Annual Report 2022

CLOVER PAKISTAN LIMITED

Content

Company Information

Board of Directors
Mr. Jawaid Iqbal – Chief Executive Officer & Director
Mr. Shahzad Mohsin – Chairman & Director
Mr. Khawar Jamil Butt – Director
Ms. Koshak Irum – Director
Mr. David Cyril Paul – Director
Mr. Nausherwan – Director
Miss Shaista Khan – Director
Mr. Owais Ali Khan – Chief Financial Officer

Audit Committee
Ms. Koshak Irum – Chairman
Mr. Shahzad Mohsin – Member
Mr. Nausherwan – Member
Mr. David Cyril Paul – Member

Human Resource Committee
Mr. Nausherwan – Chairman
Mr. Shahzad Mohsin – Member
Ms. Koshak Irum – Member

Company Secretary
Muhammad Kashif Naimatullah

Chief Financial Officer
Mr. Owais Ali Khan

External Auditors
Grant Thornton Anjum Rahman
Chartered Accountants

Registered Office
Banglow No. 23-B Lalazar, Off: M.T. Khan Road, Karachi, Pakistan.

Tel: (92 21) 38658896
Fax: (92 21) 35631960
Website: www.clover.com.pk

Share Registrar
FAMCO Associates (Pvt) Limited
8-F, Next to Hotel Faran, Nursery Block-6, P.E.C.H.S
Shahrah-e-Faisal, Karachi – 74000 Pakistan.
Tel: (92 21) 34380101-5
Fax: (92 21) 34380106

Notice of the 36th Annual General Meeting

Notice is hereby given that the 36th Annual General Meeting (AGM) of the shareholders of Clover Pakistan Limited (the Company) will be held on Friday, October 28, 2022, at 09:00 a.m. at Arabian Sea Country Club, Bin Qasim, Karachi to transact the following businesses:

Ordinary Business:

- To confirm the minutes of the Company's Annual General Meeting held on February 24, 2022.
- To receive, consider and adopt the annual audited ¬financial statements of the Company for the year ended June 30, 2022, together with the Directors' and Auditors' reports thereon.
- To appoint auditors of the Company for the Financial Year ending June 30, 2023, and to fi¬x their remuneration.

Any Other Business:

- To transact any other business as may be placed before the meeting with the permission of the Chair.

By order of the Board

Muhammad Kashif
Company Secretary

Date: October 07, 2022
Place: Karachi

Notes:

1. Closure of Share Transfer Books:

The Share Transfer Books of the Company will remain closed from October 22, 2022, to October 28, 2022 (both days inclusive). Transfers received in order by our Share Registrar, M/S. FAMCO Associates Private Limited, 8-F, Near Hotel Faran, Nursery, Block-6, PECHS, Shahra-e-Faisal, Karachi, Pakistan, by the close of business on October 21, 2022, will be considered in time for attending the meeting.

2. Appointment of Proxies and Attending AGM:

i. A member entitled to attend and vote at the meeting may appoint another member as their proxy who shall have such rights as respects attending, speaking and voting at the meeting as are available to a member.

ii. A blank instrument of proxy (in English and Urdu) is attached in the Annual Report. The form of proxy is also available on the Company's website.

iii. A duly completed instrument of proxy to be valid must be deposited at the registered office not less than 48 hours before the time of the meeting. Attested copies of valid CNIC or the passport of the member and the proxy shall be furnished with the Proxy Form.

iv. The instrument of proxy should be duly signed, stamped and witnessed by two persons with their names, addresses, CNIC numbers and signatures.

v. Central Depository Company (CDC) account holders are also required to follow the guidelines as laid down in Circular No.1 dated January 26, 2000, issued by the Securities and Exchange Commission of Pakistan (SECP).

vi. In the case of a corporate entity, the Board of Directors' resolution / Power of Attorney with specimen signature of the nominee shall be submitted at the registered office not less than 48 hours before the time of the meeting.

3. Change in Members Addresses:

Members are requested to notify any change in their addresses immediately to the Share Registrar M/S. FAMCO Associates Private Limited.

4. Availability of Financial Statements and Reports on the Website:

The Company's Annual Report for the year ended June 30, 2022, has been placed on the Company's website, and the same is circulated to the members through CD.

5. Transmission of Annual Financial Statements and Notice of Meeting through email:

In pursuance to S.R.O.787(I)/2014 dated September 08, 2014, the SECP has permitted companies to circulate annual audited financial statements along with notice of AGM to its members through email. Accordingly, members who desire to receive annual financial statements and notices of the Company through email in the future (instead of receiving them through CD) are requested to submit their consent on the form duly filled to the Company's Share Registrar. The consent form has been uploaded to the Company's website. Any change to such arrangement(s) should be communicated to the Company on the standard request form.

6. Electronic Mode:

Under the provisions of section 242 of the Companies Act 2017, a listed company is required to pay cash dividends only through electronic mode directly into the bank account designated by the entitled shareholders. Accordingly, the shareholders are requested to provide the information on an E-Dividend Mandate Form available at the Company's website to the share registrar for future dividend payment. The CDC account holders must submit their information directly to their broker (participant) / M/S FAMCO Associates Private Limited.

7. Shareholding Proportion:

The FBR has clarified that in the case of the joint account, each holder is to be treated individually as either a filer or non-filer and tax will be deducted based on shareholding of each joint holder as may be notified by the Shareholder, in writing as follows, to the Company's share registrar. Otherwise, it will be assumed that the joint shareholders equally hold the shares:

Company Name	Folio/CDC Account Number	Total Shares	Principal Shareholder	Joint Shareholder(s)
			Name & CNIC Shareholding proportion (No. of shares)	Name & CNIC Shareholding proportion (No. of shares)

8. Special Notice to the Shareholders for Conversion of Physical Shares into Book-Entry Form:

In compliance with section 72 of the Companies Act, 2017 and SECP's letter No. CSD/ED/Misc./2016-639-640 dated March 26, 2021, listed companies are required to replace existing physical shares issued by them into the Book-Entry form. Given the above requirement, shareholders of the Company having physical folios/ share certif¬icates are requested to convert their shares from the physical form into Book-Entry form as soon as possible.

Conversion of physical shares into Book-Entry form would facilitate the shareholders in many ways, i.e. safe custody of shares, readily available market for instant sale and purchase of shares, eliminate the risk of loss & damage, easy & secure transfer with lesser formalities as compared to physical shares. The Company's shareholders may contact Share Registrar of the Company [i.e. M/S. FAMCO Associates Private Limited] for assistance in converting physical shares into Book-Entry Form.

36ویں سالانہ اجلاس عام کانوٹس

اطلاع دی جاتی ہے کہ 36ویں سالانہ اجلاس عام میٹنگ (اے جی ام) کے شیئر ہولڈرز کلور پاکستان لمیٹڈ (کمپنی) مورخہ 28 اکتوبر 2022 کو صبح 09:00 بجے بروز جمعہ عربین سی کنٹری کلب بن قاسم کراچی منعقد ہو گی درج ذیل کاروباری لین کے لئے۔

عام کاروبار:

24 فروری 2022 کو ہونے والی کمپنی کی سالانہ جنرل میٹنگ کے منٹس کی تصدیق کرنے کے لیے۔

30 جون 2022 کو ختم ہونے والے سال کے لیے کمپنی کے سالانہ آڈٹ شدہ مالیاتی گوشواروں کو وصول کرنے، غور کرنے اور اپنانے کے لیے، اس پر ڈائریکٹرز اور آڈیٹرز کی رپورٹس کے ساتھ۔

30 جون 2023 کو ختم ہونے والے مالی سال کے لیے کمپنی کے آڈیٹرز کا تقرر کرنا، اور ان کے معاوضے کو درست کرنا۔

دوسرے کوئی بھی کاروبار

چیئر کی اجازت سے میٹنگ سے پہلے کسی دوسرے کاروبار کا لین دین کرنا۔

بورڈ کے حکم سے

محمد کاشف
کمپنی سیکریٹری

تاریخ: 07 اکتوبر 2022
جگہ: کراچی

نوٹس:

1- شیئر ٹرانسفر کتب کی بندش:

کمپنی کی حصص کی منتقلی کی کتابیں 22 اکتوبر 2022 سے 28 اکتوبر 2022 تک (دونوں دن) ☆ بند رہیں گی۔ ہمارے شیئر رجسٹرار، ایم ایس کے ذریعے موصول ہونے ولای منتقلی فیمکو ایسوسی ایٹس پر 8۔ ایف، ہاٹل فاران نرسری بلوک 6، پی ای سی ایچ ایس شاہراہ فیصل کراچی پاکستان 21 اکتوبر 2022 کا کاروبار کے اختتام تک میٹنگ میں شرکت کے لئے غور کیا جائے گا۔

2- پراکسوی کی تقرری اور اے جی ایم میں شرکت:

میٹنگ میں شرکت کرنے اور ووٹ دینے کا حقدار رکن کسی دوسرے ممبر کو اپنا پراکسی مقرر کر سکتا ہے جس کے پاس میٹنگ میں شرکت، بولنے اور ووٹ دینے جیسے حقوق ہوں گے جو کہ ممبر کو دستیاب ہیں۔

پراکسی کا ایک خالی آلہ (انگریزی اور اردو میں) سالانہ رپورٹ میں منسلک ہے۔ پراکسی کا فارم کمپنی کی ویب سائٹ پر بھی دستیاب ہے۔

درست ہونے کے لئے پراکسی کا ایک باضابطہ طور پر مکمل شدہ انسٹرومنٹ میٹنگ کے وقت سے کم از کم 48 گھنٹے پہلے رجسٹر آفس میں جمع کرایا جانا چاہئے۔ درست شناختی کارڈ یا ممبر اور پراکسی کے پاسپورٹ کی تصدیق شدہ کاپیاں پراکسی فارم کے ساتھ پیش کی جائیں گی۔

پراکسی کے آلہ پر دو افراد کے اپنے نام، پتہ، شناختی کارڈ اور دستخط کے ساتھ دستخط، مہر اور گواہی ہونی چاہیئں۔

سینٹرل ڈپازٹری کمپنی (سی ڈی سی) کے کھاتہ داروں کو بھی 26 جنوری 2000 کے سرکلر نمبر 1 میں بیان کردہ رہنمائی خطوط پر عمل کرنے کی ضرورت ہے جو کہ سیکورٹیز اینڈ ایکسچینج آف پاکستان (سایس ای سی پی) کے ذریعے جاری کیا گیا ہے۔

ایک کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد / پاور آف اٹارنی کو نامزد کے دستخط کے ساتھ میٹنگ کے وقت سے کم از کم 48 گھنٹے پہلے رجسٹرڈ آفس میں جمع رایا جائے گا۔

3- ممبرز کا تبدیل ایڈریس

ممبران سے گزارش ہے کہ اپنے پتوں میں کسی تبدیلی کی اطلاع شیئر رجسٹرار کو فوری طور میسرز فیمکو پرائیویٹ لمیٹڈ پر دیں

ویب سائٹ پر مالی بیانات اور رپورٹس کی دستیابی

4۔ ویب سائٹ پر مالیاتی گوشواروں اور رپورٹ کی دستیابی

30جون 2022 کو ختم ہونے والے سال کے لیے کمپنی کی سالانہ رپورٹ کمپنی کی ویب سائٹ پر ڈال دی گئی ہے، اور اسے سی ڈی کے ذریعے ممبران تک پہنچایا گیا ہے۔

ای میل کے ذریعے سالانہ مالیاتی گوشواروں اور میٹنگ کے نوٹس کی ترسیل

5۔ ای میل کے ذریعے سالانہ مالیاتی بیانات اور میٹنگ کے نوٹس کی ترسیل

2014/(1)ایس ار او787مورخہ 8 ستمبر 2014 کے مطابق ایس ای سی پی نے کمپنیوں کو اجازت دی ہے کہ وہ سالانہ آڈٹ شدہ مالیاتی گوشوروں کے ساتھ اے جی ایم کے نوٹس کو ای میل کے ذریعے اپنے اراکین کو بھیجیں۔ اس کے مطابق، وہ ممبران جو مستقبل میں کمپین کے سالانہ مالیاتی گوشوروں اور نوتس کو ای میل کے ذریعے وصول کرنا چاہتے ہیں سی ڈی کے ذریعے وصول کرنے کے بجائے ان سے درخواست کی جاتی ہے کہ وہ کمپنی کے شیئر رجسٹرار کو مناسب طریقے سے بھرے گئے فارم پر اپنی رضامندی جمع کرادیں۔ رضامندی کا فارم کمپنی کی ویب سائٹ پر اب لوڈ کر دی گئی ہے۔ اس طرح اے کے انتظامات میں کسی بھ تبدیلی کے بارے میں کمپنی کو معیاری درخواست فارم پر مطلع کیا جانا چاہئے۔

6۔ الیکٹرانک موڈ۔

کمپنیز ایکٹ 2017 کے سیکشن 242 کی دفعات کے تحت، ایک لسٹڈ کمپنی کو نقد منافع کی ادائیگی صرف الیکٹرانک موڈ کے ذریعے براہ راست حقدار شیئر ہولڈرز کے نامزد کردہ بینک اکاؤنٹ میں کرنا ہے۔ اسی مناسبت سے، حصص یافتگان سے درخواست کی جاتی ہے کہ وہ کمپنی کی ویب سائٹ پر دستیاب ای ڈیویڈنڈ مینڈیٹ فارم کی معلومات شیئر رجسٹرار کو مستقبل میں ایسوسی ایٹس پرائیویٹ لمیٹڈ کو جمع کرانی چاہیے۔ **M/S FAMCO** / (ڈیویڈنڈ کی ادائیگی کے لیے فراہم کریں۔ سی ڈی سی اکاؤنٹ ہولڈرز کو اپنی معلومات براہ راست اپنے بروکر (شرکاء

7۔ شیئر ہولڈنگ کا تناسب۔

ایف بی آر نے واضح کیا ہے کہ جوائنٹ اکاؤنٹ کے معاملے میں، ہر ہولڈر کو انفرادی طور پر فائلر یا نان فائلر سمجھا جائے گا اور ٹیکس ہر جوائنٹ ہولڈر کے شیئر ہولڈنگ کی بنیاد پر کاٹا جائے گا جیسا کہ شیئر ہولڈر تحریری طور پر مطلع کرے گا۔ حسب ذیل، کمپنی کے شیئر رجسٹرار کو۔ بصورت دیگر، یہ فرض کیا جائے گا کہ مشترکہ شیئر ہولڈرز یکساں طور پر حصص رکھتے ہیں۔

جوئنٹ شیئرز	پرنسپل شیئر	ٹوٹل شیئرز	فولیو/ سی ڈی سی اکاونٹ نمبر	کمپنی کا نام
نام اور شناختی کارڈ شیئر ہولڈرز پورشن (نمبر شیرز)	نام اور شناختی کارڈ شیئر ہولڈرز پورشن (نمبر شیرز)			

8۔ فزیکل شیئرز کو بک انٹری فارم میں تبدیل کرنے کے لیے شیئر ہولڈرز کے لیے خصوصی نوٹس

کمپنی ایکٹ 2017 کے سیکشن 72 اور ایس ای سی پی کے خط نمبر **CSD/ED/Misc./2016-639-640**

مورخہ 26 مارچ 2021 کی جاری کردہ موجودہ فزیکل شیئرز کو کتاب میں تبدیل کرنے کی ضرورت ہے۔ داخلہ فارم. مندرجہ بالا ضرورت کو دیکھتے ہوئے، فزیکل فولیو/ شیئر سرٹیفکیٹس رکھنے والی کمپنی کے شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنے شیئرز کو فزیکل فارم سے جلد از جلد بک انٹری فارم میں تبدیل کریں

فزیکل شیئرز کو بک انٹری فارم میں تبدیل کرنے سے شیئر ہولڈرز کو کئی طریقوں سے سہولت ملے گی، یعنی حصص کی محفوظ تحویل، حصص کی فوری فروخت اور خریداری کے لیے آسانی سے دستیاب مارکیٹ، نقصان اور نقصان کے خطرے کو ختم کرنا، کم رسمی کارروائیوں کے ساتھ آسان اور محفوظ منتقلی جسمانی حصص کے مقابلے میں۔ کمپنی کے شیئر ہولڈرز کمپنی کے شیئر رجسٹرار سے رابطہ کر سکتے ہیں وار فیمکو ایسوسیٹ پرائیویٹ لمیٹڈ فزیکل شیئرز کو بک انٹری فارم میں تبدیل کرنے میں مدد کے لیے ہے۔

Review Report by the Chairman

For the year ended June 30, 2022

On behalf of the Board of Directors of Clover Pakistan Limited, I am pleased to present the report and audit the Company's Financial Statements for the year ended June 30, 2022.

PERFORMANCE OVERVIEW

In this financial year the Global economic heaswinds significantly impacted the country's economy. Cost of doing business significantly increases with significant decrease in volume of FMCG thus adversly impacting the business of your company. To deal with this scenario your company focussed on restrcturing and cost reduction. Although sales fell significantly, during the year, the net revenue of the Company decreased to Rs. 93.272 million with a gross profit of Rs. 8.716 million but as a result of above mentioned actions loss per share basic and diluted was brought down to Rs. 3.52 for the year.

GOVERNANCE

The Company's Board of Directors meets frequently enough to discharge its responsibilities. The Independent and Non-executive directors are equally involved in important decisions. For the financial year that ended June 30, 2022, the Board's overall performance and effectiveness have been assessed as satisfactory. This assessment is in the process but based on an evaluation of integral components, including the vision, mission, and values; engagement in strategic planning; formulation of policies; monitoring of business activities and effective fiscal oversight.

DIRECTOR'S TRANING PROGRAMME

The Board is actively pursuing scheduling the Directors' Training program (DTP) subsequent to year end conducted by the Institute of Cost and Management Accountants of Pakistan (ICMA) online

FUTURE OUTLOOK

The economic challenges that the company faced last year continue to persist. Slowdown in the country's economy, high inflation, rising interest rates, Rupee devaluation and natural calamities are likely to pose a challenge to the overall business sector in Pakistan. However, the Board and management remain committed to taking all possible actions to meet the challenges.

At Clover, we remain firm in our commitment to reinvigorate this Company and create value for all our stakeholders. This revival will be underpinned by achieving operational excellence, elevated customer satisfaction, and driving cost efficiencies across our divisions.

ACKNOWLEDGMENTS

On behalf of the Board, I would like to express our appreciation to our shareholders and customers for their continued patronage. We also highly value the services and dedication of our employees, who are relentlessly committed to serving our customers better. I would also like to thank our creditors and the regulators for their continued support and direction.

