
Loans		1,092,608	100,000
Trade debts		151,204,854	43,734,368
Bank balances		3,746,928	766,252
		<u>163,545,872</u>	<u>50,467,546</u>

All the trade debtors at the reporting date represent domestic parties.

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	125,109,422	12,425,861
Institutions / others	26,095,432	31,308,506
	<u>151,204,854</u>	<u>43,734,367</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.

The aging of trade debts at the reporting date is:

Not past due	137,755,197	37,154,775
Past due 1-30 days	9,236,254	958,478
Past due 31-180 days	4,118,719	7,968,097
Past due 181 - 360 days	624,219	663,403
Above 360 days	987,175	1,796,804
	<u>152,721,564</u>	<u>48,541,557</u>
Allowance for expected credit losses	(1,516,710)	(4,807,189)
	<u>151,204,854</u>	<u>43,734,368</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.

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.

40.3 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 five years
June 30, 2021					
Long-term financing	366,020,774	-	366,020,774	135,218,883	230,801,891
Trade and other payables	125,784,837	-	125,784,837	125,784,837	-
Accrued profit	6,846,778	-	6,846,778	6,846,778	-
Short-term borrowings	307,904,890	-	307,904,890	307,904,890	-
	<u>806,557,279</u>	<u>-</u>	<u>806,557,279</u>	<u>575,755,388</u>	<u>230,801,891</u>
June 30, 2020					
Long-term financing	326,633,324	-	326,633,324	23,179,838	303,453,486
Trade and other payables	71,443,593	-	71,443,593	71,443,593	-
Accrued profit	18,767,466	-	18,767,466	18,767,466	-
Short-term borrowings	441,954,267	-	441,954,267	441,954,267	-
	<u>858,798,650</u>	<u>-</u>	<u>858,798,650</u>	<u>555,345,164</u>	<u>303,453,486</u>

40.4 Market risk

Market risk is the risk that changes in market price, such as foreign exchange 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) Currency risk

Foreign currency risk is the risk that the future cash flow 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:

	Euro		USD		JPY		GBP	
	2021	2020	2021	2020	2021	2020	2021	2020
Outstanding letter of Credit	87,499	20,767	1,677,634	236,240	-	11,010,000	29,357	-
Net exposure	87,499	20,767	1,677,634	236,240	-	11,010,000	29,357	-

	Average rate		Reporting date rate	
	2021	2020	2021	2020
	-----Rupees-----			
USD to PKR	160.33	158.23	157.54	168.05
Euro to PKR	191.16	175.00	187.27	188.61
GBP to PKR	215.63	199.63	217.98	206.50
JPY to PKR	1.51	1.46	1.43	1.56

Sensitivity analysis

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

	Note	2021 Rupees	2020 Rupees
Effect on statement of profit or loss			
USD		26,430,061	3,970,013
Euro		1,638,613	391,686
GBP		639,917	-
JPY		-	1,717,560
		<u>28,708,591</u>	<u>6,079,259</u>

The weakening of the PKR against USD, Euro, JPY and GBP 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:

	2021	2020	2021	2020
	Effective rate (In percent)		Carrying amount (In rupees)	
Financial liabilities				
Variable rate instruments				
Long term loans	7.63 - 14.45	12.15 - 15.08	280,322,223	282,375,205
Short term borrowings	7.38 - 8.87	8.19 - 14.58	178,769,421	182,998,057
			<u>459,091,644</u>	<u>465,373,262</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, 2021		
Cash flow sensitivity - Variable rate financial liabilities	4,590,916	(4,590,916)
At June 30, 2020		
Cash flow sensitivity - Variable rate financial liabilities	4,653,733	(4,653,733)

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

	Note	2021 Rupees	2020 Rupees
40.5 Financial instruments by category			
Financial assets at amortized cost			
Deposits		7,501,482	5,866,926
Loan to employees		1,092,608	100,000
Trade debts	12	151,204,854	43,734,368
Cash and bank balances	16	3,746,928	1,460,494
		<u>163,545,872</u>	<u>51,161,788</u>
Financial liabilities at amortized cost			
Long term financing - secured	21	366,020,774	326,633,324
Trade and other payables	23	125,784,837	71,443,593
Accrued profit	24	6,846,778	18,767,466
Short term borrowings - secured	25	307,904,890	441,954,267
		<u>806,557,279</u>	<u>858,798,650</u>

41 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.

