

At-Tahur Limited

Annual Report

Audited
June 30, 2019



At-Tahur



Fresh.Pure.Nourishing

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Company Information

Board of Directors

Mr. Ijaz Nisar	(Chairman)
Mr. Rasikh Elahi	(Chief Executive Officer)
Mr. Amar Zafar Khan	
Mr. Aurangzeb Firoz	
Mr. Kashif ul Hassan	
Mr. Muhammad Ijaz Hussain Awan	
Mr. Shabbi Zahid Ali	

Audit Committee

Mr. Aurangzeb Firoz	(Chairman)
Mr. Amar Zafar Khan	(Member)
Mr. Shabbi Zahid Ali	(Member)

HR & R Committee

Mr. Ijaz Nisar	(Chairman)
Mr. Rasikh Elahi	(Member)
Mr. Shabbi Zahid Ali	(Member)

Company Secretary & Chief Financial Officer

Mr. Humza Chaudhry

Head of Internal Audit

Mr. Usman Yousaf

Share Registrar

Corplink (Pvt.) Ltd.

Wings Arcade, 1- K Commercial, Model Town, Lahore

Auditors

Riaz Ahmad & Company

Chartered Accountants

Bankers

Al-Baraka Bank (Pakistan) Limited
Allied Bank Limited
Bank Islamic Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Habib Metropolitan Bank Limited
JS Bank Limited
MCB Islamic Bank Limited
National Bank of Pakistan
Silk Bank Limited

Registered Office

182 Abu Bakar Block,

New Garden Town, Lahore

Ph: +92-42- 111 666 647

Fax: +92-423-5845525

Email: info@at-tahur.com

Web: www.at-tahur.com

Project Locations

Kotli Rai Abubakar, Distirct Kasur

Vision

To be the best consumer brand on account of superior quality.

Mission

Our Mission is to manufacture and process world class, pure, natural, healthy products of immaculate quality.



Fresh , Pure Nourishing



About At-Tahur

Inspired by the Arabic word "Tahur" which literally translated means "Purity".

At-Tahur Limited, since its inception in 2007, has strived to provide its consumers with dairy products the way nature intended them to be. This is why At-Tahur's Premá milk brand launched in 2008, has, in a short span of time, become a household name in Pakistan . It is one hundred percent natural, pure & fresh. Ensuring highest production, processing and packaging standards, it is the only milk in Pakistan, that is free of all kinds of additives and artificial growth hormones and completely traceable from Grass to Glass.



Fresh , Pure Nourishing



Production & Processing

In order to set the highest standards in purity and nourishment, At-Tahur imported world renowned / pedigree Australian and Dutch cows. Produced at the state of the art dairy facilities and untouched by human hand, Premá milk is pasteurized, homogenized and packed using a fully integrated and an internationally compliant Cow to Consumer process.

Purity Transparency
Cohesion **Innovation**
Social Responsibility



100%
Australian
Cow's Milk



Fresh , Pure Nourishing



What is pasteurized fresh milk?

Pasteurization is the internationally accepted method of heat treating pure milk to remove potentially harmful bacteria and viruses. 95 % of all milk consumed in Europe, North America, Middle East & Australia is pasteurized fresh cow's milk, just like Premá.



What makes Premá the best pasteurized milk?

Premá milk is pure Australian & Dutch Cows' milk and is produced exclusively at our own modern farms. Premá milk is processed in state of the art dairy facilities and packed in hygienic, high quality and convenient gable top cartons. At every stage, from milking to packing, meticulous care is taken to ensure That Premá milk reaches you in the purest form.

How is Premá milk produced?

Premá milk is produced by our imported, pure breed Australian & Dutch Holstein cattle. Kept in a healthy and comfortable environment, our free range cows are fed a nutritious diet. Our Highly experienced foreign and local experts take great care of every cow, so that every drop of milk produced is wholesome and healthy.