For and on behalf of the Board

Shehzad Mohsin
Chairman
Karachi: Oct 07, 2022

چیئرمین کی جائزہ رپورٹ

برائے سال مختتمہ 30 جون 2022ء

کلوور پاکستان لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے میں کمپنی کے مالیاتی گوشوارے برائے سال مختتمہ 30 جون 2022ء کی آڈٹ رپورٹ اور اپنی رپورٹ پیش کرتے ہوئے اظہار مسرت کرتا ہوں۔

کارکردگی کا جائزہ:

اس مالی سال میں عالمی اقتصادی بحران نے ملک کی معیشت کو نمایاں طور پر متاثر کیا۔FMCG کے حجم میں نمایاں کمی کے ساتھ کاروباری لاگت نمایاں طور پر بڑھ جاتی ہے اس طرح آپ کی کمپنی کے کاروبار پر منفی اثر پڑتا ہے۔اس صورتحال پر قابو پانے کیلئے آپ کی کمپنی نے بحالی اور لاگت میں کمی پر توجہ دی۔ اگرچہ دوران سال فروخت میں نمایاں کمی ہوئی، کمپنی کی خالص آمدنی 8.716 ملین روپے کے مجموعی منافع سے کم ہوکر 93.272 ملین روپے ہوگئی لیکن مذکورہ بالا اقدامات کے نتیجے میں فی حصص بنیادی اور رقیق خسارہ سال کے لئے 3.52 ک کم ہوگیا۔

نظم وضبط:

اپنی ذمہ داریوں سے عہدہ برآں ہونے کے لئے کمپنی کے بورڈ آف ڈائریکٹرز کے اجلاس منعقد ہوتے ہیں۔آزاد اور نان ایگزیکٹیو ڈائریکٹرز یکساں طور پر اہم فیصلوں میں شریک ہوتے ہیں۔ مالیاتی سال 30 جون 2022ء کے لئے بورڈ کی مجموعی کارکردگی اور اثر پذیری کی تشخیص تسلی بخش پائی گئی۔ یہ تشخیص زیر تکمیل ہے لیکن یہ انفرادی اجزاء بشمول نصب العین، مشن اور اقدار، کلیدی منصوبہ بندی میں مشغولیت، پالیسیوں کی ترتیب بندی، کاروباری سرگرمیوں کی نگرانی اور موثر مالیاتی نگرانی کی بنیاد پر ہے۔

ڈائریکٹرز ٹریننگ پروگرام:

بورڈ سال کے آخر میں انسٹی ٹیوٹ آف کاسٹ اینڈ مینجمنٹ اکاؤنٹنٹس آف پاکستان (ICMA) کے ذریعہ آن لائن ڈائریکٹرز ٹریننگ پروگرام (DTP) کو شیڈول کرنے کے لئے سرگرمی سے عمل پیرا ہے۔

مستقبل کی پیش بینی:

کمپنی کو گزشتہ سال درپیش معاشی چیلنجز بدستور برقرار ہیں۔ ملکی معیشت میں سست روی، مہنگائی میں اضافہ، شرح سود میں اضافہ، روپے کی قدر میں کمی اور قدرتی آفات پاکستان کے مجموعی کاروباری شعبے کے لیے ایک چیلنج بن سکتے ہیں۔ تاہم، بورڈ اور انتظامیہ چیلنجوں سے نمٹنے کے لیے تمام ممکنہ اقدامات کرنے کے لیے پرعزم ہے۔

کلوور میں ہم کمپنی کو از سرنو مستحکم کرنے اور متعلقین کے لئے قدر پیدا کرنے کیلیئے کوشاں ہیں۔ اس بحالی کو کاروباری بہتری، گاہکوں کی اچھی طمانیت اور ہمارے تمام شعبوں میں لاگتوں میں بہتری کے ذریعے حاصل کیا جائے گا۔

اعتراف:

بورڈ کی جانب سے میں اس موقع پر اپنے حصص یافتگان اور گاہکوں کی مسلسل سر پرستی پر ان کا مشکور ہوں۔ ہم اپنے ملازمین کی خدمات اور جدوجہد کی انتہائی قدر کرتے ہیں جنہوں نے ہمارے گاہکوں کو بہتر خدمت فراہم کرنے کیلیئے انتھک محنت کی۔ میں اس موقع پر تمام قرض دہندگان اور انضباطی اداروں کے مسلسل تعاون اور ہدایات پر ان کا مشکور ہوں۔

ازطرف بورڈ آف ڈائریکٹرز

شہزاد محسن

چیئرمین

کراچی، 7 اکتوبر 2022ء

DIRECTORS' REPORT

The Directors present the Annual Report together with the Company's Financial Statements and the Auditor's Report for the year ended June 30, 2022.

Financial Results

Financial highlights for 2022

The loss of financial statement for the year ended June 30, 2022, after providing selling and distribution expenses, financial and other charges amount to be:

	2022	2021
	--------- (Rupees'000) ---------	
Loss before taxation	**(104,640)**	(567,123)
Taxation	**(5,073)**	(37,876)
Loss for the year	**(109,713)**	(604,999)
Loss per share – basic and diluted	**(3.52)**	(19.43)

Appropriations and movement in reserves have been disclosed in the Statement of Changes in Equity of the Annual Report.

During the year, the net revenue of the Company decreased to Rs. 93.272 million from Rs. 374.437 million because due to improvement in cost of sale we have made a gross profit of Rs. 8.716 million. The Company reported a net loss of Rs 109.713 million for the year. This loss translated to Rs 3.52 per share compared to a loss of Rs 19.43 per share last year.

In this financial 2021-22 year, Ukraine and Rushia conflict affected the Global economy significantly, which coupled with political uncertainty, resulted in an economic slowdown in Pakistan. The economy's slowdown adversely affected the commercial & industrial sectors; consequently, industrial chemicals, Lubricants, and equipment sales fell significantly. Pakistan industry was also adversely impacted, and due to local currency devaluation, the industry also had to account for high inventory loss and exchange loss.

The decline in revenue is due to multiple factors the Company faced. The Company's Chemical Business Division was significantly impacted as there was significant variation in its global/international price Further, the devaluation of Rupees against the Dollar in the period also increased the market's uncertainty.

SECP Investigation Order

The Executive Director, Supervision Division of Securities Exchange Commission of Pakistan - (SECP) passed an order dated May 27, 2022 under section 257 of the Companies Act, 2017 for investigation into the affairs of the Company. The Company preferred an appeal under section 33 of the SECP Act, 1997 before the appellate bench of the commission. However, the deputy registrar of the appellate bench of the commission was not inclined to register the appeal on the ground that such appeal was barred by provisos (a) and (d) of the section 33(1) of the SECP act 1997 viz that an administrative direction given by commissioner or an interim order is not appealable. Against such order the appellant is before the Honourable High Court of Sindh (SHC) with an appeal under section 34 of the SECP Act , 1997.

The SHC has referred the case to the Appellate Bench, after hearing the appeal of the Company and the case has been dismissed by the court. The Appellate Bench then dismissed the appeal against the Company in its order dated July 29, 2022.

Being aggrieved, the Company has filled the appeal against the order dated July 29, 2022 (passed by the Appellate Bench of the SECP in Appeal No. 45 of 2022 filed under Rule 8 (5) of the SECP (Appellate Bench Procedures) Rules 2003. The appeal before the Appellate Bench was instituted against the decision dated June 10, 2022 issued by the Deputy Registrar whereby, he declined to register the initial appeal filed by the appellant under Section 33 of the SECP Act, 1997 against the investigation order dated May 27, 2022 issued by the Executive Director, Supervision Division of SECP under Section 257 of the Companies Act, 2017. The SHC while issuing notices to all respondents has been suspended the investigation order dated May 27, 2022 and has further restrained them from taking any adverse/coercive action against the Company pursuant to the said investigation order.

In view of the legal advisor, the Company has a good case on the merits and there is likelihood of the favorable outcome.

RECOVERABILITY OF CUSTOM DUTY

In the year 2009, the Federal Government issued SRO 787(1)/2008 dated July 26, 2008 under Section 19 of Customs Act, 1969 (the Act) whereby, the customs duty on import of crystalline sugar was brought down to zero, as against 25% given in First Schedule to the Act. The Company had imported crystalline sugar from July 26, 2008 to October 15, 2008 and paid custom duty of Rs. 17.012 million and Rs. 3.986 million without availing the benefit of subject SRO. Thereafter, the refund claims were filed by the Company with the Custom Authorities and recognized the same in books of account during the year ended June 30, 2009 The refund claims were rejected by the Additional Collectorate on the ground that the incidence of duty and taxes has been passed on to the end consumers by incorporating it in the cost of the product.

Being aggrieved with decision of Additional Collectorate, the Company had filed appeals before the Collector of Customs as well as before the Appellate Tribunal in the year ended June 30, 2010 and 2011 respectively, which were also rejected on the same grounds. The Company later filed references in the Honorable High Court of Sindh (SHC) against the judgments of the Appellate Tribunal. Regarding the reference of Rs.17.012 million, the SHC vide its order dated May 28, 2015 had allowed the reference application and remanded the case to the Customs Appellate Tribunal for decision afresh on the basis of the evidence produced before the Tribunal to establish that the burden of tax under Section 19-A of the Act has not been passed on to the end consumer. The Customs Appellate Tribunal vide its order dated June 17, 2016 has decided the case in favor of the Company and has directed the tax department to refund the claim to the Company. The Custom Authorities have subsequently filed an appeal in the SHC which is pending.

On the other hand, the Divisional Bench of the SHC dismissed the reference for Rs. 3.986 million in 2012. The Company filed appeal against the decision of the SHC before the Honorable Supreme Court of Pakistan (SCP) on the grounds that none of the forums above, including the SHC, had examined the evidence produced to establish that the burden of duty and taxes has not been passed on to the end consumer. The SCP in order to examine this question granted leave in the petition.
The said matter was last heard on May 27, 2022 which has been referred to the next date of hearing after the year end that is expected to be the final hearing for decision.

The management based on the view of its legal counsel is confident that the issue raised by the Customs Authorities is without any basis and the ultimate decision of refund will be in favor of the Company. Accordingly, the Company has maintained the already recognized refund claims of Rs. 20.998 million and is of the view that no provision for impairment loss is required to be made.

RISK MITIGATION

The Board of Directors, Board's Audit Committee and Human Resource Committee comprising the senior management team, are responsible for oversight of the Company's operations and evolving proactive strategy to mitigate any potential adverse impact of foreseen risks. The information about significant risks and their mitigants is provided below:

STRATEGIC RISK

Strategic risk relates to the Company's future business plans and strategies, including the risks associated with its macro-environment, like demand for its products, competitive threats, technology and product innovation, etc. The Company regularly keeps track of the changing market trends and seeks feedback from the Company's regular and prospective customers. The Company ensures that its products best suit its customers' current and future needs at competitive prices with the finest quality to counter the competition and retain and improve its market share.

OPERATIONAL RISKS

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Company's activities, either internally within the Company or externally, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of operation behaviour. Operational risks arise from all of the Company's activities. The Company's objective is to manage operational risk to balance limiting fi¬nancial losses and damage to its reputation while achieving its business objective and generating returns for investors. Primary responsibility for the development and implementation of controls over operational risk rests with the management of the Company. This responsibility encompasses the controls in the following areas:

- requirements for appropriate segregation of duties between various functions, roles and responsibilities;
- requirements for the reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identi¬ed;
- ethical and business standards;
- risk mitigation, including insurance where this is e active

FINANCIAL RISK

Credit Risk

Credit risk relates to the risk that a Company may encounter due to the failure of the counterparties to satisfy their debts or obligation following the agreed terms of credit. All the Company's financial assets have credit risk other than "Cash in Hand". The Company has effectively managed the credit risk with a well-devised credit strategy in place.

Liquidity Risk

Liquidity risk arises when the Company has insufficient ready cash and encounters difficulty meeting its financial obligation. Liquidity risk is managed by ensuring the availability of sufficient funds to meet its financial obligations and commitments in any business condition.

Foreign Exchange Risk

The Company is not significantly exposed to foreign exchange risk on its import of raw material to be settled in the short term. For long-term contracts, Company makes arrangements to pass on, wherever possible, to counter foreign exchange risk.

CUSTOMER FOCUSING

The Company believes that its valued customers are the foundation of its business success. Company policies are entirely customers' focused. Liaison with the market and customers has always enabled your Company to understand customers' needs best to offer the best suitable products and service level to make your Company the first choice.

COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

The Directors are pleased to state that all necessary steps have been taken to comply with the Code of Corporate Governance requirements required by the Securities and Exchange Commission of Pakistan (SECP). The Statement of Compliance with the Code of Corporate Governance is annexed with the report.

CORPORATE AND FINANCIAL REPORTING FRAMEWORK

Following are the statements on the Corporate and Financial Reporting framework:

The financial statements prepared by the Company's management represent its state of affairs fairly, the results of its operations, cash flows and changes in equity.

The Company has maintained proper books of accounts.

Appropriate accounting policies have been consistently applied in preparing financial statements and accounting estimates based on reasonable and prudent judgment.

In preparation for these financial statements, International Financial Reporting Standards, as applicable in Pakistan, have been followed, and any departures there have been adequately disclosed and explained.

The system of internal control is sound in design. The system is continuously monitored by Internal Audit and other such monitoring procedures. Monitoring internal controls should continue as an ongoing process to further strengthen the controls and improve the system.

There are no significant doubts about the Company's ability to continue as a going concern.

There has been no material departure from the best practices of corporate governance, as detailed in the Listing Regulations.

The summary of the Company's key operating and financial date of the last six years, including the current period, is annexed in this report.

Information about taxes and levies is given in the notes to the accounts.

BOARD OF DIRECTORS

The composition of the Board is as follows:

Male:	8
Female:	3
Independent Directors:	Ms Koshak Irum
	Ms Shaista Khan
Mr Zohaib Yaqoob (Later on Resigned)	
Other Non-executive Directors:	Mr Shehzad Mohsin
	Mr David C. Paul
	Mr Nausherwan
	Mr Salim Chamdia (Later on Resigned)
Executive Directors:	Mr Khawar Jamil Butt
	Mr Javaid Iqbal
	Mr Sohail Allana (Later on Resigned)
	Ms Rima Ather (Later on Resigned)

Female Director	Ms Koshak Irum Ms Shaista Khan Ms Rima Ather (Later on Resigned)

After the year-end, Mr Zohaib Yaqoob, Mr Sohail Allana, Ms Rima Ather and Mr Salim Chamdia have resigned from the Company Board. The casual vacancy will be filled within the due time as per the regulatory requirements. Mr Sohail Allana, CEO of the Company, resigned and was replaced by Mr Javaid Iqbal.

Board Committees

a) Audit Committee:
   Ms Koshak Irum- Chairman
   Mr Shehzad Mohsin
   Mr David C. Paul
   Mr Nausherwan

b) Human Resource and Remuneration Committee:
   Ms Koshak Irum- Chairman
   Mr Shehzad Mohsin
   Mr Nausherwan

Meetings of Board of Directors

During the year, six (6) meetings of the Board of Directors were held. Attendance by each Director was as follows:

Name of Director	Meetings Attended
Mr Salim Chamdia – (Later on Resigned)	6
Ms Rima Athar – (Later on Resigned)	6
Mr Sohail Allana – (Later on Resigned)	3
Mr Shahzad Mohsin	6
Mr Javaid Iqbal	4
Mr Zohaib Yaqoob – (Later on Resigned)	4

Audit Committee Meetings

By the Code of Corporate Governance, the Board has set up an Audit Committee. The Board of Directors has determined the terms of reference of the Committee. The Audit Committee held four (4) meetings during the year. The attendance by each member was as follows:

Name of Audit Committee Member	Meetings Attended
Mr Salim Chamdia – (Later on Resigned)	3
Mr Zohaib Yaqoob – (Later on Resigned)	1
Mr Khawar Jamil Butt	2
Mr David C. Paul	1
Ms Koshak Irum	1
Mr Nausherwan	1

Human Resource and Remuneration Committee Meetings

During the year, One (1) HR Committee meetings was held. Attendance by each member was as follows:

Name of Director	Meetings Attended
Ms Koshak Irum	1
Mr Nausherwan	1
Mr Shahzad Mohsin	1

REMUNERATION POLICY OF NON-EXECUTIVE DIRECTORS

The fee of the Non-Executive and Independent Directors for attending the Board and Committee meetings of the Company is determined by the Board from time to time.

REMUNERATION PACKAGE OF CHIEF EXECUTIVE AND DIRECTORS

The remuneration package of the Chief Executive and other directors is disclosed in note 32 to the financial statements.

CONTRIBUTION TO THE NATIONAL EXCHEQUER AND ECONOMY

Your Company contributed to the national exchequer on general sales tax, income tax, and other government levies during the year.

EXTERNAL AUDITORS

The present auditors Messrs Grant Thornton Anjum Rahman, Chartered Accountants, retire after the forthcoming Annual General Meeting and are eligible for re-appointment.

PATTERN OF SHAREHOLDING

A statement showing the Company's shareholding and additional information as of June 30, 2022, is annexed with this report.

There has been no transaction carried out by Directors / Chief Executive, CFO, Company Secretary and their spouses and minor children in the Company's shares during the year.

FUTURE PROSPECTS

The post-pandemic recovery of the global economy has been severely jolted by the ongoing Russia-Ukraine conflict. Consequently, oil prices in the international commodity markets have soared to an all-time high.

Political instability and uncertainty, trade deficit, and depletion of foreign exchange reserves all lead to significant pressure on the PKR against the US dollar.

Our future strategy is to keep strict cost control measures in place and keep the business segments afloat in their initial stages. Your Company is putting all efforts, particularly in the Lubricants. The same is expected to give positive results to the Company and set the overall Company on track.

RELATED PARTY TRANSACTIONS

By the relevant regulations, the Company has a Related Party Transactions Policy approved by the Board of Directors. All related party transactions carried out during the year are disclosed in the notes of the Financial Statements.

SUBSEQUENT EVENTS

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year and the date of this report.

ACKNOWLEDGEMENT

We take this opportunity to thank all those who have provided us with their valuable support throughout the year.