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

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

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 reprice periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

42 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 are as under:

Name	Nature of relationship	Basis of relationship	Nature of transaction	2021 Rupees	2020 Rupees
Premier Agencies	Associated undertaking	Common Director	Sale of goods / (sale return) - net off discount of Rs. nil (2020: Rs. 147.97 million) Reimbursement of selling and distribution expenses	(13,568,217) 118,318	1,524,362,581 167,087,160
Premier Sales (Private) Limited	Associated undertaking	Common Director	Sale of goods - net off discount of Rs. 70.03 million (2020: Rs. Nil) Reimbursement of selling and distribution expenses	1,904,349,204 145,234,743	- -
Memon Medical Institute	Associated undertaking	Common Director	Sale of goods	75,815	260,290
PharmEvo (Private) Limited	Associated undertaking	Common Director	Sale of goods Purchase of fixed asset	93,590 311,615	221,572 2,024,901
Zaman Textile Mills (Private) Limited	Associated undertaking	Common Director	Sale of goods	14,000	14,000
Ehad Healthcare	Associated undertaking	Key management personnel	Sale of goods	337,644	-
EHC (Private) Limited	Associated undertaking	Key management personnel	Sale of goods	512,820	-
Scitech health (Private) Limited	Associated undertaking	Common Director	Sale of goods Purchase of goods	- 204,846	53,081 296,550
Nagaria Textile Mills (Private) Limited	Associated undertaking	Common Director	Warehouse rent	3,414,736	-
Mr Muhammad Haroon Qassim	Related parties	Chief executive	Loan (repaid) / received	(37,700,000)	71,000,000
Mr Muhammad Salman Qassim	Related parties	Director	Loan (repaid) / received	(17,300,000)	17,300,000
Employees provident fund	Retirement benefit fund	Employees benefit fund	Contribution made	7,166,015	6,662,896
Key management personnel	Related parties	Executives	Remuneration and benefits	42,578,591	26,608,520

42.1 Year end balances

Receivable from related parties	125,814,755	12,633,008
Payable to related parties	520,000	-
Loan from Chief Executive and Director	55,000,000	110,000,000

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

43 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:

	2021				2020			
	Chief Executive	Director	Executives	Total	Chief Executive	Director	Executives	Total
	(Rupees)							
Managerial remuneration	-	-	30,284,148	30,284,148	-	-	34,149,387	34,149,387
Bonus	-	-	7,201,148	7,201,148	-	-	-	-
Provident fund	-	-	2,746,953	2,746,953	-	-	3,152,067	3,152,067
Meeting fees	-	260,000	-	260,000	-	440,000	-	440,000
Other benefits	-	-	30,548,148	30,548,148	-	-	30,424,467	30,424,467
Total	-	260,000	70,780,397	71,040,397	-	440,000	67,725,921	68,165,921
Number of persons	1	3	14	18	1	4	15	20

- b) The Chief Executive and Executive Director have not drawn any remuneration.
- c) The Chief Executive is provided with free use of company maintained car in accordance with his entitlements.
- d) The Chief Executive, Executive Director, Executives and their families are also covered under hospitalization insurance.
- e) The Chief Executive, Executive Director and Executives are also covered under group life insurance.
- f) 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.

44 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.

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.

	2021 Rupees	2020 Rupees
The proportion of debt to equity at the year end was:		
Total Borrowings (notes 21 & 25)	673,925,664	768,587,591
Less: Cash and bank balances (note 16)	(3,746,928)	(1,460,494)
Net debt	670,178,736	767,127,097
Total equity	593,997,768	493,892,995
Total capital	1,264,176,504	1,261,020,092
Gearing ratio	53.01%	60.83%

45 CAPACITY AND PRODUCTION

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

46 IMPACT OF COVID - 19 ON THE FINANCIAL STATEMENTS

On January 30, 2020, The International Health Regulations Emergency Committee of the World Health Organization declared the COVID-19 outbreak "Public Health Emergency of International Concern". Many countries including Pakistan have enacted protection measures against COVID- 19, with a significant impact on economic activities in these countries. The evolution of COVID- 19 as well as its impact on the global and the local economy is difficult to predict at this stage. As of the release date of these financial statements, there has been no specifically material quantifiable impact of COVID-19 on the Company's financial condition or results of operations except those disclosed in relevant notes to the financial statements.

47 NUMBER OF EMPLOYEES

The number of employees at the reporting date i.e. June 30, 2021 was 114 (2020: 94) and average number of employees during the year was 104 (2020: 95).

48 NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors of the Company in their meeting held on September 8, 2021 have approved profit distribution at the rate of 20% i.e Rs. 2 per share (2020: Nil) for the year ended June 30, 2021. These financial statements do not reflect this distribution.

49 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on September 8, 2021 by the Board of Directors of the Company.

50 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 during the year.

51 GENERAL

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



Muhammad Haroon Qassim
Chief Executive



Abdul Ghaffar Umer Kapadia
Director



Yasir Yousuf Chhabra
Chief Financial Officer

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 50th Annual General Meeting (AGM) of the shareholders of the Company will be held on Wednesday, October 27, 2021 at 9:00 a.m. at 109, Business Avenue, Block 6, P.E.C.H.S., Shahrah-e-Faisal, Karachi to transact the following business:

Ordinary Business

1. To confirm the minutes of the last Annual General Meeting held on October 27, 2020.
2. To receive, consider and adopt the audited Financial Statements of the Company for the year ended June 30, 2021 along with Auditors' and Directors' reports thereon.
3. To consider & approve the final cash dividend of Rs. 2.00/- (20.00%) per share as recommended by the Board of Directors.
4. To appoint auditors of the Company for the ensuing year ending June 30, 2022 and fix their remuneration. The Members are hereby notified that the Audit Committee and the Board of Directors have recommended the name of retiring auditors M/s. BDO Ebrahim & Co., Chartered Accountants for re-appointment as Auditors of the Company.