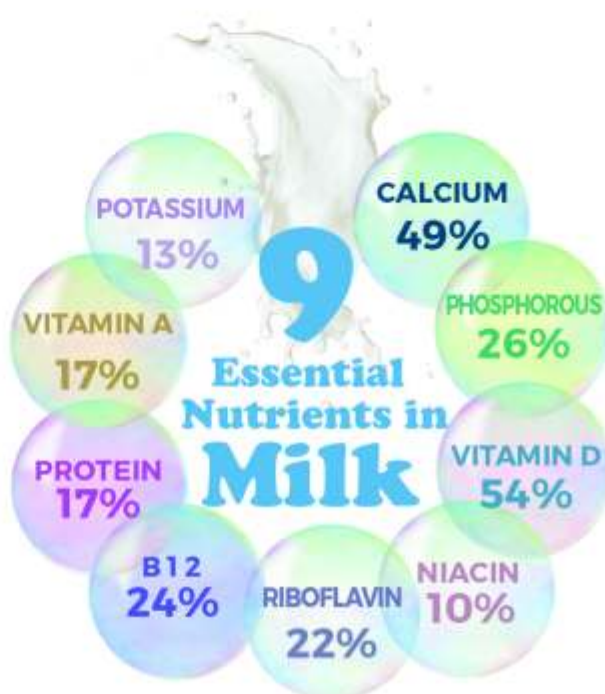
How is Premá milk processed?

Premá milk is pasteurized, homogenized and packed in our purpose built plant. Using world renowned equipment, the fully integrated cow-to-consumer process ensures the highest international standards of hygiene, quality, purity and freshness which is completely traceable from Grass to Glass.



What are the health benefits of Premá milk?

Premá milk is 100 % pure cow's milk. Nothing added, nothing taken away, **Guaranteed**. Therefore you get all the nutrition and health benefits of premium fresh milk. One delicious glass of premá milk gives you the Recommended Daily Amounts (RDA) of Calcium , Vitamin D & Riboflavin, B12 & Phosphorus , Vitamin A and Potassium & Niacin. Enjoying a healthy lifestyle has never been easier!





Fresh , Pure , Nourishing



"EXCEPT PREMA MILK, ALL OTHER SAMPLES ARE FOUND TO BE UNFIT FOR HUMAN CONSUMPTION"

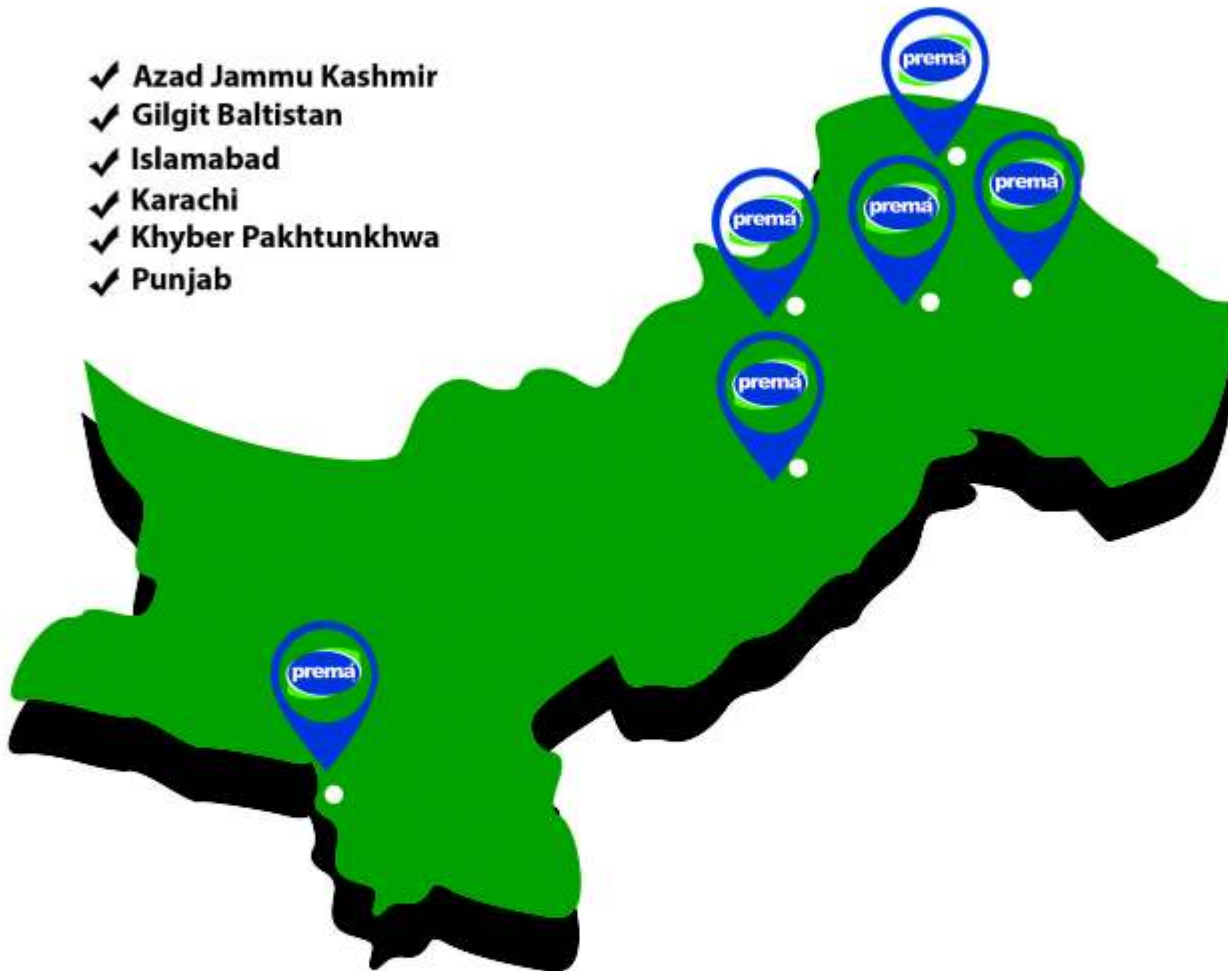
Report Presented to **SUPREME COURT OF PAKISTAN**
Reference "CIVIL PETITION NO.2374-L/2016 AND C.M.A.NO.2702-L/2016"