On behalf of the Board of Directors

Javaid Iqbal
Chief Executive Officer

Shehzad Mohsin
Director

Karachi.
Dated: October 07, 2022

ڈائریکٹران کی رپورٹ

ڈائریکٹران اپنی سالانہ رپورٹ کے ساتھ کمپنی کے مالیاتی گوشوارے اور آڈیٹرز رپورٹ برائے مختتمہ 30 جون 2022ء پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

مالیاتی نتائج:

مالیاتی نتائج برائے سال 2022ء

فروخت اور تقسیمی اخراجات، مالیاتی اور دیگر اخراجات کی رقم نکالنے کے بعد مختتمہ سال 30 جون 2022ء کے مالیاتی گوشواروں کا خسارہ درج ذیل ہے:

	2021	2022
	(روپے ہزاروں میں)	
خسارہ قبل از ٹیکس	(104,640)	(567,123)
ٹیکس	(5,073)	(37,876)
سال کا خسارہ	(109,713)	(604,999)
خسارہ فی حصص ۔ بنیادی اور رقیق	(3.52)	(19.43)

مصارف اور ذخائر سرمایہ میں تبدیلی کو سالانہ رپورٹ کی ایکوئٹی میں تبدیلیوں کے بیان میں منکشف کیا گیا ہے۔

دوران سال کمپنی کی خالص آمدنی 374.437 ملین کے مقابلے میں کم ہوکر 93.272 ملین روپے رہ گئی کیونکہ فروخت کی لاگت میں بہتری کی وجہ سے ہم نے 8.3716 ملین روپے کا مجموعی منافع حاصل کیا۔ دوران سال کمپنی کو مبلغ 109.713 ملین روپے کا خالص خسارہ ہوا۔ یہ خسارہ گذشتہ سال 19.43 فی حصص کے خسارہ کے مقابلے میں 3.52 فی حصص تھا۔

اس مالیاتی سال 22-2021 میں یوکرین اور روس تنازعہ نے عالمی معیشت کو نمایاں طور پر متاثر کیا، جس کے نتیجے میں پاکستان کو سیاسی غیر یقینی صورتحال کے ساتھ ساتھ معاشی سست روی کا سامنا کرنا پڑا۔ معیشت کی سست روی نے تجارتی اور صنعتی شعبوں کو بُری طرح متاثر کیا۔ اس کے نتیجے میں صنعتی کیمیکلز، لبریکینٹس اور سامان کی فروخت میں نمایاں کمی ہوئی۔ پاکستان کی صنعت بھی ناموافق اثرات کی وجہ سے متاثر ہوئی اور کرنسی کی موجودہ فرسودگی کی وجہ سے صنعت کو بھی زرمبادلہ کا خسارہ ہوا۔

آمدنی میں کمی کے کوئی عوامل ہیں جن کا کمپنی کو سامنا ہے۔ کمپنی کا کیمیکل بزنس ڈویژن خاص طور پر عالمی/ بین الاقوامی قیمتوں میں نمایاں تغیر کے باعث متاثر ہوا کیونکہ کمپنی کی عالمی/ بین الاقوامی قیمتوں میں نمایاں تغیر تھا۔ مزید براں، ڈالر کے مقابلے میں روپے کی قدر میں کمی سے مارکیٹ میں غیر یقینی کی صورتحال میں اضافہ ہوا۔

SECP انویسٹی گیشن آرڈر:

سیکیوریٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے ایگزیکٹو ڈائریکٹر سپرویژن ڈویژن (SECP) نے کمپنیز ایکٹ 2017 کے سیکشن 257 کے تحت 27 مئی 2022 کو کمپنی کے معاملات کی تحقیقات کے لیے ایک حکم جاری کیا۔ کمپنی نے SECP ایکٹ 1997 کے سیکشن 33 کے تحت کمیشن کے اپیلیٹ بینچ کے روبرو اپیل کو ترجیح دی۔ تاہم، کمیشن کے اپیلیٹ بینچ کے ڈپٹی رجسٹرار اس بنیاد پر اپیل کے اندراج کے لیے مائل نہیں تھے کہ ایسی اپیل کو SECP ایکٹ 1997 کے سیکشن 33(1) کی دفعات (a) اور (d) کے ذریعے روک دیا گیا تھا۔ کمشنر کی طرف سے دی گئی انتظامی ہدایت یا عبوری حکم قابل اپیل نہیں ہے۔ اس طرح کے آرڈر کے خلاف اپیل

کنندہ SECP ایکٹ 1997 کے سیکشن 34 کے تحت ایک اپیل کے ساتھ معزز ہائی کورٹ آف سندھ (SHC) میں حاضر ہے۔

معزز سندھ ہائی کورٹ نے کمپنی کی اپیل سننے کے بعد کیس کو اپیلٹ بینچ کو بھجوادیا ہے اور محترم عدالت نے کیس کو خارج کردیا ہے۔ بعدازاں اپیلیٹ بینچ نے مورخہ 29 جولائی 2022 کو اپنے آرڈر میں کمپنی کے خلاف اپیل کو خارج کردیا۔

کمپنی نے 29 جولائی 2022 کے حکم (SECP کے اپیلیٹ بینچ کی جانب سے 2022 کی اپیل نمبر 45 میں SECP (اپیل بنچ کے طریقہ کار) رولز 2003 کے رول (5)8 کے تحت دائر کردہ) کے خلاف اپیل داخل کردی ہے۔ ڈپٹی رجسٹرار کی جانب سے جاری کردہ 10 جون 2022 کے فیصلے کے خلاف اپیل بینچ کے سامنے دائر کی گئی تھی جس کے تحت، انہوں نے کمپنیز ایکٹ 2017 کے سیکشن 257 کے تحت SECP کے ایگزیکٹو ڈائریکٹر سپرویژن ڈویژن کی جانب سے 27 مئی 2022 کو جاری کردہ انویسٹی گیشن آرڈر کے خلاف SECP ایکٹ 1997 کے سیکشن 33 کے تحت اپیل کنندہ کی طرف سے دائر کی گئی ابتدائی اپیل کو درج کرنے سے انکار کردیا۔ سندھ ہائی کورٹ نے تمام جواب دہندگان کو نوٹس جاری کرتے ہوئے 27 مئی 2022 کے انویسٹی گیشن آرڈر کو معطل کردیا ہے اور انہیں مذکورہ انویسٹی گیشن آرڈر کے تحت کمپنی کے خلاف کسی بھی قسم کی منفی/ زبردستی کارروائی کرنے سے مزید روک دیا ہے۔

قانونی مشیر کے پیش نظر، کمپنی کا کیس مضبوط ہے اور اس کے بہتر نتائج کی امید ہے۔

کسٹم ڈیوٹی کی وصولی:

سال 2009 میں، وفاقی حکومت نے کسٹمز ایکٹ 1969 (ایکٹ) کے سیکشن 19 کے تحت مورخہ 26 جولائی 2008 کو SRO 787(1)/2008 جاری کیا جس کے تحت، کرسٹل چینی کی درآمد پر کسٹم ڈیوٹی کو صفر پر لایا گیا، جیسا کہ ایکٹ کے پہلے شیڈول میں 25 فیصد دیا گیا تھا۔ کمپنی نے 26 جولائی 2008 سے 15 اکتوبر 2008 تک کرسٹل لائن چینی درآمد کی تھی اور مذکورہ SRO کا فائدہ اٹھائے بغیر 17.012 ملین روپے اور 3.986 ملین روپے کی کسٹم ڈیوٹی ادا کی تھی۔ بعدازاں، کمپنی کی طرف سے ریفنڈ کلیم کسٹم حکام کے پاس دائر کیے گئے اور مختتمہ سال 30 جون 2009 کے دوران اکاؤنٹ بکس میں اسے تسلیم کیا گیا۔ ریفنڈ کلیم کو ایڈیشنل کلکٹریٹ نے اس بنیاد پر مسترد کردیا کہ ڈیوٹی اور ٹیکس کے معاملات کو پروڈکٹس کی قیمت میں شامل کرکے آخری صارفین تک پہنچایا گیا ہے۔

ایڈیشنل کلکٹریٹ کے فیصلے سے متاثر ہونے کی وجہ سے، کمپنی نے مختتمہ سال 30 جون 2010 اور 2011 میں بالترتیب کلکٹر آف کسٹمز کے ساتھ ساتھ اپیلٹ ٹریبونل کے سامنے اپیلیں دائر کیں، جنہیں بھی اسی بنیاد پر مسترد کردیا گیا۔ بعدازاں کمپنی نے اپیلٹ ٹریبونل کے فیصلوں کے خلاف معزز ہائی کورٹ آف سندھ (SHC) میں ریفرنس دائر کیا۔ 17.012 ملین روپے کے ریفرنس کے حوالے کے تحت، سندھ ہائی کورٹ نے 28 مئی 2015 کے اپنے حکم نامے کے ذریعے ریفرنس کی درخواست کی اجازت دی تھی اور کیس کو کسٹمز اپیلٹ ٹریبونل کے حوالے کردیا تھا تاکہ ٹریبونل کے سامنے پیش کیے گئے شواہد کی بنیاد پر دوبارہ فیصلہ کیا جاسکے۔ ایکٹ کے سیکشن A-19 کے تحت ٹیکس کا بوجھ آخری صارف پر نہیں ڈالا گیا ہے۔ کسٹمز اپیلیٹ ٹریبونل نے 17 جون 2016 کے اپنے آرڈر کے ذریعے کیس کا فیصلہ کمپنی کے حق میں دیا ہے اور محکمہ ٹیکس کو ہدایت کی ہے کہ وہ کمپنی کو کلیم واپس کرے۔ بعدازاں کسٹم حکام نے سندھ ہائی کورٹ میں اپیل دائر کی جو زیر التواء ہے۔

دوسری جانب سندھ ہائی کورٹ کے ڈویژنل بینچ نے 2012 میں 3.986 ملین روپے کا ریفرنس خارج کردیا۔ کمپنی نے سندھ ہائی کورٹ کے فیصلے کے خلاف محترم سپریم کورٹ آف پاکستان (SCP) میں اس بنیاد پر اپیل دائر کی کہ مذکورہ بالا فورمز میں سے کسی نے، بشمول سندھ ہائی کورٹ نے یہ ثابت کرنے کے لیے پیش کردہ شواہد کی جانچ نہیں کی کہ ڈیوٹی اور ٹیکس کا بوجھ آخری صارف پر نہیں ڈالا گیا۔ اس سوال کی جانچ کرنے کے لیے سپریم کورٹ آف پاکستان نے پٹیشن میں چھٹی دی تھی۔

مذکورہ معاملے کی آخری سماعت 27 مئی 2022 کو ہوئی تھی جسے سال کے اختتام کے بعد سماعت کی اگلی تاریخ تک ملتوی کردیا گیا ہے جس کے فیصلے کے لیے حتمی سماعت متوقع ہے۔

انتظامیہ کو اپنے قانونی مشیر کے نقطہ نظر کی بنیاد پر اس بات پر یقین ہے کہ کسٹمز حکام کی جانب سے اٹھایا گیا مسئلہ بے بنیاد ہے اور ریفنڈ کا حتمی فیصلہ کمپنی کے حق میں ہوگا۔ اس کے مطابق، کمپنی نے 20.998 ملین روپے کے پہلے سے تسلیم شدہ ریفنڈ کلیمز کو برقرار رکھا ہے اور کمپنی کا خیال ہے کہ خرابی کے نقصان کے لیے کوئی بندوبست کرنے کی ضرورت نہیں ہے۔

خطرات میں کمی:

بورڈ آف ڈائریکٹرز، بورڈ کی آڈٹ کمیٹی اور انسانی وسائل و معاوضہ کمیٹی اعلیٰ انتظامیہ پر مشتمل ہے اور کمپنی کے آپریشنز کی نگرانی اور متحرکانہ حکمت عملی ترتیب دینے کی ذمہ دار ہے تاکہ امکانی ناموافق اثرات کو کم کیا جاسکے۔ قابل ذکر خطرات سے متعلق معلومات اور خطرات کو کم کرنے والے عوامل درج ذیل ہیں:

کلیدی خطرات:

کلیدی خطرات میں کمپنی کے مستقبل کے کاروباری منصوبے اور حکمت عملیاں بشمول بڑے معاشی خطرات سے ملحقہ خطرات جیسے مصنوعات کی طلب، مسابقتی خطرات، ٹیکنالوجی اور مصنوعات میں جدت شامل ہیں۔ کمپنی باقاعدگی سے مارکیٹ کی بدلتی ہوئی صورتحال پر نگاہ رکھتی ہے اور کمپنی کے باقاعدہ اور مستقبل کے کسٹمرز سے فیڈ بیک کی خواہاں رہتی ہے۔ کمپنی ایسی مصنوعات کو یقینی بناتی ہے جو گاہکوں کے موجودہ اور مستقبل کی ضروریات کو انتہائی مسابقتی قیمتوں پر اعلیٰ معیار کے ساتھ مسابقت پر پورا اتریں اور اس کے ساتھ مارکیٹ میں اپنے حصے میں بہتری برقرار رکھیں۔

کاروباری خطرات:

کاروباری خطرات ایک بالواسطہ یا بلاواسطہ خطرہ ہے جو کہ کئی اقسام کے اسباب سے پیدا ہوتا ہے جن کا تعلق پروسیس، ٹیکنالوجی، اور انفراسٹرکچر سے معاون کمپنی کی سرگرمیاں ہیں، یا تو اندرونی طور پر کمپنی کے اندر یا باہر موجود ہوتے ہیں، بیرونی عوامل میں قرضہ، مارکیٹ اور روانیت کے خطرات شامل ہیں جو کہ قانونی اور انضباطی ضروریات سے موجود ہیں اور عمومی تسلیم شدہ آپریشن کے رویہ سے ہوتے ہیں۔ کاروباری خطرات میں کمپنی کی تمام سرگرمیاں شامل ہیں۔ کمپنی کے مقاصد کاروباری خطرات کا انتظام ہے جس میں مالیاتی خساروں اور ساکھ کے نقصان کو محدود کرتے ہوئے متوازن کرنا شامل ہے اس کے ساتھ ساتھ کاروباری مقاصد کا حصول اور سرمایہ کاروں کو منفعت فراہم کرنا ہے۔ کاروباری خطرات پر گرفت کے نفاذ اور ترویج کی بنیادی ذمہ داری کمپنی کی انتظامیہ کی ہے۔ یہ ذمہ داری مندرجہ شعبوں میں گرفت پر نگاہ رکھتی ہے:

- مختلف افعال، کردار اور ذمہ داریوں کی مناسب تقسیم کی ضروریات۔
- ٹرانزیکشنز کی نگرانی اور درستگی کرنے کی ضروریات۔
- انضباطی اور دیگر قانونی ضروریات کی پاسداری۔
- گرفت اور طریقہ کار کی دستاویز۔
- لاحق کاروباری خطرات کی وقفہ جاتی تشخیص اور کنٹرول اور طریقہ کار کی موزونیت کی ضروریات تاکہ درج ذیل شناخت شدہ خطرات کا ازالہ کیا جاسکے۔
- اخلاقی اور کاروباری معیارات
- خطرات میں کمی، بشمول انشورنس جہاں پر فعال ہو۔

مالی خطرات:

قرضہ جاتی خطرہ:

قرضہ جاتی خطرے کا تعلق ایسا خطرہ ہے جس کا سامنا کمپنی کو فریق مخالف کی جانب سے شدہ شرائط قرضوں اور اپنی ذمہ داریوں کو پورا نہ کرنے پر ہوتا ہے۔ ''کیش ان

ہینڈ'' کے علاوہ کمپنی کے تمام مالیاتی اثاثہ جات کو قرضہ جاتی خطرہ لاحق ہوتا ہے۔ کمپنی کے پاس موثر انداز میں قرضہ جاتی خطرہ سے نمٹنے کے لئے انتہائی ترتیب شدہ قرضہ جاتی حکمت عملی موجود ہے۔

لیکوئیڈیٹی کا خطرہ:

لیکوئیڈیٹی کا خطرہ اس وقت ہوتا ہے جب کمپنی کے پاس ناکافی دستیاب نقد ہو اور اسے اپنی مالیاتی ذمہ داریوں کو پورا کرنے میں دشواری ہو۔ روانیت کے خطرہ کو کسی بھی کاروباری حالات میں مالیاتی ذمہ داریوں اور وعدوں کو کافی فنڈز کی دستیابی کو یقینی بنا کر کیا جا سکتا ہے۔

بیرونی زرمبادلہ کا خطرہ:

کمپنی کو اس وقت خام مال اور پلانٹ اینڈ مشینری کی درآمدات پر کوئی خاص زرمبادلہ کا خطرہ نہیں ہے جس کا تصفیہ قلیل مدت میں کر لیا جائے گا۔ طویل مدتی ٹھیکوں میں کمپنی جہاں تک ممکن ہوتا ہے زرمبادلہ کے خطرہ کا مقابلہ کرنے کا اہتمامات رکھتی ہے۔

کسٹمر پر مرکوز توجہ:

کمپنی اس بات پر یقین رکھتی ہے کہ اس کے قابل قدر گاہک اس کی کاروباری کامیابی کی بنیاد ہیں۔ کمپنی پالیسیاں مکمل طور پر گاہکوں پر مرکوز ہیں۔ مارکیٹ اور گاہکوں کے ساتھ ہمیشہ اچھا رابطہ کمپنی کو گاہکوں کی ضروریات کو سمجھنے کے قابل بناتی ہے تاکہ گاہکوں کو بہترین مصنوعات اور خدمات کی سطح فراہم کر کے کمپنی کو اپنا پسندیدہ انتخاب بنالیں۔

ادارتی نظم وضبط کے ضابطہ کی پاسداری:

ڈائریکٹران یہ بتاتے ہوئے اظہار مسرت کرتے ہیں کہ تمام ادارتی نظم وضبط کی ضروریات کی پاسداری سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی ضروریات کے مطابق کی ہے۔ ادارتی نظم وضبط کی پاسداری سے متعلق بیان رپورٹ کے ساتھ منسلک کیا گیا ہے۔

ادارتی اور مالیاتی رپورٹنگ فریم ورک:

درج ذیل میں ادارتی اور مالیاتی رپورٹنگ فریم ورک سے متعلق بیان دیا گیا ہے:

- ☆ کمپنی کی انتظامیہ کے تیار کردہ مالیاتی گوشوارے کمپنی کے معاملات، اس کے کاروباری نتائج، نقدی کے بہاؤ اور ایکوئٹی میں تبدیلیوں کی شفافیت کے ساتھ پیش کرتے ہیں۔
- ☆ کمپنی میں حسابات کی کتابیں مناسب انداز میں رکھی گئی ہیں۔
- ☆ درست حساباتی پالیسیوں کو تسلسل کے ساتھ مالیاتی گوشواروں کی تیاری کے دوران ملحوظ خاطر رکھا گیا ہے اور حساباتی تخمینوں کی بنیاد معقول اور مضبوط فیصلوں پر ہے۔
- ☆ مالیاتی گوشواروں کی تیاری کے دوران عالمی مالیاتی رپورٹنگ معیارات، جو پاکستان میں لاگو ہیں کو ملحوظ خاطر رکھا گیا ہے اور کسی بھی انحراف کو معقول انداز میں منکشف اور وضاحت کی گئی ہے۔
- ☆ اندرونی نگرانی کے نظام کی شکل مضبوط ہے اور موثر انداز میں نافذ العمل ہے اور اس کی نگرانی کی جاتی ہے۔
- ☆ کمپنی کے چلتے ہوئے ادارے کی صلاحیت میں کوئی قابل ذکر شک وشبہ نہیں ہے۔
- ☆ لسٹنگ ریگولیشنز میں دیئے گئے ادارتی نظم وضبط کے بہترین طور طریقوں سے کوئی بھی بڑا انحراف نہیں کیا گیا ہے۔
- ☆ گذشتہ چھ سالوں کے مختصراً اہم کاروباری اور مالیاتی اعداد وشمار اس سالانہ رپورٹ میں شامل کئے گئے ہیں۔

☆ ٹیکسز اور لیویز کے بارے میں معلومات اکاؤنٹس کے نوٹس میں دی گئی ہیں۔

بورڈ آف ڈائریکٹرز:

بورڈ کی تشکیل بندی درج ذیل ہے:

مرد	8
خاتون	3

آزاد ڈائریکٹرز:
محترمہ کوشک ارم
محترمہ شائستہ خان
جناب ذوہیب یعقوب (بعدازاں استعفیٰ دے دیا)

دیگر نان ایگزیکیٹو ڈائریکٹرز:
جناب شہزاد محسن
جناب ڈیوڈ سی پاؤل
جناب نوشیروان
جناب سلیم چاڈیا (بعدازاں استعفیٰ دے دیا)

ایگزیکیٹو ڈائریکٹرز:
جناب خاور جمیل بٹ
جناب جاوید اقبال
جناب سہیل الانہ (بعدازاں استعفیٰ دے دیا)
محترمہ ریما اطہر (بعدازاں استعفیٰ دے دیا)