By order of the Board

Hafiz Muhammad Hasan
Company Secretary

Karachi: September 8, 2021

Notes:

1. The Share Transfer Book of the Company will remain closed from October 13, 2021 to October 27, 2021 (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 50th 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 accordance with SRO 470(I)/2016 dated May 31, 2016, SECP has allowed the companies to circulate the annual audited financial statements to its members through CD / DVD / USB instead of transmitting the hard copies at their registered addresses. Accordingly, the Annual Report of the Company for the year ended June 30, 2021 is being dispatched to the shareholders through DVD. Shareholders may request the Company Secretary or Share Registrar of the Company for transmitting the hard copy of the annual report by filing a 'Standard Request Form' available on Company's website and the same will be provided at his/her registered address, free of cost, within one week of receipt of request.
8. Pursuant to notification vide S.R.O. 787(I)/2014 dated September 8, 2014, SECP has permitted all listed companies to circulate their annual financial statements, along with Auditor's Report, Directors' Report along with notice of Annual General Meetings ("Annual Report"), to its shareholders through email subject to the written consent of the shareholders. Shareholders who wish to receive the Company's Annual Report by email are requested to provide the completed Consent Form available on the Company's website (www.shield.com.pk), to the Company's Share Registrar.
9. 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.
10. 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 _____ _____ <div style="display: flex; justify-content: space-between;"> Name and signature Date </div>	
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11. Pursuant to the provisions of Section 150 of the Income Tax Ordinance 2001, the rates of deduction of income tax from dividend payments will be as follows:
 - 1) For Active Taxpayer 15%
 - 2) For Non-active Taxpayer 30%

To enable the Company to make tax deduction on the amount of cash dividend @ 15% instead of 30%, shareholders whose names are not entered into the Active Taxpayers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered in ATL, otherwise tax on their cash dividend will be deducted @ 30% instead of 15%.

Shareholders are advised to ensure that they have provided their CNIC / NTN to their respective Participant / CDC Investor Account Services (if shareholding in Book Entry Form) or Company's Share Registrar (if shareholding in Physical Form) for checking the tax status as per the ATL issued by FBR from time to time.

Withholding Tax exemption from the dividend income, shall only be allowed if copy of valid tax exemption certificate is made available to the Share Registrar of the Company, by the first day of Book Closure.

Further, according to clarification received from Federal Board of Revenue (FBR), withholding tax will be determined separately on 'Active Taxpayer/Non-active Taxpayer' status of Principal shareholder as well as Joint-holder (s) based on their shareholding proportions, in case of joint accounts.

In this regard all shareholders who hold shares jointly are requested to provide shareholding proportions of Principal shareholder and Joint-holder(s) in respect of shares held by them to our Share Registrar, in writing as follows:

Company Name	Folio/CDS Account #	Total Shares	Principal Shareholder		Joint Shareholder	
			Name and CNIC #	Shareholding Proportion (No. of Shares)	Name and CNIC #	Shareholding Proportion (No. of Shares)

The required information must reach our Share Registrar within 10 days of this notice, otherwise it will be assumed that the shares are equally held by Principal shareholder and Joint Holder(s).

12. Shareholders can exercise their right to poll subject to meeting of requirement of Section 143 to 145 of the Companies Act, 2017 and applicable clauses of Companies (Postal Ballot) Regulations, 2018.
13. 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.
14. 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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AFFIX
CORRECT
POSTAGE

Company Secretary
Shield Corporation Limited
Office No 1007, 10th Floor, Business Avenue,
Block 6, P.E.C.H.S., Shahrāh-e-Faisal, Karachi-74500, Pakistan
Tel: [92-21] 34385003-4 Fax: [92-21] 34556344

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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، ۲۷ اکتوبر ۲۰۲۱ء 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..... بتاریخ..... میرے/ہمارے دستخط ان کی موجودگی میں کیے گئے:

محصول ٹکٹ
چسپاں کریں

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

..... نام:..... نام:

..... CNIC نمبر:..... CNIC نمبر:.....

..... نام:..... شینئر ہولڈر کے دستخط.....

..... فوٹو نمبر یا سی ڈی سی اکاؤنٹ نمبر:.....