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RETAIL OPERATIONS

- ✓ Azad Jammu Kashmir
- ✓ Gilgit Baltistan
- ✓ Islamabad
- ✓ Karachi
- ✓ Khyber Pakhtunkhwa
- ✓ Punjab



At Premá, our priority is always to bring consumers the best quality products, keeping in mind their location and age demographics, and in accordance with their needs. This is ensured through our effective marketing and widespread sales and distribution network. premá has a current market footprint of 3,000+ stores spanning over 10 different regions.

It has a significant presence in Punjab , KPK, AJK, Gilgit Baltistan and Karachi . We respect the culture of the regions in which we operate, and recognize the need to improve the quality of life for our consumers in these areas.



PASTEURIZED MILK



Prema Whole Milk

Prema Milk is from pure breed Australian and Dutch cows, free from any additives, preservatives & growth hormones. Premá milk is as Pure, Fresh & Nutritious as nature intended milk to be.



Prema Low Fat Milk

Excellent source of calcium and vital vitamins required to strengthen bones, vision, digestive system and immunity, with minimum calorie intake .



YOGURT RANGE



Yogurt has great health benefits. It is an excellent source of protein, calcium, riboflavin and vitamin B12.

It is the only probiotic yogurt locally produced. Needless to state probiotic helps with immunity, digestive health and array of other benefits

Gelatin Free



RAITA RANGE



Premá Zeera Raita with its distinctive cumin flavor is made from 100% natural & pure premá yogurt.

Premá Podina Raita, with its refreshing and mouth watering mint flavor is made from 100% natural & pure premá yogurt.

Premá Raitas spice up your food and engage your taste buds to provide you with an unforgettable culinary pleasure at all times.



CHUNKY FRUIT YOGURT



Premá has reinvented the traditional flavored yogurt market with Premá Chunky. The product is made from 100% pure, gelatin free milk yogurt and with the added delight of premium imported real fruit chunks. This gives a healthier and delicious alternative to the usual artificially sweetened deserts in the market.

Premá Chunky comes in two different premium flavors Blueberry, Strawberry and Pineapple. The two flavors introduced were selected on the basis of their health benefits. Blueberry and strawberry for their anti-carcinogenic properties.



FRUIT YOGURT



Premá Flavored yogurts provide a flavorful blend of fruity deliciousness, along with signature creamy natural yogurt. The blend provides for an extremely creamy texture along with all the health benefits of natural yogurt.

Premá flavored yogurts come in three flavors namely mango, vanilla and strawberry, which are the three most popular flavors in Pakistan.



CHOCOLATE MILK



STRAWBERRY MILK



The distinct, smooth and rich flavors of pure chocolate and strawberry mixed with Premá's 100% pure cow's milk for a great experience



ECOLEAN RANGE



At-Tahur is the pioneer in introducing portion size packaging in pasteurized milk category in Pakistan.

Prema offers whole milk in 250ml and 450ml and Low Fat Milk in 250ml packaging.

Prema Ecolean packaging offers convenience features i.e. Microwaveable,
Easy to pour and Easy to use

PORTION SIZE PACKAGING



LABAN RANGE

SWEET LABAN



STRAWBERRY LABAN



Prema's Fresh Laban , is not only delicious, but is also good for you . A wholesome and natural thirst quencher, Premá Laban includes a special probiotic culture that makes a positive difference to your overall wellbeing, while helping to keep your



BUTTER RANGE



All Natural pure butter produced through the slow churn process for retaining homemade goodness.