خاتون ڈائریکٹر:
محترمہ کوشک ارم
محترمہ شائستہ خان
محترمہ ریما اطہر (بعدازاں استعفیٰ دے دیا)

سال کے خاتمہ کے بعد جناب ذوہیب یعقوب، جناب سہیل الانہ، محترمہ ریما اطہر اور جناب سلیم چاڈیا نے کمپنی کے بورڈ سے استعفیٰ دے دیا۔ اتفاقی آسامی کو انضباطی ضروریات کے مطابق درست وقت کے اندر پُر کیا جائے گا۔ جناب سہیل الانہ، کمپنی کے CEO نے استعفیٰ دیا اور ان کی جگہ جناب جاوید اقبال آئے۔

بورڈ کی کمیٹیاں:

a) **آڈٹ کمیٹی:**
محترمہ کوشک ارم۔ چیئرمین
جناب شہزاد محسن
جناب ڈیوڈ سی پاؤل
جناب نوشیروان

b) **انسانی وسائل و معاوضہ کمیٹی:**
محترمہ کوشک ارم۔ چیئرمین
جناب شہزاد محسن
جناب نوشیروان

بورڈ آف ڈائریکٹرز کے اجلاس:

دوران سال، بورڈ آف ڈائریکٹرز کے چھ (6) اجلاس ہوئے۔ ہر ڈائریکٹر کی حاضری درج ذیل رہی:

ڈائریکٹر کا نام	اجلاسوں میں حاضری
جناب سلیم چاؤڈیا (بعدازاں استعفیٰ دے دیا)	6
محترمہ ریما اطہر (بعدازاں استعفیٰ دے دیا)	6
جناب سہیل الانہ (بعدازاں استعفیٰ دے دیا)	3
جناب شہزاد محسن	6
جناب جاوید اقبال	4
جناب ذوہیب یعقوب (بعدازاں استعفیٰ دے دیا)	4

آڈٹ کمیٹی کے اجلاس:

کوڈ آف کارپوریٹ گورننس کے مطابق بورڈ نے ایک آڈٹ کمیٹی تشکیل دی ہے۔ بورڈ آف ڈائریکٹرز نے کمیٹی کی ذمہ داریوں کا تعین کیا ہے۔ دوران سال آڈٹ کمیٹی کے چار (4) اجلاس ہوئے۔ ہر ممبر کی حاضری درج ذیل رہی:

ڈائریکٹر کا نام	اجلاسوں میں حاضری
جناب سلیم چاؤڈیا (بعدازاں استعفیٰ دے دیا)	3
جناب ذوہیب یعقوب (بعدازاں استعفیٰ دے دیا)	1
جناب خاور جمیل بٹ	2
جناب ڈیویڈ سی پاؤل	1
محترمہ کوشک ارم	1
جناب نوشیروان	1

انسانی وسائل و معاوضہ کمیٹی کے اجلاس:

دوران سال HR کمیٹی کا ایک اجلاس ہوا۔ ہر ممبر کی حاضری درج ذیل رہی:

انسانی وسائل کمیٹی ممبر کا نام	اجلاس میں حاضری
محترمہ کوشک ارم	1
جناب نوشیروان	1
جناب شہزاد محسن	1

نان ایگزیکیٹیو ڈائریکٹران کے معاوضہ کی پالیسی:

بورڈ وقتاً فوقتاً کمپنی کے بورڈ اور کمیٹی کے اجلاسوں میں شرکت کے لیے نان ایگزیکیٹیو اور آزاد ڈائریکٹرز کی فیس کا تعین کرتا ہے۔

چیف ایگزیکیٹیو اور ڈائریکٹران کے معاوضہ کا پیکیج:

چیف ایگزیکٹو اور دیگر ڈائریکٹران کے معاوضے کے پیکیج کی تفصیلات مالیاتی گوشواروں کے نوٹس 32 میں منکشف کی گئی ہیں۔

قومی خزانے اور معیشت میں معاونت:

آپ کی کمپنی نے درآمدی ڈیوٹیوں، جنرل سیلز ٹیکس، انکم ٹیکس اور دیگر سرکاری لیویز کی مد میں قومی خزانے میں معاونت کی۔

بیرونی آڈیٹرز:

موجودہ آڈیٹرز میسرز گرانٹ تھورنٹن انجم رحمان، چارٹرڈ اکاؤنٹنٹس آنے والے اجلاس عام کے بعد سبکدوش ہوجائیں گے اور دوبارہ تقرری کے اہل ہیں۔

حصص داری کی ساخت:

کمپنی کی حصص داری سے متعلق بیان اور اضافی معلومات برائے 30 جون 2022ء اس رپورٹ کے ساتھ منسلک کی گئی ہیں۔

ڈائریکٹران/ چیف ایگزیکیٹیو، CFO، کمپنی سیکریٹری اور ان کے شریک حیات اور چھوٹے بچوں نے دوران سال کمپنی کے حصص میں کوئی خرید وفروخت نہیں کی۔

مستقبل کے امکانات:

وبائی بیماری سے بحالی کے بعد روس اور یوکرین کے جاری تنازعہ کے باعث عالمی معیشت کو شدید جھٹکا لگا ہے جس کے نتیجہ میں بین الاقوامی اجناس کی مارکیٹ میں تیل کی قیمتیں تاریخ کی بلندترین سطح پر پہنچ گئیں۔

سیاسی عدم استحکام اور غیر یقینی صورتحال، تجارتی خسارہ، اور زرمبادلہ کے ذخائر میں کمی کے سبب امریکی ڈالر کے مقابلے میں پاکستانی روپیہ دباؤ کا شکار رہا۔

ہماری مستقبل کی حکمت عملی لاگتوں پر گرفت رکھنے اور کاروباری شعبوں کو ان کے ابتدائی مراحل میں رواں رکھنے کی ہے۔ آپ کی کمپنی تمام کوششیں بروئے کار لا رہی ہے، خاص طور پر لبریکینٹس میں۔ توقع ہے کہ ان اقدامات سے کمپنی کو مثبت نتائج حاصل ہوں گے اور کمپنی مجموعی طور پر صحیح سمت میں آجائے گی۔

ملحقہ پارٹی کے سودے:

متعلقہ ضوابط کے تحت کمپنی کے ملحقہ فریقین کے ساتھ سودے بورڈ آف ڈائریکٹرز نے منظور کئے جو کہ عمومی طریقہ کار کے مطابق انجام پائے۔ تمام ملحقہ فریقین کے ساتھ کئے گئے سودوں کو مالیاتی گوشواروں کے نوٹس میں منکشف کیا گیا ہے۔

بعد از واقعات:

مالیاتی سال کے اختتام اور اس رپورٹ کی تاریخ کے درمیان کمپنی کی مالی حیثیت کو متاثر کرنے والی کوئی مادی تبدیلیاں اور وعدے نہیں کئے گئے ہیں۔

اعتراف:

ہم اس موقع پر ان تمام لوگوں کے مشکور ہیں جنہوں نے سال بھر ہمیں اپنے قابل قدر تعاون سے نوازا۔

منجانب بورڈ آف ڈائریکٹرز

جاوید اقبال

چیف ایگزیکیٹو آفیسر

کراچی، مورخہ 7 اکتوبر 2022ء

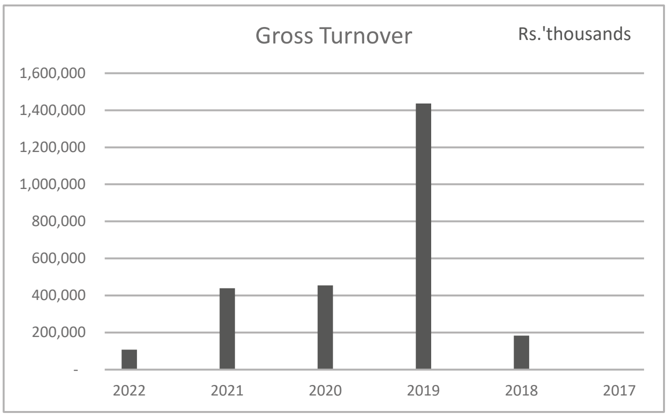
Statement Of Value Added

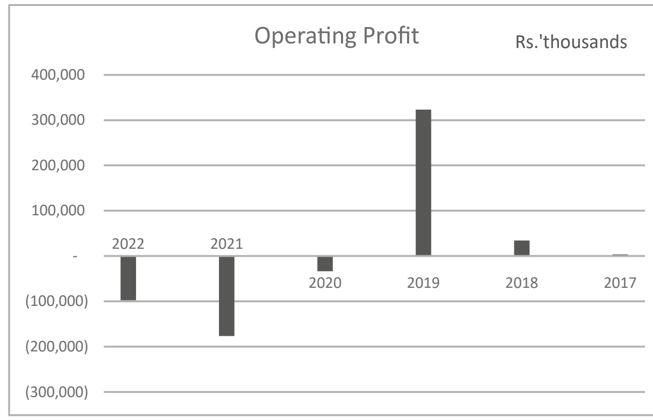
		June 30, 2022 Rupees	June 30, 2021 Rupees
Wealth Generated			
1	Total Revenue	**95,352,000**	377,540,000
2	Bought-in-Material & Services	**(156,149,000)**	(398,591,473)
		(60,797,000)	(21,051,473)
Wealth distributed			
3	To Employees	**49,835,000**	59,423,000
4	To Government		
	Duties & Taxes	**13,190,000**	72,939,000
5	To Providers Of Capital		
	Dividend To Shareholders	**-**	-
6	Mark-up/interest Expense on		
	Interest Expense on borrowed funds	**773,000**	1,499,000
7	Utilized/Retained for reinvestment & future growth		
	Depreciation & retained profit for future growth	**(124,595,000)**	(154,912,473)
		(60,797,000)	(21,051,473)

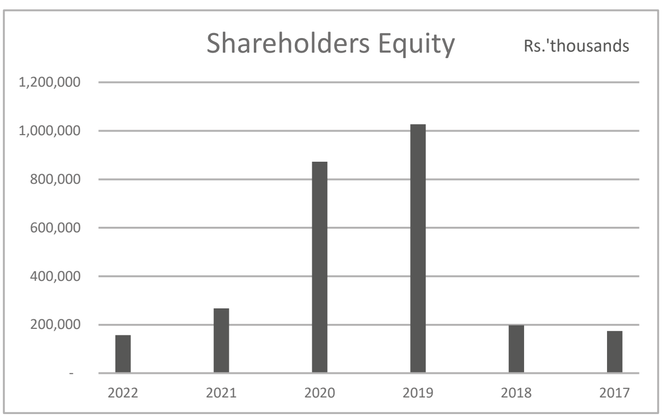
Yearwise Financial Highlights

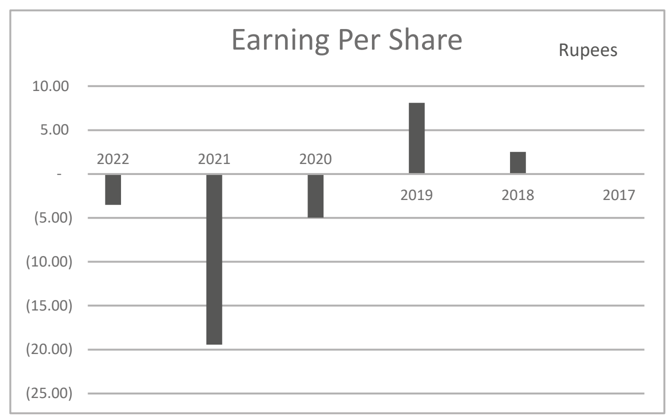
	2022	2021	2020	2019	2018	2017
		-------------------------------(Rupees in `000)-------------------------				
BALANCE SHEET						
Fixed & Intangibles Assets - Property, Palnt & Equipments	**12,891**	21,456	428,332	586,864	508	-
Long Security Deposits	**965**	1,210	4,485	4,110	10	10
Current Assets	**182,498**	283,139	534,497	545,087	307,549	179,109
Currents Liabilities	**38,918**	38,656	85,248	99,486	110,143	4,670
	143,580	244,483	449,249	445,601	197,406	174,439
	157,436	267,149	882,066	1,036,575	197,924	174,449
Equity	**157,436**	267,149	872,148	1,027,366	197,924	174,449
Liabilities against assets subject to finance lease	-	-	9,918	9,209	-	-
Deferred liabilities	-	-	-	-	-	-
	157,436	267,149	882,066	1,036,575	197,924	174,449
PROFIT AND LOSS ACCOUNTS						
Gross Turnover	**107,611**	439,819	455,060	1,436,907	183,972	716
Less: Sales Tax	**(12,798)**	(64,928)	(60,632)	(192,942)	26,731	117
Trade Discounts	**(1,541)**	(454)	-	-	-	-
	(14,339)	(65,382)	(60,632)	(192,942)	26,731	117
Net Turnover	**93,272**	374,437	394,428	1,243,965	157,241	600
Cost Of Sales	**(84,556)**	(398,503)	(309,444)	(789,311)	125,658	487
Gross Profit	**8,716**	(24,066)	84,984	454,654	31,583	113
Distributions & Marketing Expenses	**(34,658)**	(63,681)	(62,386)	(26,465)	(164)	-
Administrative Expenses	**(71,593)**	(88,473)	(56,158)	(104,783)	(3,988)	(4,707)
Other Operating Expenses	**(8,412)**	(6,522)	(6,351)	(7,101)	-	-
Other Operating Income	**2,080**	3,103	53,092	2,506	7,007	8,109
Impairment of goodwill	-	(385,985)	(162,877)			
Financial Charges	**(773)**	(1,499)	(3,046)	(6,984)	(1,115)	(86)
Profit Before Taxtation	**(104,640)**	(567,123)	(152,742)	311,827	33,323	3,429
Taxtaion	**(5,073)**	(37,876)	(2,476)	(59,331)	(9,668)	(3,097)
Profit after taxtaion	**(109,713)**	(604,999)	(155,218)	252,496	23,655	332
Earning Per Share - basic and diluted (Rupees)	**(3.52)**	(19.43)	(4.98)	8.11	2.51	0.04
Cash Dividend	**0%**	0%	0%	30%	0%	0%
Operating Profit / (Loss)	**(97,535)**	(176,220)	(33,560)	323,406	34,438	3,514
Issued & paid up capital of Rs. 10 each	**311,431**	311,431	311,431	249,145	94,349	94,349

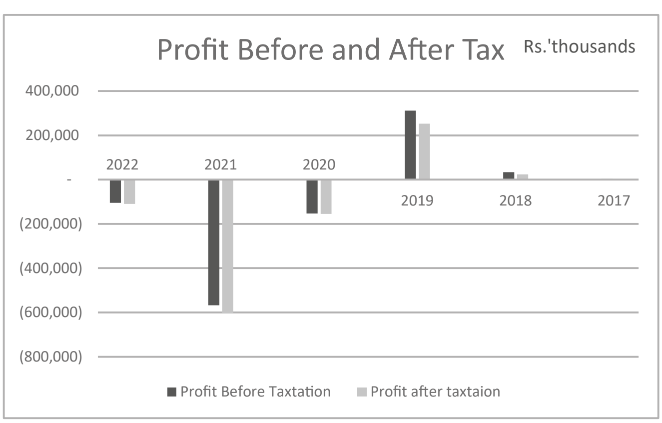
Six Year at a Glance

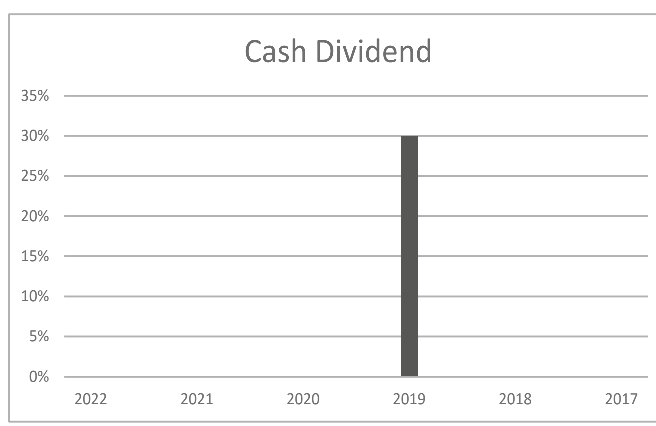












Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 Clover Pakistan Limited

Year ending June 30, 2022

Clover Pakistan Limited Year ended June 30, 2022 (hereinafter referred to as 'The Company') has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Regulations") in the following manner:

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

a)	Male:	5
b)	Female:	2

2. The composition of the Board is as follows:

i.	Independent directors*:	Ms. Shaista Khan Ms. Koshak Irum Fazali
ii.	Non-Executive Directors:	Ms. Shahzad Mohsin Mr. Nousherwan Mr. David Cyrill Paul
iii.	Executive Directors:	Mr. Javed Iqbal Mr. Khawar Jamil Butt
iv.	Female Directors	Ms. Shaista Khan Ms. Koshak Irum Fazali

* During the year, the Company appointed the following independent Directors on its board:

1. Mr.Nousherwan
2. Mr.David Cyrill Paul
3. Mr. Koshak Irum Fazali
4. Ms. Shaista Khan

However, subsequent to the year end, the Company identified that out of the above 4 Directors, Mr. David Cyrill Paul and Mr. Nousherwan did not meet the necessary criteria for being an independent director. Accordingly, the Company has classified Mr. David Cyrill Paul and Mr Nousherwan as Non-Executive Directors instead of Independent Director. The Company has also disclosed this fact to the SECP against its show cause notice via letter CSD/ARN/590/2020-1 dated August 18, 2022.

Further, Ms. Koshak Irum Fazali and Ms. Shaista Khan who were appointed as independent Director during the year were not appearing in the data bank maintained by PICG in respect of independent Director. However, the said Directors have been included in the data bank subsequent to year end dated August 30, 2022.

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 a complete record of particulars of the significant policies along with their 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 Act and the Regulations with respect to frequency, recording and circulating minutes of the meeting of the Board;

8. The Board have a formal policy and transparent procedures for remuneration of directors under the Act and these Regulations;

9. The Board is actively pursuing to schedule Directors' Training program (DTP) subsequent to year end for its below specified directors:

- Ms. Shaista Khan
- Ms. Koshak Irum Fazali
- Mr. David Cyrill Paul
- Mr. Nousherwan
- Mr. Javed Iqbal

10. The Board has approved the appointment of a Chief Financial Officer, Company Secretary and *Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;

*During the period from July 1, 2021 to October 29, 2021 Mr. Muhammad Bilal acted as the Head of Internal Audit. With effect from October 29, 2021 he was given the responsibility of the company secretary and accordingly the position of Head of Internal Audit remained vacant till May 31, 2022. On June 01, 2022 the Company has appointed Mr. Waqar Razzaq as Head of Internal Audit.

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;

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

a) Audit Committee:

Ms. Koshak Irum Fazali	Chairman*
Mr. Shahzad Mohsin	Member
Mr. Nousherwan	Member
Mr. David Cyrill Paul	Member

b) HR and Remuneration Committee:

Ms. Koshak Irum Fazali	Chairman*
Mr. Shahzad Mohsin	Member
Mr. Nousherwan	Member

During the year Mr. Zohaib Yaqoob acted as a chairman of Audit Committee till February 11, 2022. Upon his resignation the board appointed Ms. Koshak Irum Fazali as chairperson of the Audit Committee.