نوٹس:

- 1- رکن سے درخواست ہے کہ
(ا) محصول ٹکٹ اور مخصوص جگہ پر لگانے
(ب) بالکل وہی دستخط کریں جیسے کہ کمپنی کے رجسٹر میں کیے گئے ہیں
(ج) اپنا فوٹو نمبر / سی ڈی سی اکاؤنٹ نمبر لکھیں
- 2- درج بالا پراکسی کی تقرری کے موثر ہونے کے لیے ضروری ہے کہ یہ فارم کمپنی کو مینٹگ 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 پیشکشیری (مستفید ہونے والے فرد) اور مختار کار کے شناختی کارڈ یا پاسپورٹ کی نقول موجود ہوں
- 3- مختار کار کو مینٹگ 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
Office No 1007, 10th Floor, Business Avenue,
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- اپنے ملازمین کا، جو اپنی پر عزم 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 ملا رہے ہیں۔

بورڈ آف ڈائریکٹرز کی طرف سے


عبدالغفار عمر کپا ڈیا
ڈائریکٹر


محمد ہارون قاسم
چیف ایگزیکٹو

کراچی: ۸ ستمبر ۲۰۲۱ء

- 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 ایکویٹی ہیز اینڈ ایڈجسٹمنٹ کمیشن آف پاکستان اور پاکستان اسٹاک ایکسچینج کی ترمیم شدہ سٹینڈرڈ رولز کی دفعات سے ہم آہنگ ہے اور مکمل تعمیل کرتی ہے۔
- b- کارپوریٹ گورننس کے لیے بہترین طریقوں پر عمل کے سلسلے میں اسٹینڈرڈ ریگولیشنز میں درج تفصیلات سے کسی بھی مرحلے پر روگردانی نہیں کی گئی ہے۔
- c- 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۔
- d- کمپنی کے اکاؤنٹ کی باقاعدہ گیس مرتب کی گئی ہیں۔
- e- فنانشل اسٹیٹمنٹس کی تیاری کیلئے اکاؤنٹنگ کی معقول پالیسی کا اطلاق کیا جاتا ہے اور اکاؤنٹنگ تخمینے انتہائی مناسب اور حتمی فیصلوں کی بنیاد پر بنتی ہیں۔
- f- فنانشل اور مینجمنٹ 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۔
- g- کمپنی نے بہت جامع اور مکمل انٹرنل کنٹرول سسٹم برقرار رکھا ہے، جس سے فنانشل اسٹیٹمنٹ 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۔
- h- کمپنی کی قابلیت اور صلاحیت سے متعلق کسی بھی معاملے میں کسی شک و شبہ کی گنجائش نہیں ہے۔
- i- سال ۲۰۲۱-۲۰۲۰ کے دوران کسی بھی واجب الادا قرض کی ادائیگی کے حوالے سے کسی تاخیر کی گنجائش نہیں ہوئی۔
- j- کسی بھی قسم کے بقایا جات، قانونی الزامات، ٹیکسز اور کوئی بھی فنانشل اسٹیٹمنٹس میں واضح کر دیا گیا ہے۔
- k- ۳۰ جون ۲۰۲۱ کو کمپنی کے پروڈیوٹس فنڈ سے کی گئی سرمایہ کاری کی مالیت 37.43 بلین روپے ہے۔
- l- گزشتہ 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

عالمی اور مقامی معاشی نقطہ نظر، عالمی وبا کی چوتھی لہر کے خوف کو دیکھتے ہوئے غیر یقینی ہے۔ ہم شیلڈ میں مستقل ترقی اور کامیابی پر یقین رکھتے ہیں۔ اسی لیے ہم نئی پروڈکٹ کیٹیگریز کی شناخت اور نشاندہی کے لیے سرگرم رہتے ہیں۔ یہ موجودہ کیٹیگریز کے لیے ضمنی اضافہ ثابت ہوں گی اور شیلڈ کی برانڈ پاور کو فائدہ پہنچانے کا سبب بنیں گی۔

مستقبل قریب میں معاشی مشکلات سے کوئی رخصت نظر نہیں آرہی، جیسا کہ عالمی سپلائی چین میں خلل، مواد کی قیمتوں میں اضافے کی وجہ سے انپٹ لاگت میں اضافہ، بلند کرایہ کی لاگت اور پاکستانی روپے کی کمزوری سے کمپنی کے منافع پر اثر پڑے گا۔ کمپنی اپنی ڈسٹریبیوشن کی مسابقتی برتری کے ذریعے اور مسابقتی قیمت کاری کی حکمت عملی کے ساتھ ان آزمائشوں پر قابو پانے کی کوشش کرے گی۔

اظہار تشکر

ہم باقاعدہ تعریف اور اظہار تشکر کرنا چاہتے ہیں:

- اپنے بورڈ کے رفقاء کی قابل قدر نمائی اور حمایت پر مشکور ہیں
- اپنے قابل قدر کسٹمرز اور کسٹومرز کا جنھوں نے ہماری پروڈکٹس پر بھرپور اعتماد کیا اور کمپنی کی پائیدار ترقی میں اپنی حمایت اور تعاون کو یقینی بنایا۔

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 کو چارٹرڈ اکاؤنٹنٹس، کمپنی کے آڈیٹرز کی حیثیت سے رہنا شروع 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 کو چارٹرڈ اکاؤنٹنٹس کی ۳۰ جون ۲۰۲۲ 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 چارٹرڈ 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۔