Chairman's Message

I am delighted to present the annual report of At-Tahur limited for Financial Year 2018-19. At-Tahur Limited (PSX: PREMA) is committed to maintaining high standards of good corporate governance without any concession. This has been another year of stellar growth for the company, where we have seen a growth of 26%. This growth has been contributed by the immense hard work and dedication of our employees, and stake holders.

I'm also pleased to announce, on behalf of the directors, that the infrastructure work and capacity enhancement has been completed to a large extent. With adequate technological resources and expertise at our disposal, we intend to explore new markets, and product lines and furthermore, expand into new ventures in the dynamic dairy industry of Pakistan. Prema's new product lines, such as portion size packaging and flavored milk category, have seen a great response by the consumers and we will continue to serve our consumers in the best manner possible.

I'm pleased to state that the Company is compliant with the provisions of the Code of Corporate Governance as required by Securities & Exchange Commission of Pakistan (SECP) and formed as part of stock exchange listing regulations.

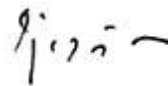
The Company remains committed to delivering the best nutrition and positively impact the lives of our consumers. In this regard, the Company continues to explore avenues to address this, as we strongly believe that there is huge potential for expansion to fulfill the nutritional need of growing population base. The testimony of company's focus on quality is best described by an independent market audit, conducted under the orders and aegis of Honorable Supreme Court of Pakistan. The finding of the commission was;

"Except Prema Milk, all other samples are found to be unfit for human consumption" - Supreme Court of Pakistan proceeding 2016.

Reference "Civil Petition No. 2374-L/2016 and C.M.A.NO.2702-L/2016".

In the end I would like to acknowledge the colossal support and commitment of each member of the management team and the employees of the Company, who ensured the Company's continued progress. We also take this opportunity to thank our valued customers and consumers who have trust in our products and continue to provide sustained support in ensuring the progress of the Company.

I'm confident that our commitment will go even further in the upcoming years and that we will continue to serve our stakeholders, through sheer dedication and hard work.



Sheikh Ijaz Nisar
Chairman

At-Tahur Limited

Date: September 19, 2019

چیرمین کا پیغام

مالیاتی سال 2018-19 کے لئے میں الطہور لمیٹڈ کی سالانہ رپورٹ پیش کرنے میں خوشی کا اظہار کرتا ہوں۔ الطہور لمیٹڈ (PSX: پریما) بغیر کسی رعایت کے اچھی کاروباری گورننس کے معیار کو برقرار رکھنے کے لئے پرعزم ہے۔ یہ کمپنی کی اعلیٰ نموا ایک اور سال ہے۔ جہاں ہم نے 26 فی صد کی نمودار کی۔ یہ نمولاز مین اور تمام سٹیک ہولڈرز کی محنت اور جذبہ کی مرہون منت ہے۔

میں ڈائریکٹرز کی جانب سے یہ اعلان کرنے میں بھی مسرت محسوس کرتا ہوں کہ بنیادی ڈھانچہ کے کام اور صلاحیت میں اضافہ پر کافی حد تک عمل ہو چکا ہے۔ مناسب تکنیکی وسائل اور مہارت کی مدد سے ہم نئی منڈیاں اور پروڈکٹ لائنز تلاش کرنے کے خواہاں ہیں۔ مزید برآں، ہم پاکستان کی متحرک ڈیری صنعت میں تعلقات کو وسیع کرنے کے خواہش مند ہیں۔ پریما کی نئی پروڈکٹ لائن میں پورشن سائز پکچنگ اور فلیورڈ ملک کیٹگری شامل ہے۔ صارفین کی جانب سے ہمیں مثبت اور کثیر پذیرائی حاصل ہوئی ہے اور ہم ہر ممکن حد تک اپنے صارفین کو مسلسل خدمات فراہم کریں گے۔

میں یہ بیان کرنے میں فخر محسوس کرتا ہوں کہ کمپنی سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کے معیار کے مطابق کوڈ آف کارپوریٹ گورننس کے قواعد پر عمل کرتی ہے اور اسے اسٹاک ایکسچینج کے لسٹنگ ضوابط کا حصہ بنایا گیا ہے۔