Further, during the year Mr. Asadullah Azizi acted as chairman of Human Resources and Remuneration Committee till September 23, 2021. Upon his resignation the board appointed Ms. Koshak Irum Fazali as chairperson of HR Remuneration Committee.

Further Ms. Koshakh Irum Fazali was not appearing in the Data bank maintained by the PICG as highlighted in note 2.

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;

14. The frequency of meetings (quarterly/half-yearly/yearly) of the committee was as per the following, -

a)	Audit Committee	Quarterly*
b)	HR and Remuneration Committee	Yearly

*The Company was unable to held the first quarter Audit committee meeting due to late finalization of last year financial statements.

15. The Board set up an effective internal audit function comprising of suitably qualified and experienced except as mentioned in note 10 of the Statement of Compliance.

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 the Audit Oversight Board of Pakistan, that they and all their partners comply with the 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 under 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, 7, 8, 32, 33 and 36 of the Regulations have been complied with unless wherever specified in the Statement of Compliance.

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

Non Compliance	Explanation	Subsequent to reporting date
As per the Chapter IX Section 28 (1) There shall be a human resource and remuneration committee of at least of three members comprising a majority of non-executive directors of whom at least one member shall be an independent director. The chairman of the committee shall be an independent director	The Chairperson Ms. Koshakh Irum Fazali was not appearing in the Data bank maintained by the PICG.	The Company has registered the Ms. Koshakh Irum Fazali in Data bank maintained by the PICG subsequently to the year end.
Chapter X Section 31 (5): The company shall ensure that head of internal audit is suitably qualified, experienced and conversant with the company's policies and procedures	The position of Head of Internal audit was vacated from October 29, 2021. On June 01, 2022, the Company appointed Mr. Waqar Razzaq as Head of Internal Audit	

SHAHZAD MOHSIN
Chairman

GrantThornton

Grant Thornton Anjum Rahman
1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

T +92 21 35672951-56

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Clover Pakistan Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Clover Pakistan Limited (the Company) for the year ended June 30, 2022 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 Regulations as applicable to the Company for the year ended June 30, 2022.

Further, we highlight below instances of non-compliance with the requirements of the Regulations as reflected in the note/paragraph reference where these are stated in the Statement of Compliance:

GrantThornton

S.No.	Reference	Description
1	*As per Chapter II section 6 (1) and (3):* "It is mandatory that each listed company shall have at least two or one third members of the Board, whichever is higher, as independent directors." And "It is mandatory that the independent director shall submit his consent to act as director, along with declaration to the company that he qualifies the criteria of independence notified under the Act and such declaration shall be submitted to chairman of the Board at first meeting which is held after election of directors as well on an event of any change affecting his independence."	Independent directors are not in accordance with the required Regulations. Refer note 2 of the Statement of Compliance.
2	*As per Chapter IX Section 27 (1)(i)(ii):* "It is mandatory that the audit committee shall be constituted by Board keeping in view the following requirements." "The Board shall establish an audit committee of at least of three members comprising of non-executive directors and at least one independent director;" "Chairman of the committee shall be an independent director, who shall not be the chairman of the Board."	Audit Committee has not been constituted as per the required Regulations. Refer note 2 and 12 of the Statement of Compliance.
3	*As per Chapter IX Section 27 (2) (i):* "The Audit Committee of a company shall meet at least once every quarter of the financial year. These meetings shall be held prior to the approval of interim results of the company by its Board and after completion of external audit."	During the year, the Company has failed to held the meeting of the audit committee in accordance with the required Regulations. Refer note 14 of the Statement of Compliance.
4	*As per the Chapter IX Section 28 (1)* "There shall be a human resource and remuneration committee of at least of three members comprising a majority of non-executive directors of whom at least one member shall be an independent director. The chairman of the committee shall be an independent director"	The human resource committee is not constituted as per required Regulations. Refer note 2 and 12 of the Statement of Compliance.

S.No.	Reference	Description
5	*Chapter X Section 31 (5):* "The company shall ensure that head of internal audit is suitably qualified, experienced and conversant with the company's policies and procedures"	The Company has appointed Mr. Waqar Razzaq as Head of Internal Audit at June 01, 2022 after the last vacated date. Refer note 10 and 15 of the Statement of Compliance.

Grant Thornton Anjum Rahman

Chartered Accountants

Place: Karachi
Date: October 14, 2022
UDIN: CR2022101544E6tRyVn8

Grant Thornton

Grant Thornton Anjum Rahman
1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

T +92 21 35672951-56

INDEPENDENT AUDITOR'S REPORT

To the members of Clover Pakistan Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Clover Pakistan Limited** (the Company), which comprise the statement of financial position as at **June 30, 2022**, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows 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 changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2022 and of the loss and other comprehensive income, the changes in equity and its cash flows 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.

Emphasis of Matters

We draw attention to the following:

- Note 14.1 to the financial statements in respect of recoverability of custom duty refundable amounting to Rs. 20.998 million, and

- Note 20.1.2 to the financial statements in respect of investigation order raised by SECP.

Our opinion is not modified in respect of these matters.

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 is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	**Valuation of stock in trade** As at June 30, 2022, the Company held stock in trade amounting to Rs. 92.925 million (2021: Rs. 142.021 million) net of provision for stock in trade this year, as disclosed in note 10 of the financial statements. The value of stock-in-trade is based on purchase price using weighted average method, except items in transit, which are stated at cost comprising invoice value plus other charges incurred thereon. Therefore, the Company is exposed to the risk of valuation of stock-in-trade as a result of volatility in prices. The Company has measured its stock in trade at the lower of cost or net realizable value (NRV). There is an element of judgement involved relating to the valuation, which is required for the estimation of the NRV and allowance for slow-moving and obsolete stock in trade. Such estimation is made after taking into consideration factors such as movement in prices, current and expected future market demands and pricing competitions. This was the key audit matter because of its materiality and significance in terms of judgments involved in estimating the NRV of underlying stock in trade.	In response to this matter, our audit procedures included the following: • Reviewed the management procedures for valuation of stock-in-trade and evaluating the NRV of stock in trade. • Observed physical counts at major locations to ascertain the condition and existence of stock in trade along with identification of stock written-off. • Tested the valuation method used by the management in valuation of stock-in-trade. • Reviewed stock in trade turnover ratios, understood and evaluated the appropriateness of the basis of identification of the obsolete stock-in -trade, tested the accuracy of the aging analysis of stock-in-trade, on a sample basis, tested the cost of goods with underlying invoices and expenses incurred in accordance with stock-in -trade valuation method and reviewed the minutes of the relevant meetings at the board and management level to identify any indicators of obsolesce. • Tested the NRV of the stock-in-trade held by performing a review of sales close to and subsequent to the year-end

S. No.	Key Audit Matter	How the matter was addressed in our audit
		and compared with the cost for a sample of products. • Assessed the adequacy of the disclosures on stock-in-trade in the financial statements.

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.

Boards 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

GrantThornton

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.

Grant Thornton

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 changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

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

The engagement partner on the audit resulting in this independent auditor's report is **Muhammad Khalid Aziz**.

Grant Thornton Anjum Rahman.

Chartered Accountants

Karachi

Date: October 14, 2022

UDIN: AR202210154rPxi42bDp

CLOVER PAKISTAN LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2022

	Note	2022	2021
		---------- (Rupees in '000) ----------	
ASSETS			
Non-current assets			
Property and equipment	6	**12,717**	16,883
Intangible assets	7	**174**	224
Long term deposits	8	**965**	1,210
Deferred tax asset	9	-	4,349
Total non-current assets		**13,856**	22,666
Current assets			
Stock-in-trade	10	**92,925**	142,021
Trade debts - unsecured	11	**19,928**	43,272
Loans and advances	12	**7,836**	28,723
Trade deposits and short term prepayments	13	**265**	3,720
Other receivables	14	**21,334**	21,334
Taxation-net	15	**36,257**	36,589
Sales tax receivable- net		-	434
Cash and bank balances	16	**3,953**	7,046
Total current assets		**182,498**	283,139
Total assets		**196,354**	305,805
EQUITY AND LIABILITIES			
Shareholders' equity			
Authorized share capital			
40,000,000 (2021: 40,000,000) ordinary shares of Rs. 10 each		**400,000**	400,000
Issued, subscribed and paid-up share capital	17	**311,431**	311,431
Reserves	18	**(153,995)**	(44,282)
Total shareholders' equity		**157,436**	267,149
Current liabilities			
Trade and other payables	19	**28,888**	34,488
Advance from customers - unsecured		**1,559**	232
Sales tax payable- net		**4,535**	-
Unclaimed dividend		**3,936**	3,936
Total current liabilities		**38,918**	38,656
Total equity and liabilities		**196,354**	305,805
Contingencies and commitments	20		

The annexed notes from 1 to 39 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER **DIRECTOR** **CHIEF FINANCIAL OFFICER**

CLOVER PAKISTAN LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2022

	Note	**2022**	2021
		---------- (Rupees in '000) ----------	
Revenue - net	21	**93,272**	374,437
Cost of sales	22	**(84,556)**	(398,503)
Gross profit / (loss)		**8,716**	(24,066)
Selling and distribution expenses	23	**(34,658)**	(63,681)
Administrative expenses	24	**(71,593)**	(88,473)
Operating loss		**(97,535)**	(176,220)
Other operating expenses	25	**(3,437)**	(1,984)
Other income	26	**2,080**	3,103
		(98,892)	(175,101)
Exchange loss		**-**	(522)
Finance cost		**(773)**	(1,499)
Impairment of trade receivable	11	**(4,975)**	(4,016)
Impairment of goodwill	7.1	**-**	(385,985)
Loss before taxation		**(104,640)**	(567,123)
Taxation	27	**(5,073)**	(37,876)
Loss for the year		**(109,713)**	(604,999)
		------------ (Rupees) ------------	
Loss per share - basic and diluted	28	**(3.52)**	(19.43)

The annexed notes from 1 to 39 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER	DIRECTOR	CHIEF FINANCIAL OFFICER

CLOVER PAKISTAN LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2022

	2022	2021
	---------- (Rupees in '000) ----------	
Loss for the year	**(109,713)**	(604,999)
Other comprehensive income:		
Items that may be reclassified subsequently to the statement of profit or loss in subsequent periods	-	-
Items that will not be reclassified to the statement of profit or loss in subsequent periods	-	-
Total other comprehensive income	-	-
Total comprehensive loss for the year	**(109,713)**	(604,999)

The annexed notes from 1 to 39 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER DIRECTOR CHIEF FINANCIAL OFFICER

CLOVER PAKISTAN LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2022

	Issued, subscribed and paid-up share capital	Reserves				Total shareholders' equity
		Capital reserve	Revenue reserve		Total reserves	
		Share premium	General reserve	Accumulated Losses / Unappropriated profit		
	---------- (Rupees in '000) ----------					
Balance as at July 01, 2020	311,431	388,169	64,600	107,948	560,717	872,148
Loss for the year	-	-	-	(604,999)	(604,999)	(604,999)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(604,999)	(604,999)	(604,999)
Balance as at June 30, 2021	311,431	388,169	64,600	(497,051)	(44,282)	267,149
Loss for the year	**-**	**-**	**-**	**(109,713)**	**(109,713)**	**(109,713)**
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the year	**-**	**-**	**-**	**(109,713)**	**(109,713)**	**(109,713)**
Balance as at June 30, 2022	**311,431**	**388,169**	**64,600**	**(606,764)**	**(153,995)**	**157,436**

The annexed notes from 1 to 39 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER | DIRECTOR | CHIEF FINANCIAL OFFICER

CLOVER PAKISTAN LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022

	Note	2022	2021
		---------- (Rupees in '000) ----------	
Cash generated from operations	29	**2,248**	14,620
Finance cost paid		**(773)**	(1,499)
Taxation paid	15	**(392)**	(8,011)
Gratuity paid		**-**	(9,918)
		(1,165)	(19,428)
Net cash used in operating activities		**1,083**	(4,808)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and equipment		**(5,287)**	(5,240)
Sale proceeds of property and equipment		**3,100**	4,200
Sale proceeds on disposal of investment		**-**	8,451
Net cash generated from investing activities		**(2,187)**	7,411
CASH FLOWS FROM FINANCING ACTIVITIES			
Ijarah payments		**(1,989)**	(2,320)
Net cash used in financing activities		**(1,989)**	(2,320)
Net decrease in cash and cash equivalents		**(3,093)**	283
Cash and cash equivalents at beginning of the year		**7,046**	6,763
Cash and cash equivalents as at end of the year		**3,953**	7,046

The annexed notes from 1 to 39 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER **DIRECTOR** **CHIEF FINANCIAL OFFICER**

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

1 LEGAL STATUS AND OPERATIONS

Clover Pakistan Limited (the Company) was incorporated in Pakistan on September 30, 1986 as a public limited company under the repealed Companies Ordinance, 1984 (Now: Companies Act, 2017). The shares of the Company are quoted on Pakistan Stock Exchange Limited. The Company is a subsidiary of Fossil Energy (Private) Limited (the 'Holding Company') which holds 51.06% (2021: 58%) shares of the Company. The registered office and geographical location of business units of the Company are as follows:

1) Banglow No.23-B, Lalazar, Off M.T. Khan Road, Karachi. (Head Office).
2) 5th Floor, LSE Building 19-Khayaban-e-Aiwan-e-Iqbal, Lahore (Administrative office).
3) Ground floor - Qamar plaza, IJP road. Rawalpindi (Administrative office).
4) New Church Building, Tilak Incline, Jacob Road, Hyderabad Sindh, 71000 (Administrative Office).
5) Plot No B-10 zeeshan housing scheme qasimabad, Hyderabad (Warehouse).
6) Plot no 25/A-1 Nadirabad phaatak main industrial state road Multan (Warehouse).
7) House no AK-487, Sector 6-B B-186 Mehran town korangi Karachi (Warehouse).

The principal business of the Company includes sale of food products, consumer durables, chemicals and lubricants and also import & trade of gantry equipment's air/oil filter and other car care products. The Company is also involved in marketing & distribution and after sales support of office automation products, fuel dispensers, vending machines and digital screens.

2 SIGNIFICANT EVENTS AND TRANSACTIONS

No sale and purchase related to chemical has been made by the Company during the year which has significantly reduced the amount of revenue of the Company as compare to the last year.

The Company was placed on the defaulter's segment of Pakistan Stock Exchange (PSX) on December 03, 2021. However, the Company subsequently was removed from the defaulter's segment on compliance with the relevent laws and regulation.

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 applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS) 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 are 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 the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

3.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except as otherwise disclosed in the respective accounting policies' note and statement of cash flows.

3.3 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pakistani Rupee, which is the Company's functional and presentation currency. The figures have been rounded off to the nearest thousand.

3.4 Standards, Amendments and Interpretations to Approved Accounting Standards

3.4.1 Standards, amendments and interpretations to the published standards that may be relevant to the company and adopted in the current year

There were certain amendments to accounting and reporting standards which became effective for the Company for the current year. However, these are considered not to be relevant or to have any significant impact on the Company's finacial reporting and, therefore, have not been disclosed in these financial statements.The Company has adopted the following new standards, amendments to published standards and interpretations of IFRSs which became effective during the current year.

3.4.2 Standards, amendments and interpretations to the published standards that may be relevant but not yet effective and not early adopted by the Company

There is a standard and certain other amendments to accounting and reporting standards that are not yet effective and are considered either not to be relevant or to have any significant impact on the Company's financial statements and operations and, therfore, have not been disclosed in these financial statements.

4 Use of critical accounting estimates and judgments

The preparation of these financial statements in conformity with the approved accounting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates underlying the assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the process of applying the Company's accounting policies, management has made the following accounting estimates and judgments which are significant to the financial statements:

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

a)	Property And Equipment	5.1
b)	Intangible Assets	5.2
c)	Stock In Trade	5.4
d)	Impairment Of Financial Assets	5.5.5
e)	Trade Debts And Other Receivables	5.7
f)	Impairment Of Non-Financial Assets	5.12
g)	Employees' Benefits	5.13
h)	Taxation	5.14
i)	Provisions	5.15
j)	Warranties	5.16
k)	Contingent Liabilities	5.23

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

5.1 Property and equipment

5.1.1 Owned

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses (if any). Impairment losses if any are recorded on the basis as defined in note 5.12.

Depreciation is charged on straight line basis at the rates specified in note no. 6 of these financial statements. Depreciation on additions is charged from the month in which the asset is available for use and on disposals up to the month immediately preceding the month of disposal.

The useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis.

Major renewals and improvements for assets are capitalized and the assets so replaced, if any, are retired. Maintenance and normal repairs are charged to statement of profit or loss, as and when incurred.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset are charged to statement of profit or loss.

Capital work-in-progress is stated at cost less accumulated impairment if any. All expenditures connected to the specific assets incurred during installation and construction period are carried under capital work-in-progress. These expenditures are transferred to relevant category of property, plant and equipment as and when the assets start operation. Impairment losses if any are recorded on the basis as defined in note 5.12.

5.1.2 Assets held under Ijarah financing

Assets held under Ijarah financing are accounted for using the guidelines of Islamic Financial Accounting Standard-2 (IFAS-2), "Ijarah". The assets are not recognized on the Company's statement of financial position and payments made under Ijarah financing are recognized in the statement of profit or loss on a straight line basis over the term of the Ijarah.

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

5.2 Intangible assets

An intangible asset is recognized if it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of such assets can also be measured reliably.

The useful lives, residual values and amortization method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis.

Generally, costs associated with developing and maintaining the computer software programs are recognized as expense when incurred. However, costs that are directly associated with identifiable software and have probable economic benefit exceeding the cost beyond one year, are recognized as intangible asset. Direct costs include the purchase cost of software and related overhead cost.

Expenditure which enhances or extends the performance of computer software beyond its original specification and useful life is recognized as a capital improvement and added to the original cost of the software.

These are stated at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is charged on a straight line basis at the rate specified in note 7 of these financial statements. Amortization on additions is charged from the month in which the asset is available for use and on disposals up to the month the respective asset was in use. Impairment losses if any are recorded on the basis as defined in note 5.12.

Goodwill represent the difference between the cost of acquisition paid and carrying value of the net assets acquired. Impairment losses if any are recorded on the basis as defined in note 5.12.

5.3 Long term deposits

These are stated at amortized cost which represents the fair value of consideration given.

5.4 Stock in trade

Stock-in-trade is valued at the lower of cost, determined on weighted average basis or net realizable value, except items in transit, which are stated at cost comprising invoice value and plus other charges incurred thereon.

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

Inventory write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions. A review is made on each reporting date on inventories for excess inventories, obsolescence and declines in net realisable value and an allowance is recorded against the inventory balances for any such declines. Inventory write of is made when inventory is discarded without consideration and in case of loss of inventory.

5.5 Financial Instruments - Initial Recognition and subsequent measurement

5.5.1 Initial recognition

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. These are subsequently measured at fair value, amortized cost as the case may be.

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

5.5.2 Classification of financial assets

The Company classifies its financial instruments in the following categories:
- at fair value through profit or loss (""FVTPL"")
- at fair value through other comprehensive income (""FVTOCI""), or
- at amortized cost.

The Company determines the classifications of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- the contractual terms of the financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective achieved by both collecting contractual cash flows and selling the financial assets; and

- the contractual terms of the financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at FVTPL.