کمپنی برنس 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

a۔ بورڈ کمیٹی کی حکمت عملی کی سمت کا مسلسل جائزہ لیتا رہتا ہے۔ چیف ایگزیکٹو کی جانب سے برنس کے فروغ کے لیے طے کیے گئے سالانہ منصوبوں اور کارکردگی کے

3۔ کمرشل خطرات

خطرات

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

اثرات کو کم کرنے کی حکمت عملی

محصولات، ڈیولپمنٹ، ریگولیشن اور ڈیولپمنٹ 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۔

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 میٹریل کی فوری ڈیولپوری کے فائدے مل جاتے ہیں۔

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۔

4۔ آپریشنل خطرات

خطرات

اہم پوزیشنز پر ملازمین کے ٹران اور 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۔ 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 جنریٹرز موجود ہیں۔

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

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

5۔ کمپلائنس 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 ٹریننگ کرائی جاتی ہیں۔

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

ریسک مینجمنٹ

کمپنی کی ایکٹیویٹیز سے مختلف نوعیت کے خطرات واضح ہو کر سامنے آئے ہیں۔ مجموعی طور پر کمپنی کے ریسک 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 ریسک مینجمنٹ، کمپنی کی سینئر مینجمنٹ ٹیم کے ذریعے کی جاتی ہے اور اس کے نتائج ریسک مینجمنٹ کمیٹی اور بورڈ آف ڈائریکٹرز کے ساتھ شیئر کیے جاتے ہیں۔ یہ کمپنی کی املاک کی شناخت، جائزے اور حکمت عملی، فنانس، کمرشل، آپریشنل اور کمپلائنس ریسک کو کم سے کم کرنے کے لیے جو اقدامات کرتی ہے وہ ذیل میں بیان کیے گئے ہیں:

1- حکمت عملی سے متعلق خطرات

خطرات

صارفین کی ترجیح میں تبدیلی کی صورت میں کمپنی بے بی کیٹر مصنوعات میں اپنا مارکیٹ شیئر کھو سکتی ہے۔

آئی ٹی سیکورٹی ریسک

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۔
خفیہ/مالکانہ معلومات کو غیر متعلقہ اور غیر مجاز رسائی سے محفوظ رکھنے کے لیے آئی ٹی کنٹرولز اور فائر 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 ریٹیلنگ کرانی جاتی ہیں۔

2- 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 مینجمنٹ سسٹم ہے۔ اگر کوئی لیکویڈٹی فرق ہو تو اسے پورا کرنے کے لیے بینک کی طرف کپیڈ کریڈٹ لائسنز دستیاب ہوتی ہیں۔

صارفین کمپنی کو ادائیگی کے لیے نادرہ ہندہ ہو جائیں۔

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

کا سامنا

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 ٹان ایگزیکٹو اور ایک آزاد ڈائریکٹر ہیں، جو کہ کمیٹی کے چیئرمین 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 ٹان 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 پالیسیوں کی بورڈ کو تجویز دینا۔
- بورڈ کو 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 ہیومن 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:

ڈائریکٹر کا نام	کمیٹی میں پوزیشن	حاضری
جناب عمران چشتی	چیئرمین	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 سڈ کیٹیز (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 ٹان ایگزیکٹو 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:

- بیرونی آڈٹ میں سہولت فراہم کرنا اور آڈیٹرز کے ساتھ عبوری اور حتمی آڈٹ میں سامنے آنے والے اہم مشاہدات اور کوئی ایسا معاملہ جسے آڈیٹرز نمایاں کرنا چاہیں، پر گفتگو کرنا (منجھٹ کی غیر حاضری میں، جہاں ضروری ہو)۔
- بیرونی آڈیٹرز کی جانب سے جاری کیے گئے انتظامیہ خط اور اس پر انتظامیہ کے ردعمل کا جائزہ۔
- کمپنی کے اندرونی اور بیرونی آڈیٹرز 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 منجھٹ کے رد عمل پر غور و خاص۔
- 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 پروڈیکٹس کے قیام، روپے کے حوالے سے مطالعہ یا بورڈ کی جانب سے نشاندہی کیے گئے کسی بھی معاملے کی تحقیقات کرنا اور ایکسٹرنل آڈیٹرز یا کسی اور ایکسٹرنل باڈی سے متعلق ریویو کے کسی بھی معاملے پر غور و خاص۔
- متعلقہ قانونی ضروریات کی مطابقت کا تعین۔
- لیکچر (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۔
- 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 خاص، جو بورڈ آف ڈائریکٹرز کی جانب سے متعین کیا جاسکتا ہے۔

آڈٹ کمیٹی کی مینٹنگز

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

حاضری	کمیٹی میں پوزیشن	ڈائریکٹر کا نام
4 / 4	چیئرمین	جناب عبدالغفار عمر کپاڈیا
4 / 4	رکن	جناب ولی محمد اعصابی
4 / 4	رکن	جناب عمران چشتی