کمپنی بہترین غذائیت فراہم کرنے اور اپنے صارفین کی زندگیوں پر مثبت اثرات مرتب کرنے کے لئے پرعزم ہے۔ اس تناظر میں، کمپنی نئے مواقع تلاش کر رہی ہے کیونکہ ہم قوی یقین رکھتے ہیں کہ بڑھتی ہوئی آبادی کی غذائی ضروریات کو پورا کرنے کے لئے وسعت کی بہت جگہ ہے۔ معیار پر توجہ سے متعلق کمپنی آزاد مارکیٹ آڈٹ کے ذریعے شہادت دیتی ہے جسے معزز عدالت عظمیٰ پاکستان کے احکامات کی روشنی میں منعقد کیا گیا۔ کمیشن کالاب لباب یہ تھا:

”پریما ملک کے علاوہ تمام دیگر نمونے انسانی استعمال کے لئے نامناسب پائے گئے ہیں۔“ عدالت عظمیٰ پاکستان کا روایتی۔ 2016۔

حوالہ ”سول پٹیشن نمبر 2374-L/2016 اور C.M.A. NO.2702-L/2016۔“

میں آخر میں انتظامی ٹیم کے ہر رکن اور کمپنی کے ملازمین کی مکمل حمایت اور عزم کا اعتراف کرنا چاہتا ہوں جنہوں نے کمپنی کی مسلسل ترقی کو یقینی بنایا۔ اس موقع پر ہم اپنے معزز کسٹمرز اور صارفین کا بھی شکریہ ادا کرتے ہیں جنہوں نے ہماری مصنوعات پر اعتماد کیا اور کمپنی کی ترقی کو یقینی بنانے کے لئے مسلسل مدد فراہم کی۔ میں پرامید ہوں کہ ہمارا عزم آئندہ سالوں میں مزید مضبوط ہوگا اور یہ کہ ہم محنت اور جذبہ سے سرشار ہو کر اپنے سٹیک ہولڈرز کی خدمت کو جاری رکھیں گے۔

—

شیخ اعجاز ناصر

چیرمین

الطہور لمیٹڈ

19 ستمبر 2019ء

Directors' Report

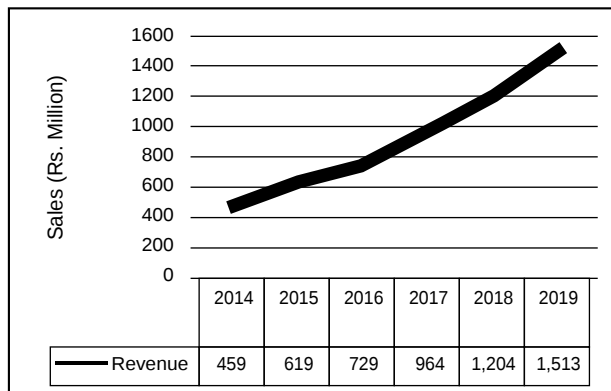
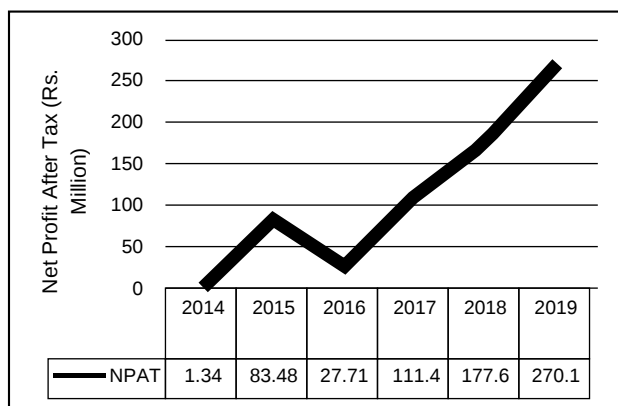
The Directors of At-Tahur Limited takes pleasure in presenting Directors' Report, together with the Audited Financial Statements of the Company for the year ended June 30, 2019.

LISTING OF AT-TAHUR LIMITED

The Company issued prospectus on 13 June 2018 for Initial Public Offer (IPO) of 36,667,000 ordinary shares of Rupees 10 each at a floor price of Rupees 20 per share including share premium of Rupees 10 per share. Out of the total issue of 36,667,000 ordinary shares, 27,500,000 shares were offered to High Net Worth Individuals (HNWI) and Institutional Investors before 30 June 2018 which were fully subscribed at a strike price of Rupees 21 per share determined through book building process. On 02 July 2018, remaining 9,167,000 ordinary shares of Rupees 10 each were offered to General Public at a strike price of Rupees 21 which were fully subscribed by the General Public. On 18 July 2018, shares have been duly allotted to all shareholders. On 23 July 2018, Pakistan Stock Exchange Limited has approved the Company's application for formal listing of ordinary shares and trading of shares has started on 30 July 2018.