5.5.3 Classification of financial liabilities

The Company classifies its financial liabilities in the following categories:

- at fair value through profit or loss ("FVTPL"); or
- at amortized cost

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instrument held for trading or derivatives) or the Company has opted to measure them at FVTPL.

5.5.4 Subsequent measurement

i) Financial assets at FVTOCI

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains or losses arising from changes in fair value recognized in other comprehensive income/(loss).

ii) Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value, and subsequently carried at amortized cost, and in the case of financial assets, less any impairment.

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

iii) Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of financial assets and liabilities held at FVTPL are included in the statement of profit or loss in the period in which they arise.

Where the management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income/(loss). Currently, there are no financial liabilities designated at FVTPL.

5.5.5 Impairment of financial assets

The Company recognizes loss allowance for Expected Credit Loss (ECL) on financial assets measured at amortized cost and FVTOCI at an amount equal to life time ECLs except for the financial assets in which there is no significant increase in credit risk since initial recognition or financial assets which are determine to have low credit risk at the reporting date, in which case twelve months' ECL is recorded. The following were either determine to have low or there was no credit risk since initial recognition and at the reporting date:

- deposits;
- loans;
- short-term investments;
- other receivables; and
- bank balances;

Loss allowance for trade debts are always measured at an amount equal to life time ECLs.

Life time ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. Twelve months ECLs are portion of ECL that result from default events that are possible within twelve months after the reporting date.

ECLs are a probability weighted estimate of credit losses. Credit losses are measured at the present value of all cash short falls (i.e. the difference between cash flows due to the entity in accordance with the contract and cash flows that the company expects to receive).

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectation of recovering a financial asset in entirety or a portion thereof.

5.5.6 Derecognition

i) Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfer the financial assets and substantially all the associated risks and reward of ownership to another entity. On derecognition of financial assets measured at amortized cost, the difference between the assets carrying value and the sum of the consideration received and receivable recognized in statement of profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve reclassified to statement of profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to statement of profit or loss, but is transferred to statement of changes in equity.

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

ii) Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liabilities derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in statement of profit or loss.

5.5.7 Off-setting of financial assets and liabilities

Financial assets and liabilities are off set and the net amount is reported in the statement of financial position if the Company has a legal right to set-off the transactions and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

5.6 Investments

Investment in equity instruments are classified at fair value through profit or loss and is initially measured at fair value and subsequently is measured at fair value determined using the closing market value at each reporting date. Net gains and losses are recognized in the statement of profit or loss.

5.7 Trade debts and other receivables

These are measured at original invoice Amount less an estimate made for allowance for expected credit loss based on the probability of default at reporting period. Bad debts are written off when identified. Impairment losses if any are recorded on the basis as defined in note 5.5.5.

5.8 Trade and other payables

Liabilities for trade and other payables are measured at cost which is the fair value of the consideration to be paid in future for goods and services.

5.9 Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

5.10 Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs obligation under the contract.

5.11 Cash and cash equivalents

For the purposes of cash flow statement, cash and cash equivalents comprise of cash in hand and bank balances, short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value and short term running finances under mark up arrangements (if any).

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

5.12 Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets 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 Cash Generating Units (CGUs). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. A reversal of impairment loss for a cash generating unit is allocated to the assets of the unit, except for goodwill, pro rata with the carrying amounts of those assets. The increase in the carrying amounts shall be treated as reversals of impairment losses for individual assets and recognized in profit or loss unless the asset is measured at revalued amount. Any reversal of impairment loss of a revalued asset shall be treated as a revaluation increase.

5.13 Employees' benefits

Provident fund

The Company operates a defined contribution plan in the form of recognized provident fund scheme for the permanent employees. Contributions to fund are made monthly by the Company and employee at the rate of 10% of the basic salary. The Company's contributions are recognized as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognized as an asset.

Gratuity

The Company operates an unfunded defined benefit gratuity scheme. The scheme provides for a graduated scale of benefits dependent on the length of service of the employee on terminal date, subject to the completion of minimum qualifying period of service. Gratuity is based on employee's last drawn salary for each completed year of service and best estimates of the management.

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

5.14 Taxation

5.14.1 Current

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and rebates available, if any, or minimum tax on turnover or Alternate Corporate Tax whichever is higher and tax paid on final tax regime basis.

5.14.2 Deferred

Deferred tax is provided in full using the statement of financial position method, on all temporary differences arising at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, while deferred tax assets are recognized for all deductible temporary differences, carry-forward of unused tax losses and unused tax credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry forwards of unused tax losses and unused tax credits can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the reporting date. In this regard, the effects on deferred taxation of the portion of income expected to be subject to final tax regime is adjusted in accordance with the requirement of Accounting Technical Release - 27 of the Institute of Chartered Accountants of Pakistan. Deferred tax is charged or credited to the statement of profit or loss.

Deferred tax relating to items recognized directly in the other comprehensive income is recognized in the other comprehensive income and not in statement of profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax assets and liabilities and they relate to the income tax levied by the same tax authority.

5.15 Provisions

Provision is recognized in the statement of financial position when the Company has a present obligation (legal or constructive) as a result of a past event, 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 of the amount of obligation.

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognized provision is recognized in the statement of profit or loss unless the provision was originally recognized as part of cost of an asset.

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

5.16 Warranties

Warranty claims for replacement are accounted for in the year in which claims are settled. The Company issues warranty on behalf of the manufacturers and re-route the claims to the respective manufacturer when the claim is received.

5.17 Foreign currency translation

Transactions in foreign currencies are accounted for in Pakistani Rupee at the foreign exchange rates prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies are re-translated into Pakistani Rupee at the foreign exchange rates approximating those prevailing at the statement of financial position date. Exchange differences are taken to the statement of profit or loss on net basis within other income or other expense.

5.18 Revenue from contract with customers

The Company is in the business of sale of goods and provision of services. Revenue from contracts with customers is recognized when control of the goods is transferred to the customer and thereby the performance obligations are satisfied, at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods net of discount, sales return and sales related direct expenses and indirect taxes.

The Company has concluded that based on the contractual arrangement for the revenue from sale of goods, performance obligations are satisfied at a point in time i.e. when the goods are dispatched to the customers and control is transferred.

Service revenue is recognized over the contractual period or as and when services are rendered to customers.

The Company provides installation services that are either sold separately or bundled together with the sale of equipment to a customer. The installation services are a promise to transfer services in the future and are part of the negotiated exchange between the Company and the customer.

Other income

a) Gain or loss on sale of investments is taken to income in the period in which it arises.
b) Profit / Interest on bank deposits income is recognized on an accrual basis using the effective interest method.
c) Dividend income is recognized on receipt / acknowledged basis.
d) Scrap sales is taken to income in the period in which it sold out.

5.19 Dividends and appropriation to reserve

Dividend and appropriation to reserves are recognized in the financial statement in the period in which these are approved. However, if these are approved after the reporting period but before the financial statements are authorized for issue, they are disclosed in the notes to the financial statements.

5.20 Earning per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

5.21 Related parties transactions

All transactions involving related parties arising in the normal course of business are conducted at arm's length on the same terms and conditions as third party transactions using valuation modes, as admissible, except in extremely rare circumstances where, subject to the approval of the board, it is in the interest of the Company to do so.

5.22 Share capital

Ordinarily shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

5.23 Contingent liabilities

Contingent liability is disclosed when:

a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

b) a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

5.24 Selling and distribution, administrative and operating expenses

These expenses are recognized in statement of profit or loss upon utilization of the services or as incurred except for specifically stated in the financial statements.

5.25 Segment reporting

Segments are reported in a manner consistent with the internal reporting provided to the Company's chief executive decision maker in order to assess each segment's performance and to allocate resources to them. The basis of segmentation and reportable segments presented in these financial statements are the same which are presented to the Board of Directors of the Company. Assets and liabilities are not segment wise reported to the Board of Directors. Refer note 33 for brief description of reportable segment.

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

6 PROPERTY AND EQUIPMENT

	2022	2021
	(Rupees in '000)	
Operating assets	**12,717**	16,883

June 30, 2022	Leasehold Improvements	Machinery	Furniture and Fittings	Office Equipments	Computers	Vehicles	Total
	Rupees in '000						
As at June 30, 2021							
Cost	7,513	2,870	4,774	11,980	14,276	14,216	55,629
Accumulated depreciation	(3,416)	(775)	(2,290)	(10,233)	(11,817)	(10,215)	(38,746)
Net book value	**4,097**	**2,095**	**2,484**	**1,747**	**2,459**	**4,001**	**16,883**
June 30, 2022							
Opening net book value	4,097	2,095	2,484	1,747	2,459	4,001	16,883
Additions	5,287	-	-	-	-	-	5,287
Disposals							
Cost	-	-	-	-	-	(3,605)	(3,605)
Accumulated depreciation	-	-	-	-	-	2,472	2,472
	-	-	-	-	-	(1,133)	(1,133)
Depreciation charge for the year	(751)	(1,632)	(620)	(1,118)	(1,500)	(2,699)	(8,320)
Closing net book value	**8,633**	**463**	**1,864**	**629**	**959**	**169**	**12,717**
As at June 30, 2022							
Cost	12,800	2,870	4,774	11,980	14,276	10,611	57,311
Accumulated depreciation	(4,167)	(2,407)	(2,910)	(11,351)	(13,317)	(10,442)	(44,594)
Net book value	**8,633**	**463**	**1,864**	**629**	**959**	**169**	**12,717**
Depreciation rate (%)	**10%**	**20%**	**10% - 25%**	**25%**	**25% - 33%**	**25%**	

June 30, 2021	Leasehold Improvements	Machinery	Furniture and Fittings	Office Equipments	Computers	Vehicles	Total
	Rupees in '000						
As at June 30, 2020							
Cost	5,108	2,870	4,901	11,980	13,787	14,216	52,862
Accumulated depreciation	(2,813)	(201)	(1,680)	(9,074)	(10,294)	(6,661)	(30,723)
Net book value	2,295	2,669	3,221	2,906	3,493	7,555	22,139
June 30, 2021							
Opening net book value	2,295	2,669	3,221	2,906	3,493	7,555	22,139
Additions	2,405	-	-	-	489	2,346	5,240
Disposals							
Cost	-	-	(127)	-	-	(2,346)	(2,473)
Accumulated depreciation	-	-	42	-	-	-	42
	-	-	(85)	-	-	(2,346)	(2,431)
Depreciation charge for the year	(603)	(574)	(652)	(1,159)	(1,523)	(3,554)	(8,065)
Closing net book value	4,097	2,095	2,484	1,747	2,459	4,001	16,883
As at June 30, 2021							
Cost	7,513	2,870	4,774	11,980	14,276	14,216	55,629
Accumulated depreciation	(3,416)	(775)	(2,290)	(10,233)	(11,817)	(10,215)	(38,746)
Net book value	4,097	2,095	2,484	1,747	2,459	4,001	16,883
Depreciation rate (%)	10%	20%	10% - 25%	25%	25% - 33%	25%	

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

	Note	2022	2021
		------------ (Rupees in '000) ------------	
6.1 The depreciation expense has been allocated as follows:			
Cost of sales	22.1	**2,912**	2,823
Selling and distribution expenses	23	**3,162**	3,065
Administrative expenses	24	**2,246**	2,177
		8,320	8,065

6.2 Office Equipment include printers installed at customers premises i.e. International Schools and A.F. Ferguson & Co. having net book value of Rs. 5,066 (2021: 6,755). Such equipment are part of copier business plan where the Company provide copier services to its customers.

	Note	2022	2021
		------------ (Rupees in '000) ------------	
7 INTANGIBLE ASSETS			
Software	7.1	**174**	224

7.1 Details of intangible assets are as follows:

2022	**Goodwill**	**Software**	**Total**
As at June 30, 2021			
Cost	**548,862**	**500**	**549,362**
Accumulated amortization	**-**	**-**	-
Impairment	**(548,862)**	**(276)**	**(549,138)**
Net book value	**-**	**224**	**224**
June 30, 2022			
Opening net book value	**-**	**224**	**224**
Additions	**-**	**-**	**-**
Impairment	**-**	**-**	**-**
Amortization charge	**-**	**(50)**	**(50)**
Closing net book value	**-**	**174**	**174**
As at June 30, 2022			
Cost	**548,862**	**500**	**549,362**
Accumulated amortization	**-**	**(326)**	**(326)**
Accumulated impairment	**(548,862)**	**-**	**(548,862)**
Net book value	**-**	**174**	**174**
Amortization rate (%)		**10%**	

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

2021	Goodwill	Software	Total
As at June 30, 2020			
Cost	548,862	500	549,362
Accumulated amortization	-	(226)	(226)
Impairment	(162,877)	-	(162,877)
Net book value	385,985	274	386,259
June 30, 2021			
Opening net book value	385,985	274	386,259
Additions	-	-	-
Impairment	(385,985)	-	(385,985)
Amortization charge	-	(50)	(50)
Closing net book value	-	224	224
As at June 30, 2021			
Cost	548,862	500	549,362
Accumulated amortization	-	(276)	(276)
Impairment	(548,862)	-	(548,862)
Net book value	**-**	**224**	**224**
Amortization rate (%)		10%	

7.1.1 The goodwill is considered to have an indefinite useful life which is fully impaired, whereas software has finite useful life.

	Note	2022	2021
		------------ (Rupees in '000) ------------	
8 LONG TERM DEPOSITS			
Rent deposits		**124**	369
Ijarah deposits		**841**	841
		965	1,210

9 DEFERRED TAX ASSET

The details of deferred tax on temporary differences are as follows:

	2022	2021
Property and equipment	**-**	881
Carry forward tax losses	**-**	3,353
Provisions	**-**	115
	-	4,349

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

The movement in temporary differences are as follows:

	Balance as at July 1, 2020	Recognized in Statement of profit or loss	Recognized in other comprehensive income	Balance as at June 30, 2021	Recognized in Statement of profit or loss	Recognized in other comprehensive income	Balance as at June 30, 2022
	----------Rupees'000'----------						
Property and equipment	881	-	-	881	(881)	-	-
Carry forward tax losses	3,353	-	-	3,353	(3,353)	-	-
Provisions	115	-	-	115	(115)	-	-
	4,349	**-**	**-**	**4,349**	**(4,349)**	**-**	**-**

9.1 As at reporting date, the Company has deferred tax asset amounting to Rs. 111.95 million (2021: Rs. 83.28 million) which is restricted to Rs. Nil (2021: Rs. 4.35 million) on prudent basis.

10 STOCK-IN-TRADE	**Note**	**2022**	2021
		------------ (Rupees in '000)	------------
Stock-in-trade		**93,006**	160,488
Stock written-off	10.1	**-**	(18,467)
Provision for stock-in-trade	10.2	**(81)**	-
Stock-In-Trade - net		**92,925**	142,021

10.1 The stock in trade written off during the year amounting to Rs. Nil (2021: Rs. 18.47 million).

10.2 Movement of provision for stock-in-trade	**Note**	**2022**	2021
		------------ (Rupees in '000)	------------
Opening		**-**	-
Provision for the year	24	**81**	-
Closing		**81**	-

11 TRADE DEBTS - UNSECURED

	2022	2021
Considered good		
-Trade debt - related party	**4,004**	16,035
-Trade debt - other	**25,890**	32,228
Trade debts - gross	**29,894**	48,263
Allowance for expected credit loss - opening balance	**(4,991)**	(975)
Charge for the year	**(4,975)**	(4,016)
Allowance for expected credit loss - closing balance	**(9,966)**	(4,991)
Trade debts - net	**19,928**	43,272

11.1 Age analysis

	2022	2021
Not more than 3 months	**5,231**	19,600
More than 3 months but not more than 6 months	**271**	19,929
More than 6 months but not more than 1 year	**19,267**	3,743
More than 1 year	**5,125**	4,991
	29,894	48,263

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

11.2 Due from related parties which are not impaired includes the following:

	2022	2021
	------------ (Rupees in '000) ------------	
Fossil Energy (Private) Limited		
Not more than 3 months	**20**	-
More than 3 months but not more than 6 months	**-**	16,013
More than 6 months but not more than 1 year	**3,984**	22
More than 1 year	**-**	-
	4,004	16,035

11.3 The maximum amount outstanding from Fossil Energy (Private) Limited at any time during the year calculated with reference to month end balances is Rs. 17.19 million (2021: Rs. 17 .61 million).

12 LOANS AND ADVANCES

	Note	2022	2021
		------------ (Rupees in '000) ------------	
Advances - unsecured			
- employees and directors	12.1	**2,349**	2,992
- suppliers - advance to suppliers	12.2	**5,487**	25,731
		7,836	28,723

12.1 These are non-interest bearing advances given to employees and directors to meet business expenses and are settled as and when expenses are incurred.

12.1.1 Movement in advances to directors

	2022	2021
	------------ (Rupees in '000) ------------	
Balance at the beginning of the year	**50**	-
Disbursements	**-**	200
Receipts	**(50)**	(150)
Balance at the end of the year	**-**	50

12.1.2 The amount was due from Ex-chairman against travelling expenses. The maximum aggregate amount outstanding at any time during the year is Rs. 0.05 million (2021: Rs. 0.05 million).

12.2 These represents advances to suppliers that are adjustable and are non-refundable in accordance with the contract with suppliers.

13 TRADE DEPOSITS AND SHORT TERM PREPAYMENTS

	Note	2022	2021
		------------ (Rupees in '000) ------------	
Trade deposits-unsecured		**1,567**	1,845
Provision of container deposits		**(1,308)**	-
Trade deposits - net		**259**	1,845
Short term prepayments		**6**	1,875
		265	3,720

14 OTHER RECEIVABLES

	Note	2022	2021
Duty refundable due from government	14.1	**20,998**	20,998
Others		**336**	336
		21,334	21,334

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

14.1 In the year 2009, the Federal Government issued SRO 787(1)/2008 dated July 26, 2008 under Section 19 of Customs Act, 1969 (the Act) whereby, the customs duty on import of crystalline sugar was brought down to zero, as against 25% given in First Schedule to the Act. The Company had imported crystalline sugar from July 26, 2008 to October 15, 2008 and paid custom duty of Rs. 17.012 million and Rs. 3.986 million without availing the benefit of subject SRO. Thereafter, the refund claims were filed by the Company with the Custom Authorities and recognized the same in books of account during the year ended June 30, 2009 The refund claims were rejected by the Additional Collectorate on the ground that the incidence of duty and taxes has been passed on to the end consumers by incorporating it in the cost of the product.

Being aggrieved with decision of Additional Collectorate, the Company had filed appeals before the Collector of Customs as well as before the Appellate Tribunal in the year ended June 30, 2010 and 2011 respectively, which were also rejected on the same grounds. The Company later filed references in the Honorable High Court of Sindh (SHC) against the judgments of the Appellate Tribunal. Regarding the reference of Rs.17.012 million, the SHC vide its order dated May 28, 2015 had allowed the reference application and remanded the case to the Customs Appellate Tribunal for decision afresh on the basis of the evidence produced before the Tribunal to establish that the burden of tax under Section 19-A of the Act has not been passed on to the end consumer. The Customs Appellate Tribunal vide its order dated June 17, 2016 has decided the case in favor of the Company and has directed the tax department to refund the claim to the Company. The Custom Authorities have subsequently filed an appeal in the SHC which is pending.