بورڈ مینٹلز

اس سال کے دوران بورڈ آف ڈائریکٹرز کی چھ (6) میٹنگز 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 پیر محمد (۲۰ جولائی ۲۰۲۰ تک)	نان ایگزیکٹو ڈائریکٹر / آزاد ڈائریکٹر	قابل اطلاق نہیں
جناب عبدالغفار عمر کپاڈیا	نان ایگزیکٹو ڈائریکٹر / آزاد ڈائریکٹر	6 / 6
محترمہ سعدیہ نوید	نان ایگزیکٹو ڈائریکٹر	5 / 6
جناب عمران چشتی	نان ایگزیکٹو ڈائریکٹر / آزاد ڈائریکٹر	5 / 6
جناب محمد سلمان قاسم	ایگزیکٹو ڈائریکٹر	6 / 6

بورڈ نے ان تمام ڈائریکٹرز کو غیر حاضری پر رخصت دی جو بورڈ میٹنگز 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۔ ۲۱-۲۰۲۰ میں ڈائریکٹرز اور سی ای او کے مشاہرے سے متعلق معلومات کے لیے، براہ مہربانی مالیاتی گوشواروں کے نوٹس کو دیکھیں۔

شیر ہولڈنگ کا طریقہ کار

کوڈ آف کارپوریٹ گورننس کو ملحوظ خاطر رکھتے ہوئے ۳۰ جون ۲۰۲۱ کے مطابق شیر ہولڈنگ کے طریقہ کار اور اس کی تشہیر اس رپورٹ کے ساتھ منسلک ہے۔ بورڈ نے منافع کی تشہیر کے لیے کمپنی کے شیر رکھنے والے ایگزیکٹوز کی جانب سے حد کا جائزہ لیا، جس میں چیف ایگزیکٹو آفیسر، چیف فنانشل آفیسر، انٹرنل آڈٹ کے ہیڈ، کمپنی سیکریٹری اور ڈائریکٹر سبزل شامل ہیں۔ ڈائریکٹرز، چیف ایگزیکٹو آفیسر، چیف فنانشل آفیسر، انٹرنل آڈٹ کے ہیڈ، کمپنی سیکریٹری اور ڈائریکٹر سبزل، ان کے / کی شریک حیات اور چھوٹے بچوں نے کمپنی کے شیرز کی کوئی تجارت یا خرید و فروخت نہیں کی۔

آڈٹ کمیٹی

آڈٹ کمیٹی 3 نان ایگزیکٹو ڈائریکٹرز پر مشتمل ہے جن میں سے دو خود مختار ڈائریکٹر ہیں۔ ایک خود مختار ڈائریکٹر آڈٹ کمیٹی کے چیئر مین 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۔

کارپوریٹ سماجی ذمہ داری

شیلڈ کی انتظامیہ اس بات پر پختہ یقین رکھتی ہے کہ کاروبار کو ایک واضح مقصد کے ساتھ کیا جائے۔ شیلڈ ہمیشہ ہی ایسے مواقع تلاش کرتا ہے جس سے لوگوں کی زندگی کے معیار میں اضافہ ہو۔ کمپنی خصوصی بچوں کو تعلیم دینے کے مقصد کے تحت فیمیلی ایجوکیشن سروسز فاؤنڈیشن اور پاک ریسپنسیبلیٹی اینڈ ویلفیئر ایسوسی ایشن کی مسلسل معاونت کر رہا ہے۔ اس سال کمپنی نے حبیب بینک اسکول کو بھی عطیہ دیا ہے تاکہ ضرورت مند طلباء کو معیاری تعلیم حاصل کرنے میں مدد مل سکے۔

قومی خزانے میں حصہ

آپ کی کمپنی نے مختلف حکومتی ایکسرس بشمول کسٹم ڈیوٹی، ریڈیو لیٹری ڈیوٹی، سٹریٹ لائسنس اور انکم ٹیکس کی مد میں سال ۲۰۲۰-۲۱ کے دوران قومی خزانے میں 486 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

ڈائریکٹرز کا انتخاب

سال کے دوران، ڈائریکٹرز کے انتخاب کے لیے ۲۰ جولائی ۲۰۲۰ء 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 ۲۰۲۰ء سے شروع ہونے والی تین سال کی مدت کیلئے درج ذیل کمپوزیشن کے ساتھ کام کر رہے ہیں:

ڈائریکٹر	کلیگری
جناب ابراہیم قاسم	نان ایگزیکٹو ڈائریکٹر / چیئرمین
جناب محمد ہارون قاسم	ایگزیکٹو ڈائریکٹر / چیف ایگزیکٹو آفیسر
جناب ولی محمد اے حبیب	نان ایگزیکٹو ڈائریکٹر
جناب عبدالغفار عمر کپاڈیا	نان ایگزیکٹو ڈائریکٹر / آزاد ڈائریکٹر
محترمہ سعدیہ نوید	نان ایگزیکٹو ڈائریکٹر
جناب عمران چشتی	نان ایگزیکٹو ڈائریکٹر / آزاد ڈائریکٹر
جناب محمد سلمان قاسم	ایگزیکٹو ڈائریکٹر