SUMMARY OF FINANCIAL PERFORMANCE

PKR Million	2018-19	2017-18	Change (YOY)
Revenue	1513.29	1204.45	26%
Gross Profit margin	790.89	550.42	44%
Operating Profit margin	271.68	169.76	60%
Net Profit before tax	249.21	160.55	55%
Net Profit after tax	270.10	177.68	52%
Earnings per share	1.86	1.62	15%



PRINCIPAL ACTIVITIES OF THE COMPANY

At-Tahur Limited ("the Company") was incorporated in Pakistan as a private limited company in March 2007 and subsequently converted to public limited Company unlisted with effect from September 2015. The Company was finally listed and the shares of the Company are quoted on the Pakistan Stock Exchange as of 30 July 2018. The Company's principal activity is processing of milk and other kindred products.

FINANCIAL PERFORMANCE OVERVIEW

During the year ended June 30, 2019, the sales volume increased to 12.291 million liters as against 9.49 million liters sold last year. The company has posted new records on the financial front with net sales revenue of Rs. 1,513.29 million, up by 26% as compared to Rs. 1,204.45 million last year. Profit after tax grew by 52% to 270.10 million from Rs.177.68 million posted last year. The overall increase in the revenue and net profits is mainly attributable to the improved turnover on account of launch of new products, change in sales mix and enhanced demand of all our products as well as increase in foreign exchange rate against Pakistan rupee. The earnings per share of your Company for the year ended June 30, 2019 was PKR 1.86 diluted compared to PKR 1.62 reported last year.

CONTRIBUTION TO NATIONAL EXCHEQUER

During the year, the Company contributed a sum of Rs.92.26 million, in terms of Income taxes, excise duty, sales tax and other government levies, to the national exchequer, which amounts to about 6.10% of the total revenue of the Company.

Directors' Report

INDUSTRY REVIEW & ENVIRONMENT

BUSINESS ENVIRONMENT

Pakistan's current account deficit outlook remains positive throughout FY 2019. Current account deficit reached to US\$ 11.586 billion in Jul-April FY 2019 as compared to US\$ 15.864 billion in the same period last year and showed a contraction of 26.9 percent. While last year during the same period it widened by 69.6 percent during July-April FY 2018. However, month on month it increased to US\$ 1241 million in April FY 2019 as compared to US\$ 871 million in March FY 2019. Decreasing exports and low remittances, specifically from EU and UAE, pushed up CAB in the month of April FY 2019.

We expect economic growth in the next fiscal year to remain moderate due to large fiscal and current account deficits, rising external debt and tighter financial conditions. The Pak Rupee is expected to remain under pressure, adding to inflation concerns and weaker consumer spending thus impacting dairy industry growth.

INDUSTRY REVIEW

Livestock having share of 60.54 percent in agriculture and 11.22 percent in GDP, maintained the growth at 4.0 percent against the target of 3.8 percent. The table presented below gives the detail growth rates over the year:

Source: Pakistan Bureau of Statistics				
Table 1.1: Growth Rates (%)				
Sector	2018-19	2017-18	2016-17	2015-16
Agriculture	0.85	3.81	2.07	0.15
Livestock	4.00	3.76	2.9	3.36

The livestock population for the last four years is given in Table 1.2.

Source: Ministry of National Food Security & Research				
Table 1.2: Estimated Livestock Population (Million Nos.)				
Species	2018-19 ¹	2017-18 ¹	2016-17 ¹	2015-16 ¹
Cattle	47.8	46.1	44.4	42.8
Buffalo	40.0	38.8	37.7	36.6

¹: Estimated figure based on inter census growth rate of Livestock census 1996 & 2006

The major products of livestock are milk and meat for which the last four years are given in Table 1.3.

Source: Ministry of National Food Security & Research				
Table 1.3: Estimated Milk and Meat Production (000 Tones)				
Species	2018-19 ¹	2017-18 ¹	2016-17 ¹	2015-16 ¹
Milk (Gross Production)	59,759	57,890	56,080	54,328
Cow	21,691	20,903	20,143	19,412
Buffalo	36,180	35,136	34,122	33,137
Milk (Human Consumption) ²	48,185	46,682	45,227	43,818
Cow	17,353	16,722	16,115	15,529
Buffalo	28,944	28,109	27,298	26,510
Meat ³	4,478	4,262	4,061	3,873
Beaf	2,227	2,155	2,085	2,017

- 1: The figures for milk and meat production for the indicated years are calculated by applying milk production parameters to the projected population of respective years based on the inter census growth rate of Livestock Census 1996 & 2006.
- 3: Milk for human consumption is derived by subtracting 20% (15% wastage in transportation and 5% in calving) of the gross milk production of cows and buffalo.
- 4: The figures for meat production are of red meat and do not include the edible offal's.