On the other hand, the Divisional Bench of the SHC dismissed the reference for Rs. 3.986 million in 2012. The Company filed appeal against the decision of the SHC before the Honorable Supreme Court of Pakistan (SCP) on the grounds that none of the forums above, including the SHC, had examined the evidence produced to establish that the burden of duty and taxes has not been passed on to the end consumer. The SCP in order to examine this question granted leave in the petition.

The said matter was last heard on May 27, 2022 which has been referred to the next date of hearing after the year end that is expected to be the final hearing for decision.

The management based on the view of its legal counsel is confident that the issue raised by the Customs Authorities is without any basis and the ultimate decision of refund will be in favor of the Company. Accordingly, the Company has maintained the already recognized refund claims of Rs. 20.998 million and is of the view that no provision for impairment loss is required to be made.

	Note	**2022**	2021
		------------ (Rupees in '000) ------------	
15 TAXATION - NET			
Opening balance		**36,589**	50,869
Tax paid / deducted at source		**392**	8,011
Provision for taxation		**(724)**	(22,291)
		36,257	36,589
16 CASH AND BANK BALANCES			
Cash in hand		**11**	83
Cash at banks:			
- Current accounts - conventional		**3,227**	6,037
- islamic		**37**	117
- Saving accounts - conventional	16.1	**678**	809
		3,953	7,046

16.1 This carries mark-up ranging from 3.41% to 12.25% (2021: 5.5% to 7.5%) per annum.

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

17 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

Number of Shares 2022	Number of Shares 2021		Note	2022	2021
------Number in '000------				------------ (Rupees in '000) ------------	
		Ordinary shares of Rs.10 each:			
3,900	3,900	-fully paid for consideration paid in cash		**39,000**	39,000
11,763	11,763	-issued as bonus shares		**117,635**	117,635
		-issued as fully paid for consideration other than cash against share under scheme of amalgamation			
15,480	15,480			**154,796**	154,796
31,143	31,143			**311,431**	311,431

17.1 Fossil Energy (Private) Limited (related party) holds 15,901,121 (2021: 18,205,121) shares of the Company.

18 RESERVES

	2022	2021
	------------ (Rupees in '000) ------------	
Capital Reserve		
- Share premium	**388,169**	388,169
Revenue Reserve		
- General Reserve	**64,600**	64,600
- Unappropriated loss	**(606,764)**	(497,051)
	(153,995)	(44,282)

19 TRADE AND OTHER PAYABLES

	Note	2022	2021
Trade creditors		**12,501**	19,880
Accrued liabilities		**4,371**	4,778
Payable to provident fund	19.2	**2,988**	6,941
Withholding tax payable		**10**	16
Other liabilities		**9,018**	2,873
		28,888	34,488

19.1 Trade and other payable include balances amounting to Rs. Nil (2021: Rs. 0.3 million) payable to Market 786 (Private) Limited and Rs. 8.58 million (2021: Rs. 0.12 million) payable to Fossil Energy (Private) Limited.

19.2 All investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated for the purpose.

20 CONTINGENCIES AND COMMITMENTS

20.1 Contingencies

20.1.1 The Trust Investment Bank Limited (TIBL) instituted a suit on August 12, 2015 for recovery of Rs. 40.243 million against Hascombe Business Solution (Private) Limited (HBSPL) whose rights and obligations had been merged with and into the Company, which is pending adjudicating before the Banking Court No. I, Lahore.

In response to the summons issued by the Banking Court, the Company moved an application for leave to appear and defend the suit under section 10 of the Financial Institutions (Recovery of Finances) Ordinance XLVI of 2001 as required by the law which has been allowed by the Honorable Banking Court unconditionally and granted leave to defend the suit on the basis of question of facts and law raised by the Company in its leave to defend application.

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

The Honorable Banking Court after considering the contents of the plaint and written statements framed issues whether the suit is barred by limitation; whether the plaint is liable to be rejected under Order VII Rule 11 CPC; whether the suit is not maintainable and plaint does not disclose any cause of action; whether the defendant is entitled to a decree in the sum of Rs. 0.690 million on account of set off in its favor against the plaintiff bank as prayed for; whether the plaintiff is entitled for recovery of Rs. 40.243 million along with costs of suit and cost of funds as prayed for.

The current year proceedings of the suit are as follows:

Suit for recovery of Rs. 40.243 million instituted by Trust Investment Bank limited (the Bank) stood dismissed.

A set off claim to the tune of Rs. 3.543 million claimed by the Company as being excess amount recovered by the Bank stood decreed in favor of the Company and against the Bank and the Bank has been ordered to pay the said set off amount passing decree in favor of the Company.

That thereafter the Bank has assailed the said judgement dated November 30, 2021 before the Honourable Lahore High Court by preferring the regular first appeal preferring wherein the division bench of Honourable Lahore High Court have ordered to the bank for furnishing the bank guarantee equal to the setoff decretal amount before the Registrar Judicial of Honourable Lahore High Court for suspension of the judgement passed by the Honorable Banking Court no I, Lahore.

That now the said regular first appeal preferred by the bank is pending adjudication before the Honourable Lahore High Court, Lahore and administrative office of Honourable Lahore High Court, Lahore have been directed to fix the case for hearing.

20.1.2 The Executive Director, Supervision Division of Securities Exchange Commission of Pakistan - (SECP) passed an order dated May 27, 2022 under section 257 of the Companies Act, 2017 for investigation into the affairs of the Company. The Company preferred an appeal under section 33 of the SECP Act, 1997 before the appellate bench of the commission. However, the deputy registrar of the appellate bench of the commission was not inclined to register the appeal on the ground that such appeal was barred by provisos (a) and (d) of the section 33(1) of the SECP act 1997 viz that an administrative direction given by commissioner or an interim order is not appealable. Against such order the appellant is before the Honourable High Court of Sindh (SHC) with an appeal under section 34 of the SECP Act , 1997.

The SHC has referred the case to the Appellate Bench, after hearing the appeal of the Company and the case has been dismissed by the court. The Appellate Bench then dismissed the appeal against the Company in its order dated July 29, 2022.

Being aggrieved, the Company has filled the appeal against the order dated July 29, 2022 (passed by the Appellate Bench of the SECP in Appeal No. 45 of 2022 filed under Rule 8 (5) of the SECP (Appellate Bench Procedures) Rules 2003. The appeal before the Appellate Bench was instituted against the decision dated June 10, 2022 issued by the Deputy Registrar whereby, he declined to register the initial appeal filed by the appellant under Section 33 of the SECP Act, 1997 against the investigation order dated May 27, 2022 issued by the Executive Director, Supervision Division of SECP under Section 257 of the Companies Act, 2017. The SHC while issuing notices to all respondents has been suspended the investigation order dated May 27, 2022 and has further restrained them from taking any adverse/coercive action against the Company pursuant to the said investigation order.

In view of the legal advisor, the Company has a good case on the merits and there is likelihood of the favorable outcome.

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

		Note	2022	2021
			------------ (Rupees in '000) ------------	
20.2	**Commitments**			
	Ijarah financing	20.2.1	**3,057**	5,046

20.2.1 The total of future Ijarah payments under Ijarah financing are as follows:

	Note	2022	2021
Not later than one year		**1,930**	2,068
Later than one year but not later than five years		**1,127**	2,978
	20.2.2	**3,057**	5,046

20.2.2 The Company has obtained Car Ijarah Facility from Meezan Bank Limited of amounting to Rs. 20 million (2021: Rs. 20 million) out of which Rs. 3.06 million (2021: Rs. 5.05 million) were un-utilized as at reporting date. The ownership of the cars are with Meezan Bank Limited during the tenure of the facility of each vehicle. As per requirement of IFAS-2, Ijarah Financing has been treated as an operating lease.

		Note	2022	2021
			------------ (Rupees in '000) ------------	
21	**REVENUE - NET**			
	Revenue from			
	- Sale of goods		**115,532**	456,764
	- Services		**1,709**	1,722
	Revenue - gross		**117,241**	458,486
	Less:			
	- Sales tax		**(12,798)**	(64,928)
	- Cartage		**(2,083)**	(10,607)
	-Sales return		**(7,547)**	(8,060)
	-Sales discount		**(1,541)**	(454)
			(23,969)	(84,049)
			93,272	374,437
22	**COST OF SALES**			
	Cost of sales	22.1	**79,203**	368,279
	Cost of services	22.2	**5,353**	30,224
			84,556	398,503
22.1	**Cost of sales**			
	Opening stock	22.1.1	**142,021**	335,526
	Add: Purchases		**30,188**	193,241
	Less: Closing stock		**(93,006)**	(160,488)
			79,203	368,279

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

		Note	2022	2021
			---------- (Rupees in '000) ----------	
22.1.1	Opening stock before written off		**142,021**	160,488
	stock written off		**-**	(18,467)
	Opening stock after written off		**142,021**	142,021
22.2	**Cost of services**			
	Salaries, wages, allowances and other benefits	24.1	**1,899**	26,985
	Consumption of repair material		**542**	416
	Depreciation	6.1	**2,912**	2,823
			5,353	30,224
23	**SELLING AND DISTRIBUTION EXPENSES**			
	Salaries, wages, allowances and other benefits	24.1	**13,451**	22,769
	Depreciation	6.1	**3,162**	3,065
	Travelling		**4,859**	4,176
	Advertisement		**1,109**	3,613
	Rent, rates and taxes	24.2	**8,428**	25,540
	Miscellaneous-Selling		**3,649**	4,518
			34,658	63,681
24	**ADMINISTRATIVE EXPENSES**			
	Salaries, wages, allowances and other benefits	24.1	**36,384**	36,654
	Travelling		**1,215**	1,044
	Directors' remuneration		**600**	250
	Office expenses		**4,801**	3,907
	Communication		**3,109**	2,214
	Utilities		**4,763**	5,511
	Rent, rates and taxes	24.2	**634**	1,922
	Legal and professional charges		**9,859**	11,828
	Insurance		**1,839**	1,157
	Repairs and maintenance		**2,476**	1,852
	Depreciation	6.1	**2,246**	2,177
	Amortization	7.1	**50**	50
	Stock written off		**-**	18,467
	Advance written off		**1,736**	-
	Provision for stock-in-trade		**81**	-
	Miscellaneous		**1,800**	1,440
			71,593	88,473

24.1 The total amount recognized during the year in respect of provident fund expense amounting to Rs. 1.04 million (2021: Rs. 1.69 million).

24.2 It pertains to operating lease rentals for rented properties amounting to Rs. 3.26 million (2021: 25.14 million) and Ijarah lease rentals amounting to Rs. 2 million (2021: 2.32 million).

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

24.2.1 The Company had entered into an Ijarah agreement with Meezan Bank Limited for acquisition of a vehicle. Under the agreement, the term of Ijarah is 4 years. It includes Ijarah rentals amounting to Rs. 2 million (2021: Rs. 2.32 million).

		Note	**2022**	2021
			------------ (Rupees in '000)	------------
25	**OTHER OPERATING EXPENSES**			
	Auditor's remuneration	25.1	**1,652**	1,644
	Miscellaneous expenses		**1,785**	340
			3,437	1,984
25.1	**Auditor's remuneration**			
	Audit fee		**990**	900
	Fee for half yearly review		**462**	569
	Fee for statutory certification		**-**	116
	Out-of-pocket expense		**200**	175
			1,652	1,644
26	**OTHER INCOME**			
	Income from financial assets			
	Profit on bank deposit / TDRs	26.1	**56**	27
	Realized gain on sale of shares		**-**	671
	Income from non-financial assets			
	Recovery from sale of scrap		**57**	636
	Gain on sale of fixed assets		**1,967**	1,769
			2,080	3,103

26.1 This represents profit earned on conventional bank deposits and bank balances ranging from 3.41% to 12.25% (2021: 5.5% to 7.5%) per annum.

		Note	**2022**	2021
			------------ (Rupees in '000)	------------
27	**TAXATION**			
	Current		**1,286**	6,179
	Prior		**(562)**	16,112
	Deferred		**4,349**	15,585
			5,073	37,876

27.1 The relationship between tax expense and accounting profit has not been presented in these financial statements as thecurrent year's income of the Company falls under minimum tax regime as per Income Tax Ordinance, 2001.

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

		Note	2022	2021
28	**LOSS PER SHARE - Basic and Diluted**		------------ (Rupees in '000) ------------	
	Basic loss per share			
	Loss for the year		**(109,713)**	(604,999)
	Number of shares		------------ Number in '000 ------------	
	Weighted average number of shares outstanding as at year end		**31,143**	31,143
			------------ Rupees ------------	
	Basic loss per share		**(3.52)**	(19.43)

28.1 There is no dilutive effect on the basic loss per share of the Company as at June 30, 2022 and June 30, 2021.

		Note	2022	2021
			------------ (Rupees in '000) ------------	
29	**CASH FLOWS FROM OPERATING ACTIVITIES**			
	Loss before taxation		**(104,640)**	(567,123)
	Adjustment for non-cash and other items:			
	Depreciation		**8,320**	8,065
	Amortization		**50**	50
	Exchange loss		**-**	522
	Finance cost		**773**	1,499
	Allowance for expected credit loss		**4,975**	4,016
	Realized gain on sale of shares	25	**-**	(671)
	Impairment of goodwill		**-**	385,985
	Write off stock in trade		**-**	18,467
	Write off other assets		**1,736**	(1,769)
	Gain on sale of property and equipment		**(1,967)**	-
			13,887	416,164
	Operating (loss) / profit before working capital changes		**(90,753)**	(150,959)
	Working capital changes			
	(Increase)/ decrease to current assets			
	Long-term deposits		**2,234**	5,595
	Stock-in-trade		**49,096**	175,038
	Trade debts		**18,369**	21,072
	Loans and advances		**19,151**	(3,917)
	Trade deposits and short term prepayments		**3,455**	14,914
	Sales tax receivable- net		**4,969**	(2,058)
	Other receivables		**-**	425
	Increase / (decrease) in current liabilities			
	Advance from customers - unsecured		**1,327**	(6)
	Trade and other payables		**(5,600)**	(45,484)
	Cash generated from operations		**2,248**	14,620

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

	2022	2021
	------------ (Number) ------------	
30 NUMBER OF EMPLOYEES		
Number of employees as at the year end	**42**	99
Average number of employees during the year	**62**	107

31 RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	Liabilities Uncliamed Dividend	
	2022	2021
Balance as at July 01	**3,936**	3,936
Payment of unclaimed dividend	**-**	-
Balance as at June 30	**3,936**	3,936

32 REMUNERATION OF THE CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

	2022			2021		
	Chief Executive Officer	**Directors**	**Executives**	Chief Executive Officer	Director	Executives
	--------Rupees in '000--------					
Managerial remuneration	**5,530**	**-**	**17,495**	6,150	-	18,034
Provdident fund	**150**	**-**	**302**	90	-	603
Directors' fee	**-**	**600**	**-**	-	250	-
	5,680	**600**	**17,797**	6,240	250	18,637
Number of persons	**1**	**5**	**8**	1	3	7

The allocation of above expenses are as follows:

	2022			2021		
	Chief Executive Officer	**Directors**	**Executives**	Chief Executive Officer	Directors	Executives
	--------Rupees in '000--------					
Selling and distribution expenses	**-**	**-**	**8,218**	-	-	7,372
Administrative expenses	**5,680**	**600**	**9,579**	6,240	250	11,265
	5,680	**600**	**17,797**	6,240	250	18,637
Number of persons	**1**	**5**	**8**	1	3	7

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

32.1 In addition to the above, Company maintained cars are provided to the chief executive officer, directors and executives.

33 OPERATING SEGMENT

The management has determined the operating segments based on the information that is presented to the Board of Directors of the Company for allocation of resources and assessment of performance. The reportable segments of the Company are as follows:

Business automation and related services: This segment includes selling of office equipment and provision of related services such as installation and repair and maintenance.

Petrotech and related services: This segment includes selling of energy equipments (petrotech) and provision of related services such as installation, repair and maintenance and cleaning service.

Chemicals: This segment includes selling of imported chemicals such as mixed Xylene, Vinyle acetate monomer (VAM) and Hexane.

Lubricant: This segment includes selling lubricants and car maintenance products.

Others: This segment includes selling of Fast Moving Consumer Goods (FMCG) through marts and distributors.

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Description	For the year ended June 30, 2022						For the year ended June 30, 2021					
	Business automation and related services	Petrotech and related services	Chemicals	Lubricant	Others	Total	Business automation and related services	Petrotech and related services	Chemicals	Lubricant	Others	Total
	Rupees in "000"						Rupees in "000"					
Revenue - Gross	20,043	21,716	-	69,524	5,958	117,241	38,607	1,798	334,115	82,667	1,299	458,486
- Sales tax	(1,963)	(693)	-	(9,277)	(865)	(12,798)	(5,467)	(255)	(47,315)	(11,707)	(184)	(64,928)
- Cartage	(512)	(750)	-	(721)	(100)	(2,083)	(36)	(100)	(8,055)	(2,062)	(354)	(10,607)
-Sales return	-	-	-	(7,547)	-	(7,547)	-	-	(915)	(6,666)	(479)	(8,060)
-Sales discount	-	-	-	(1,541)	-	(1,540)	-	-	(15)	(439)	-	(454)
Revenue - net *(Disaggregated)*	17,568	20,273	-	50,438	4,993	93,272	33,104	1,443	277,815	61,793	282	374,437
Cost of sales	(14,172)	(15,662)	-	(50,145)	(4,577)	(84,556)	(21,489)	(24,179)	(294,310)	(54,874)	(3,651)	(398,503)
Gross (loss) / profit	(3,396)	(4,611)	-	293	416	8,716	11,615	(22,736)	(16,495)	6,919	(3,369)	(24,066)
Selling and distribution expenses	(5,601)	(6,069)	-	(19,428)	(3,560)	(34,658)	(17,905)	(16,641)	(4,000)	(13,904)	(11,231)	(63,681)
Administrative expenses	(11,530)	(12,491)	-	(39,992)	(7,580)	(71,593)	(13,149)	(912)	(27,710)	(8,244)	(38,458)	(88,473)
Operating loss	(13,735)	(13,949)	-	(59,127)	(10,724)	(97,535)	(19,439)	(40,289)	(48,205)	(15,229)	(53,058)	(176,220)
Other operating expenses						(3,437)	-		-	-	-	(1,984)
Other income						2,080	-	-	-	-	-	3,103
	(13,735)	(13,949)	-	(59,127)	(10,724)	(98,892)	(19,439)	(40,289)	(48,205)	(15,229)	(53,058)	(175,101)
Exchange loss						-	-	-	-	-	-	(522)
Finance cost						(773)	-	-	-	-	-	(1,499)
Impairment of trade receivable						(4,975)						(4,016)
Impairment of goodwill						-	-	-	-		-	(385,985)
Loss before taxation	(13,735)	(13,949)	-	(59,127)	(10,724)	(104,640)	(19,439)	(40,289)	(48,205)	(15,229)	(53,058)	(567,123)
Taxation						(5,073)	-	-	-	-	-	(37,876)
Loss for the year	(13,735)	(13,949)	-	(59,127)	(10,724)	(109,713)	(19,439)	(40,289)	(48,205)	(15,229)	(53,058)	(604,999)

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

33.1 There were no intersegment sales during the year (2021: Nil).

33.2 No sales and purchase related to Chemicals has been made during the year. Furthermore, all the Company's sales have been priniacily made within Pakistan.