- 2- مجموعی منافع میں %6.55 اضافہ ہوا جسکی بنیادی وجہ سازگار زر مبادلہ کی شرح اور اینٹ مواد کی لاگت ہے، اور سبز کے حجم میں اضافے کی وجہ سے فکسڈ اور ہیڈز کے بہتر جذب ہونے کے نتیجے میں بھی مارجن میں اضافہ ہوا۔ کمپنی کے پروڈکٹس میں تبدیلی بھی مجموعی منافع میں اضافے کا باعث ہے۔
- 3- قلیل المیعاد سرمایہ کاری کی سہولتوں کے استعمال میں کمی اور بینک کی کم شرح کی وجہ سے کمپنی کے مالیاتی اخراجات میں 48.39 ملین روپے کی کمی ہوئی۔
- 4- کمپنی نے سال ۲۰۲۰-۲۱ میں 227.22 ملین روپے کا قبل از ٹیکس منافع ریکارڈ کیا۔ کمپنی نے گزشتہ سال کے 4.73 روپے فی شیئر نقصان کے مقابلے میں 39.77 روپے فی شیئر آمدنی ریکارڈ کی۔ سال ۲۰۲۰-۲۱ کیلئے 155.10 ملین روپے کا بعد از ٹیکس منافع ریکارڈ کیا گیا۔
- 5- بورڈ آف ڈائریکٹرز نے موجودہ مالی سال کے لیے %20.00 حتمی کٹش ڈیویڈنڈ یعنی 2.00 روپے فی شیئر تجویز کیا ہے جس کی مالیت 7.80 ملین روپے ہے جو کہ شیئر ہولڈرز کی جانب سے سالانہ اجلاس عام میں منظور ہونا ہے۔ اس سال 147.30 ملین روپے کا غیر منقسم منافع کمپنی کے ریونیوڈ خاڑ میں اضافہ ہوگا۔

ہمارے کاروبار کی وسعت اور جھلکیاں

شیلڈ کارپوریشن لمیٹڈ 1975 میں قائم ہوئی۔ گذشتہ 46 سال سے زائد عرصے میں شیلڈ نے ایک مربوط حکمت عملی کے تحت بے بی کیئر اور اول کیئر کیٹیگریز کی مصنوعات کے پورٹ فولیو کو نمایاں وسعت دی ہے اس کے ساتھ ساتھ COVID-19 کے دوران ہائجن کیٹیگری کا اجراء بھی کیا ہے۔ ان کوششوں کی بناء پر شیلڈ مارکیٹ میں نمایاں مقام کو یقینی بنا رہا ہے۔

شیلڈ نے بے بی کیئر کیٹیگری میں ایک کلیدی کھلاڑی کی حیثیت سے اپنی شناخت کو بدستور برقرار رکھا ہے۔ ہماری کامیابی کی بنیاد اعلیٰ معیار، مناسب قیمت اور مصنوعات کی مختلف اور وسیع رینج ہے، یہی وجہ ہے کہ مائیں پاکستان میں کسی بھی دوسرے بے بی کیئر برانڈ کے مقابلے میں شیلڈ پر بھروسہ کرتی ہیں۔ شیلڈ وہ پہلی مقامی کمپنی ہے جس نے نئی متحرک پیکیجنگ کے ساتھ بی بی اے فری فیڈرز کی مکمل رینج متعارف کروائی ہے۔ یہ بوتلیں اب شینڈرڈ نیک اور وائڈ نیک میں مچلے، دھندلے اور مہم رگوں میں دستیاب ہیں۔ شیلڈ نے اپنے گلاس فیڈرز کو سلیکون پروڈیکٹس کے ساتھ ملکہ بھر میں لانچ کیا ہے جسے ماریٹ سے زبردست رسپانس ملا ہے۔ شیلڈ پر بی بی اے فری فیڈرز شامل ہیں جو اینٹی کولک خصوصیت رکھتی ہے جو ہوا کے دباؤ کو روکتی ہے اور پیٹ کی مروڈ کو کم کرتی ہے۔

شیلڈ نے بے بی کیئر اضافی اشیاء کی رینج بی بی اے فری سوڈھرز، ٹیٹھرز، ٹریڈنگ کپس، نیپلس اور کلڈنگ برش پر مشتمل ہے۔ بچے کی ابتدائی نشوونما کو پیش نظر رکھتے ہوئے شیلڈ نوڈ گریڈ مواد اور حلال معیارات پر عمل کے ذریعے محفوظ مصنوعات کو یقینی بنا تا ہے۔