The estimated production of other livestock products for the last four years is given in Table 1.4.

Source: Ministry of National Food Security & Research					
Table 1.4: Estimated Livestock Products Production					
Species	Units	2018-19 ¹	2017-18 ¹	2016-17 ¹	2015-16 ¹
Hides	000 Nos	17,547	16,974	16,421	15,885
Cattle	000 Nos	9,063	8,734	8,416	8,111
Buffalo	000 Nos	8,373	8,131	7,897	7,669

- 1: The figures for livestock product for the indicated years were calculated by applying production parameters to the projected population of respective years.

According to Pakistan Economic Survey 2018-19, the population growth, increases in per capita income and export opportunities are fueling the demand of livestock and livestock products in the country. The overall livestock development strategy revolves around fostering "private sector-led development with public sector providing an enabling environment through policy interventions". The regulatory measures are aimed at improving per unit

Directors' Report

animal productivity by improving health coverage, management practices, animal breeding practices, artificial insemination services, use of balanced ration for animal feeding, and controlling livestock diseases. The objective is to exploit the livestock sector and its potential to cater to domestic need, for economic growth, food security and rural socio-economic uplift.

COMPANY REVIEW

Your Company, as a major player in Pakistan's dairy industry, has made encouraging advances and has continued its track-record of achieving key milestones. Building on our previous performances, the fiscal year ending June 2019 has once again been a period in which the Company's turnover and profitability have soared to an all-time high. At-Tahur Limited has not only managed to maintain its sales above 6 million liters mark for the third consecutive year, but also recorded a high financial performance. This reflects strong customer confidence in the company and the value proposition offered to the customer.

The Company continues to be committed to enhancing its product base through innovation and research which remains an integral part of the Company's mission to provide fresh, pure and healthy dairy products. The major new product launches included:

- Prema Vanilla Yogurt 100gm
- Prema Strawberry Milk 180ml

SAFETY, HEALTH & ENVIRONMENT

The Company is committed to provide a safe and healthy environment to all employees by strictly complying with all safety, health and environment rules and regulations. Ensuring the priorities, full care is taken for the safety of contractors, suppliers and all individuals in general who might be affected by the Company's business operations. The Company employees actively work to prevent accidents, injuries and disease and make continuous efforts to identify, eliminate and manage all safety risks.

SAFETY POLICY

We have taken following measures to ensure safety:

- Prepared and communicated Health and safety policy across the entire organization;
- Made Hazard identification and risk control procedure to reduce the risk of accidents, injuries and disease transmission;

- The Company conducts a number of general and special training programs for employees. The general safety training programs like firefighting, basic safety and first aid are aimed at empowering every employee to deal with emergency situations and avoid accidents. While job specific training includes machine safety and process safety. Complying with the standards only authorized members are allowed to perform a specific job.
- The Company's employees are provided with personal protective equipment like safety masks and gloves, etc.
- The Company is ISO 9001 and Halal certified.
- The Company is in process of getting ISO 22000 certification as well.

SAFETY RECORD

The Company recorded a zero-lost work day injury rating this year. This was made possible through immediate improvements and a number of measures that were taken which include continuous risk assessment, job safety analysis, awareness sessions, on job hazard identification, safety patrolling by trained members and safety walk by top management. As a result, there has been no non-loss day injury since last year.

HUMAN RESOURCE

At-Tahur Limited recognizes the significance of Human Resource. It focuses on acquiring the best talent and developing people to steer the Company to success. To accomplish customer delight, it aspires to have the right people in the right place at the right time. Its HR function is aligned towards developing human capacity to support business growth.

DIVERSITY & INCLUSION

The Company committed to affirmative action in support of equal opportunity employment and engagement of women in the workforce.

PRINCIPAL RISK & UNCERTAINTIES

Despite the fact that the Company's financial performance is exceptional for the past years, however, continuous depreciation of Pak Rupee against various currencies, general inflation and rise in international commodity prices will be vital factors that may have an impact on the future financial statements of the Company. The company welcomes new competition, however, consistent Government policies are required along with creating a

Directors' Report

level playing field for the existing players of the industry for sustainable growth.