33.3 Following are the major customers of the Company which constituted 10 percent or more of the Company's revenue.

Name of Customers	**2022**	Name of Customers	2021
	Rs. '000		Rs. '000
Fossil Energy (Private) Limited	**17,191**	Olympic Services (Private) Limi	39,087
	17,191	Archroma Pakistan Limited	63,774
			102,861

34 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. Overall, risks arising from the Company's financial assets and liabilities are limited. The Company manages its exposure to financial risk in following manner:

34.1 Market risk

Market risk refers to fluctuation in value of financial instruments as a result of changes in market prices. The Company manages market risk as follows:

34.1.1 Foreign currency risk

Foreign exchange risk represents the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. It arises mainly where payables exist due to transactions entered into foreign currencies.

Exposure to Foreign currency risk

The Company is not exposed to foreign exchange risk arising from currency value fluctuations as at reporting date.

34.1.2 Price risk

Price risk represents the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest or currency rate risk), whether those changes are caused by factors specified to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. At June 30, 2022, if interest rates on long term financing had been 1% higher / lower with all other variables held constant, pre tax profit for the year would have been Rs. 1.59 million (2021: Rs. 2.67 million) higher / lower.

34.1.3 Interest / Mark-up rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company has no long term or short term finance.

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

	Note	2022 Mark-up / profit bearing: Less than one year	One year to Five years	Over five years	Non mark-up / profit bearing	Total
Financial assets		---Rupees in 000'---				
At amortised cost						
Long term deposits	8	-	-	-	**965**	**965**
Trade debts	11	-	-	-	**29,894**	**29,894**
Trade deposits	13	-	-	-	**1,567**	**1,567**
Other receivables	14	-	-	-	**336**	**336**
Cash and bank balances	16	**678**	-	-	**3,275**	**3,953**
		678	-	-	**36,037**	**36,715**
Financial liabilities						
At amortised cost						
Trade and other payables	19	-	-	-	**25,890**	**25,890**
Unclaimed dividend		-	-	-	**3,936**	**3,936**
		-	-	-	**29,826**	**29,826**
On statement of financial position gap		**678**	-	-	**6,211**	**6,889**
Off statement of financial position gap						
Commitments		-	-	-	**3,057**	**3,057**

	Note	2021 Mark-up / profit bearing: Less than one year	One year to Five years	Over five years	Non mark-up / profit bearing	Total
Financial assets		---Rupees in 000'---				
At amortised cost						
Long term deposits	8	-	-	-	1,210	1,210
Trade debts	11	-	-	-	48,263	48,263
Trade deposits	13	-	-	-	1,845	1,845
Other receivables	14	-	-	-	336	336
Cash and bank balances	16	809	-	-	6,237	7,046
		809	-	-	57,891	58,700
Financial liabilities						
At amortised cost						
Trade and other payables	19	-	-	-	27,531	27,531
Unclaimed dividend		-	-	-	3,936	3,936
		-	-	-	31,467	31,467
On statement of financial position gap		809	-	-	26,424	27,233
Off statement of financial position gap						
Commitments	20.2	-	-	-	5,046	5,046

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

(a) On statement of financial position gap represents the net amounts of statement of financial position items.

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 rate at the statement of financial position date would not affect profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

At June 30, 2022, if interest rates on long term financing had been 1% higher / lower with all other variables held constant, pre tax profit for the year would have been Rs. 0.004 million (2021: Rs. 0.016 million) higher / lower, mainly as a result of higher / lower interest expense on floating rate borrowings.

34.1.4 Equity risk

It is the risk that the listed equity securities are susceptible to market price risk, arising from uncertainties about future values of the investment securities.

34.2 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter-parties failed completely to perform as contracted. The Company does not have significant exposure to any individual counter-party. To reduce exposure to credit risk the Company has developed a formal approval process whereby credit limits are applied to its customers. The management also regularly monitors the credit exposure towards the customers and makes allowance for ECLs against those balances considered doubtful of recovery. To mitigate the risk, the Company has a system of assigning credit limits to its customers based on evaluation based on customer profile and payment history. Outstanding customer receivables are regularly monitored.

The Company's gross maximum exposure to credit risk at the reporting date is as follows:

		2022	2021
Financial assets	Note	------------ (Rupees in '000)	------------
Long-term deposits	8	**965**	1,210
Trade debts	11	**29,894**	48,263
Trade deposits	13	**1,567**	1,845
Other receivables	14	**336**	336
Bank balances	16	**3,942**	6,963
		36,704	58,617

Trade Debts

The Company's exposure to credit risk arising from trade debtors is mainly influenced by the individual characteristics of each customer. The majority of the customers have been transacting with the company for several years. Actual credit loss experience over past years is used to base the calculation of expected credit loss. The ageing is disclosed in note 11.1.

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

In respect of trade debts, the Company is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade debts consists of a large number of customers. Based on historical information about customer default rates management consider the credit quality of trade debts that are not past due and impaired to be good. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

Bank balances

The Company limits its exposure to credit risk by investing in liquid securities and maintaining bank accounts only with counter-parties that have stable credit rating. Given these high credit ratings, management does not expect that any counter party will fail to meet their obligations.

The bank balances along with the credit ratings are tabulated below:

	Short-term Ratings	**2022**	2021
		------- (Rupees in '000) -------	
Allied Bank Limited	A1+	**2**	2
Bank Al Habib Limited	A1+	**1**	8
Bank Al Falah Limited	A1+	**4**	46
Bank Islami Pakistan Limited-Islamic	A1	**-**	713
Habib Bank Limited	A1+	**510**	2
Habib Metropolitan Bank Limited	A1+	**2**	2,276
MCB Bank Limited	A1+	**245**	6
Meezan Bank Limited	A1+	**2,935**	3,892
National Bank of Pakistan	A1+	**6**	14
Summit Bank Limited	SUSPENDED	**14**	1
Askari bank Limited	A1+	**223**	3
		3,942	6,963

34.3 Liquidity risk

Liquidity risk reflects the Company's inability in raising funds to meet commitments. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding to an adequate amount of committed credit facilities and the ability to close out market positions due to the dynamic nature of the business. The Company's gross maximum exposure to liquidity risk at reporting date is as follows:

	2022	2021
	------------ (Rupees in '000) ------------	
Financial liabilities		
Trade and other payables	**25,890**	27,531
Unclaimed dividend	**3,936**	3,936
	29,826	31,467

34.4 Fair value of financial instruments

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences may arise between the carrying values and the fair value estimates.

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the:

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).

b) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).

c) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the transfer has occurred.

The Company's policy for determining when transfers between levels in the hierarchy have occurred includes monitoring of the following factors:

- changes in market and trading activity (e.g.. significant increases / decreases in activity)

- changes in inputs used in valuation techniques (e.g. inputs becoming / ceasing to be observable in the market)

There were no transfers between level 1, 2 or 3 of the fair value hierarchy during the year.

The valuation techniques used are as follows:

Level 1: Quoted prices (unadjusted) in active markets

The fair value of financial instruments traded in active markets is based on market value of shares at the reporting date. A market is regarded as active when it is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The Company has no financial assets fall under the fair value hierarchy measured at fair value at June 30, 2022:

34.5 Financial instruments by category

	Note	**2022**	2021
		------------ (Rupees in '000)	------------
Financial assets			
At amortized cost			
Long term deposits	8	**965**	1,210
Trade debts - unsecured	11	**29,894**	48,263
Trade deposits	13	**1,567**	1,845
Other receivables	14	**336**	336
Cash and bank balances	16	**3,953**	7,046
Total financial assets		**36,715**	58,700
Financial liabilities			
At amortized cost			
Trade and other payables	19	**25,890**	27,531
Unclaimed dividend		**3,936**	3,936
Total financial liabilities		**29,826**	31,467

35 CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

The objective of the Company when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its businesses.

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to the shareholders or issue shares or sell assets to reduce debt.

The Company’s capital includes share capital, unappropriated profit and reserves. As at reporting date the capital of the Company is as follows:

	Note	**2022**	2021
		------------ (Rupees in '000) ------------	
Share Capital	17	**311,431**	311,431
Reserves	18	**(153,995)**	(44,282)
		157,436	267,149

The Company manages its capital risk by monitoring its debt level and liquid assets and keeping in view future investment requirements and expectations of the shareholders. The gearing ratio as at June 30, 2022 is Nil (2021: Nil).

36 DISCLOSURES FOR ALL SHARES ISLAMIC INDEX

Following information has been disclosed as required under paragraph 10 of Part 1 of the 4th to Schedule to the Companies Act, 2017 relating to "All Shares Islamic Index".

Description	**Explanation**
As at June 30, 2022	
1) Bank balances - Independent parties	On bank deposits-disclosed in note 34.2.
2) Deposits	Non-interest bearing-disclosed in note 8.
For the year ended June 30, 2021	
3) Income on bank deposits	On bank deposits-disclosed in note 26.

Disclsoures other than above are not applicable to the Company

37 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprise associated undertakings, directors of the Company and key management personnel. The Company continues to have a policy whereby all transactions with related parties are entered into at commercial terms and conditions.

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

Key management personnel (KMP)

Name	**Direct shareholding %**
Mr. Khawar Jamil Butt	Nil
Mr. Shahzad Mohsin	Nil
Mr. David Cyril Paul	Nil
Mr. Nausherwan Butt	Nil
Ms. Koshak Irum Fazali	Nil
Mr. Javaid Iqbal	Nil
Ms. Shaista Khan	Nil
Mr. Sohail Allana - Resigned	Nil
Mr. Salim Chamdia - Resigned	Nil
Mr. Zohaib Yaqoob - Resignc	Nil
Mr. Basit Habib - Resigned	0.000022
Mr. Hassan Khurshid - Resigned	Nil
Mr. Bilal Kasbati - Resigned	Nil
Mr. Owais .Ali Khan	Nil
Mr.Asadullah Azizi - Resigned	Nil

		2022	2021
Transactions for the year:	Percentage of holding	-------- (Rupees in '000)	--------
Holding Company - Fossil Energy (Private) Limited	51.06%		
-Sale of goods		**17,191**	22,619
-Shared expenses - Paid by Holding Company on behalf of CPL		**(8,461)**	(1,100)
-Shared expenses - Paid by CPL on behalf of Holding Company		**-**	985
Associated Companies under common control			
- Market 786 (Private) Limited	0%		
-Recovery of rent deposit		**-**	300
Balances:			
Holding Company - Fossil Energy (Private) Limited	51.06%		
- Trade debts		**4,004**	16,035
- Payable to fossil		**8,576**	115
- Market 786 (Private) Limited	0%		
- Payable to Market 786 (Private) Limited		**-**	300

CLOVER PAKISTAN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

38 CORRESPONDING FIGURES

Previous year figures have been rearranged and/or reclassified, wherever necessary, for better presentation. Reclassification made in the financial statements are as follows:

39 DATE OF AUTHORIZATION

These financial statements were authorized for issue on October 07, 2022 by the Board of Directors of the Company.

CHIEF EXECUTIVE OFFICER | **DIRECTOR** | **CHIEF FINANCIAL OFFICER**

CLOVER PAKISTAN LIMITED
PATTERN OF SHAREHOLDING
AS AT JUNE 30, 2022

	NO. OF SHARESHOLDINGS		
NO OF SHAREHOLDERS	FROM	TO	Total Shares
674	1	100	9,988
554	101	500	210,685
495	501	1,000	455,608
793	1,001	5,000	2,015,989
191	5,001	10,000	1,463,837
78	10,001	15,000	978,626
31	15,001	20,000	567,250
16	20,001	25,000	368,400
8	25,001	30,000	229,125
6	30,001	35,000	196,500
4	35,001	40,000	150,625
4	40,001	45,000	172,500
7	45,001	50,000	342,000
5	50,001	55,000	271,605
1	55,001	60,000	55,500
2	65,001	70,000	134,750
1	70,001	75,000	73,000
1	75,001	80,000	80,000
1	80,001	85,000	81,250
2	90,001	95,000	183,625
2	95,001	100,000	199,000
1	100,001	105,000	101,500
2	105,001	110,000	212,250
2	110,001	115,000	222,125
1	115,001	120,000	120,000
1	130,001	135,000	133,750
2	160,001	165,000	325,000
1	165,001	170,000	169,000
1	175,001	180,000	177,000
1	180,001	185,000	181,500
1	195,001	200,000	200,000
1	210,001	215,000	213,500
1	240,001	245,000	245,000
2	395,001	400,000	798,000
2	595,001	600,000	1,200,000
1	600,001	605,000	602,625
1	650,001	655,000	650,025
1	700,001	705,000	700,050
1	750,001	755,000	750,750
1	15,900,001	15,905,000	15,901,121
2,900			**31,143,059**

CLOVER PAKISTAN LIMITED
CATEGORIES OF SHAREHOLDING

AS AT JUNE 30, 2022

SNO.	Shareholders Category	No. of Shareholder	No. of Shares	Percentage
1	Directors, Chief Executive Officer, and their spouse and minor children (to be confirm by Company)	6	2,521	0.01
2	Associated Companies, Undertakings and related Parties (to be confirm by Company)	1	15,901,121	51.06
3	NIT and ICP			
4	Banks, Development Financial Institutions, Non Banking Financial Institutions			
5	Insurance Companies			
6	Modarabas and Mutual Funds	1	21,000	0.07
7	Share holders holding 10%	1	15,901,121	51.06
8	General Public :			
	a. local	2,865	14,327,632	46.01
	b .Foreign	-	-	-
9	Others	27	890,785	2.86
Total (excluding : share holders holding 10%)		**2,900**	**31,143,059**	**100.00**

CLOVER PAKISTAN LIMITED

FORM OF PROXY

THIRTY-SIXTH (36th) ANNUAL GENERAL MEETING 2022

The Company Secretary
Clover Pakistan Limited
Banglow No. 23-B, Lalazar,
Off M. T. Khan Road,
Karachi.

I/We ______________________________

of ______________________________

being member(s) of **CLOVER PAKISTAN LIMITED** and holder of

____

ordinary shares as per Share Register Folio No. __________ and / or CDC

Participant I. D. No. and Sub Account / IAS Account No. __________

hereby appoint ______________________________

of ______________ or failing him / her ______________

of ______________ as my / our proxy in my / our absence to attend and vote for me / us and on my / our behalf at the Thirty - sixth (36th) Annual General Meeting of the Company to be held on Friday, October 28, 2022 , and at any adjournment thereof.

As witness my / our hands / seal this ________ day of ____________ 2022.

Signature __________ Affix Five Rupees Revenue Stamp __________

(Signature should agree with the specimen signature registered with the Company)

Witness 1	**Witness 2**
Signature __________	Signature __________
Name __________	Name __________
Address __________	Address __________
__________	__________
CNIC or Passport No. __________	CNIC or Passport No. __________

Important
1. This proxy form, duly completed and signed, must be received at the registered office of the Company at Banglow No. 23-B, Lalazar, Off M. T. Khan Road, Karachi, not less than 48 hours before the time of holding the Meeting.
2. Members are requested:
   (a) To affix Revenue Stamp of Rs. 5/- at the place indicated above; and
   (b) To sign across the Revenue Stamp in the same style of signature as is registered with the Company.

For CDC account holder(s) / corporate entities
In addition to the above the following requirements have to be met:
i) the proxy form shall be witnessed by two persons whose names, addresses and CNIC / passport numbers shall be stated on the form;
ii) attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form;
iii) the proxy shall produce his / her original CNIC or original passport at the time of the meeting; and
iv) corporate entities should produce a certified copy of the resolution pertinent of its board of directors' meeting or a power of attorney bearing signature of the nominee at the time of the Meeting, unless it has been provided earlier.

پراکسی فارم

پینتیسواں (36) سالانہ اجلاسِ عام

محترم جناب کمپنی سکیریٹری صاحب
کلوور پاکستان لمیٹڈ
بنگلہ نمبر 23-B، لالازار،
آف ایم۔ٹی۔خان روڈ، کراچی۔

میں رہم ____________ کلوور پاکستان لمیٹڈ کے ممبر رممبران رجسٹرڈ فولیو نمبر رشرکا کی آئی ڈی رسی ڈی سی ذیلی اکاؤنٹ نمبر کے مطابق عمومی شیئرز ____________ ہولڈر ہیں جو کہ بذریعہ ہذا جناب ____________ کو تقرر ربھرتی کرتے ہیں۔ رجسٹرڈ فولیو نمبر رشرکا کی آئی ڈی رسی ڈی سی ذیلی اکاؤنٹ نمبر ____________ یا اس کے راس کی شرکت نہ کرنے کی صورت میں جناب ____________ کو بطور مختار کار بروز (جمعہ) 28 اکتوبر 2022 کو کلوور پاکستان لمیٹڈ کا (36) ویں سالانہ اجلاسِ عام اور اس کے کسی التوا تک میری رہماری جانب رمعرفت سے ووٹ دینے اور اجلاسِ عام میں شرکت کرنے کا اختیار دیتا ہوں۔

بطور گواہی میں رہمارے دستخط رمہر مورخہ ______، 2022 کو دستخط کر دیئے۔

پانچ روپے والے ریوینیو اسٹیمپ پر دستخط کریں

____
دستخط

دستخط کمپنی کی جانب سے تصدیق شدہ دستخط قابل قبول ہونگے

گواہ نمبر ا:	گواہ نمبر ۲:
نام: ____________	نام: ____________
پتہ: ____________	پتہ: ____________
____________	____________
سی این آئی سی / پاسپورٹ نمبر: ____________	سی این آئی سی / پاسپورٹ نمبر: ____________

نوٹس:

ا۔ پراکسی فارم میٹنگ سے دو دن قبل یعنی 48 گھنٹے پہلے مکمل کوائف اور دستخط کے ساتھ بنگلہ نمبر 23-A، لالازار، آف ایم۔ٹی۔خان روڈ، کراچی۔ میں جمع ہونگے۔

۲۔ ممبران کو ضروری ہدایات

(الف) مذکورہ بالا خانہ برائے ریوینیو اسٹیمپ میں رسیدی ٹکٹ لگانا ضروری ہے۔

(ب) رسیدی ٹکٹ پر کمپنی میں رجسٹرڈ دستخط کرنے ہونگے۔

برائے سی ڈی سی اکانٹ ہولڈر رکارپوریٹ ادارے۔

مزید برآں مندرجہ ذیل ضروری ہدایات پر عمل کیا جائے۔

(الف) پراکسی فارم پر دو گواہان بمع ان کا نام، پیہ اور قومی شناختی کارڈ نمبر ظاہر کرنا ضروری ہے۔

(ب) تصدیق شدہ قومی شناختی کارڈ کی کاپی فارم کے ساتھ منسلک کریں۔

(پ) میٹنگ کے وقت اصل قومی شناختی کارڈ یا پاسپورٹ لانا ضروری ہے۔

(ت) کارپوریٹ اداروں کے بورڈ آف ڈائریکٹرز پر لازم ہے کہ میٹنگ کے وقت دستخط شدہ آئین یا پاور آف اٹارنی مقرر کردہ شخص کو دیں۔ اگر مقرر کردہ شخص کو پہلے فراہم نہیں کیا گیا ہو۔