بے بی کیئر کمپنی ہونے کے ناطے بی بی ڈائپرز بھی شیلڈ ڈکے پورٹ فولیو میں شامل ہے۔ شیلڈ ڈبے بی ڈائپرز کو مارکیٹ میں اچھی پزیرائی ملی ہے اور اس پر مائیں بھروسہ کرتی ہیں اور بچے پسند کرتے ہیں۔

شیلڈ ٹوتھ برش کیٹیگری میں مصنوعات کے اعلیٰ معیار اور مختلف مصنوعات کی رینج کی وجہ سے مشہور ہے۔ پورٹ فولیو کو خاص اہمیت دیتے ہوئے چار کیٹیگریز میں تقسیم کیا گیا ہے جن کے نام چیپس، اسٹیشنل کیئر، فیملی کیئر اور ایکسپریٹ کیئر ہیں۔ بڑوں کے ٹوتھ برش کی رینج میں ماحول دوست ہائپوٹھ برش متعارف کروا کر ایک اضافہ کیا گیا۔

شیلڈ ٹوتھ پیسٹ بڑوں اور بچوں کی دو مختلف کیٹیگریز ایڈلٹ رینج اور کڈز رینج میں موجود ہیں۔ بڑوں کے ٹوتھ پیسٹ دار چینی اور پودینہ کے دو منفرد ذائقوں میں دستیاب ہیں۔ ٹوتھ پیسٹ کیٹیگری میں مزید آگے بڑھنے اور ترقی کی کافی گنجائش اور مواقع موجود ہیں۔ شیلڈ کڈز ٹوتھ پیسٹ اسٹرابیری اور بل گم کے دو منفرد فلیوریوز میں دستیاب ہیں۔

COVID-19 وبائی بیماری کے تناظر میں حفظانِ صحت و وقت کی ضرورت بن گئی ہے۔ شیلڈ کی ہائجن مصنوعات کی رینج میں ہینڈ سینیٹائزر، ڈس انفیکٹیو سپرے اور ملٹی پوز ڈس انفیکٹیو وائپس شامل ہیں۔

ڈائریکٹرز رپورٹ برائے شیئر ہولڈرز

شیلڈ کارپوریشن لمیٹڈ کے ڈائریکٹرز ۳۰ جون ۲۰۲۱ کو ختم ہونے والے مالی سال کی سالانہ رپورٹ اور آڈٹ شدہ مالیاتی گوشوارے پیش کرنے میں خوشی محسوس کر رہے ہیں۔

سرمائے کا خلاصہ

اضافہ/ (کمی)	2020 (روپے)	2021 (روپے)	عملداری نتائج
25.75%	1,708,620,654	2,148,550,393	خالص سیلز
59.57%	416,019,076	663,832,544	مجموعی منافع
655 bps	25.35%	30.90%	مجموعی فیصدی منافع
14.79%	277,342,742	318,350,706	فروخت اور تقسیم کاری کے اخراجات
(24.43%)	67,786,821	51,226,977	انتظامی اخراجات
(48.39%)	100,882,938	52,491,216	مالیاتی لاگت
1,244.44%	(19,854,505)	227,222,391	قبل از ٹیکس منافع / (تقصان)
940.52%	(18,453,408)	155,104,773	بعد از ٹیکس منافع / (تقصان)
940.52%	(4.73)	39.77	فی شیئر آمدنی / (تقصان)

مالی جائزہ

معاشی نقطہ نظر

دنیا کو اب بھی کرونا وائرس کے حقیقی چیلنج کا سامنا ہے۔ اللہ تعالیٰ کے فضل سے مالی سال ۲۰۲۱ میں پاکستان کی معیشت مستحکم ہوئی۔ حکومت کے لیے گئے اقتصادی محرک اقدامات جن میں اسٹیٹ بینک آف پاکستان کے رعایتی فنڈنگ سکیم اور مستحکم مالیاتی پالیسی کی وجہ سے کاروبار کی بحالی ہوئی ہے جبکہ سماج اور کاروبار، زندگی گزارنے اور کاروبار کرنے کے نئے طریقوں کو اختیار کرنے کے راستے پر گامزن ہیں۔

مالی سال ۲۰۲۱ میں کاروباری ماحول مجموعی طور پر سازگار رہا لیکن مہنگائی کا دباؤ بڑھتا رہا۔ اسٹیٹ بینک آف پاکستان نے معیشت کو تقویت دینے کیلئے پالیسی ریٹ کو ۷ فیصد سالانہ پر برقرار رکھا۔

مالیاتی کارکردگی کی جھلکیاں

1- کمپنی کی ٹاپ لائن میں 2.148 بلین کی سیلز کے ساتھ 25.75% کا نمایاں اضافہ ہوا۔ یہ کمپنی کی تاریخ میں اب تک کی سب سے زیادہ سیلز ہے۔ گزشتہ سال کے

مقابلے میں سیلز میں اضافے کی بنیادی وجہ زیادہ سیلز کا حجم ہے۔

چیئر مین کی جائزہ رپورٹ

میرے لیکچینز 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 ۲۰۲۱ 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۔ 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 ٹینگ 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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