INTERNAL CONTROL

The Company has employed an effective system of internal controls to carry on the business of the Company in an orderly manner, safeguard its assets and secure the accuracy and reliability of its records. The Management supervision and reviews are an essential element of the system of internal controls. The Board ensures adequacy of internal control activities either directly or through its Committees. The Board also reviews the Company's financial operations and position at regular intervals by means of interim accounts, reports, profitability reviews and other financial and statistical information.

RISK MANAGEMENT

At-Tahur Limited has formal risk management framework to assess the risks faced in the context of the broader political and macroeconomic environment. The risk management system identifies strategic, regulatory, financial, operational, reputational, and sustainability risks related to business activities. The risks are reviewed by management committee along with departmental objectives, targets and performance. Appropriate strategies are developed and implemented to minimize the impact of the identified risks.

FINANCIAL STATEMENTS

International Financial Reporting Standards (IFRS), as applicable in Pakistan and provisions of and directives issued under the Companies Act, 2017 have been followed in preparation of the financial statements. 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.

The auditors of the company, M/s Riaz Ahmad & Co., Chartered Accountants, audited the financial statements of the Company and have issued an unqualified report to the members.

DIRECTORS' STATEMENT ON CORPORATE & FINANCIAL REPORTING FRAME WORK

- a) The financial statements, prepared by the management of the Company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity;
- b) Proper books of account of the Company have been maintained;

- c) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- d) International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from has been adequately disclosed and explained;
- e) The System of Internal Control is sound in design and has been effectively implemented and monitored;
- f) There are no significant doubts upon the listed company's ability to continue as a going concern.
- g) There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations;
- h) Key operating and financial data of last six years in a summarized form is attached.
- i) All the statutory payments on account of taxes, duties, levies and charges have been made except those disclosed in financial statement.

BOARD & ITS MEETING

The total number of directors are 7 as per following:

- | | | |
|----|--------|-----|
| a. | Male | 07 |
| b. | Female | Nil |

The Composition of Board of Directors is as follows:

a. Independent Directors:

1. Mr. Ijaz Nisar (Justice Rtd.)
2. Mr. Aurangzeb Firoz
3. Mr. Amar Zafar Khan
4. Mr. Ijaz Hussain Awan (Major General Rtd.)
5. Syed Kashif ul Hassan Shah

b. Non-Executive Directors:

1. Mr. Shabbi Zahid Ali

c. Executive Directors:

1. Mr. Rasikh Elahi

Directors' Report

Four meetings of the Board of Directors were held during the year 2018-19. Name of the Directors (at any time during the year) along with their attendance in Board Meeting is as under:

Sr. No.	Name of Director	No. Of Meetings Attended
1	Mr. Ijaz Nisar	4
2	Mr. Rasikh Elahi	4
3	Mr. Amar Zafar Khan	3
4	Mr. Aurangzeb Firoz	1
5	Mr. Kashif ul Hassan Shah	4*
6	Mr. Muhammad Ijaz Awan	-
7	Mr. Shabbi Zahid Ali	4
8	Mr. Muhammad Afzal	-*

(However, leave of absence was granted to the Directors who could not attend the Board Meeting(s) due to pre-occupations).

* During the year Mr. Muhammad Afzal resigned as Director on August 27, 2018 and Syed Kashif ul Hassan Shah was appointed on the Board as Director on August 27, 2018 to fill the casual vacancy.

AUDIT COMMITTEE

The Board of Directors in compliance to the Code of Corporate Governance has established an Audit Committee and four Audit Committee Meetings were held during the year 2018-19. Attendance by each member is as under:

Sr. No.	Name of Director	No. Of Meetings Attended
1	Mr. Aurangzeb Firoz	2
2	Mr. Amar Zafar Khan	3
3	Mr. Shabbi Zahid Ali	4

(However, leave of absence was granted to the Members who could not attend the Meeting(s) due to pre-occupations).

HUMAN RESOURCE & REMUNERATION COMMITTEE

The Board of Directors in compliance to the Code of Corporate Governance has established a Human Resource & Remuneration Committee and one HR&RC Meeting was held during the year 2018-19. Attendance by each member is as under:

Sr. No.	Name of Director	No. Of Meetings Attended
1	Mr. Ijaz Nisar	1
2	Mr. Shabbi Zahid Ali	1
3	Mr. Rasikh Elahi	1

DIRECTORS' REMUNERATION

The Board of Directors has approved Directors' Remuneration Policy. The features of the policy are as follows:

- The Company shall not pay remuneration of its non-executive directors including independent directors except for meeting fee for attending Board meetings;
- The Company will reimburse or incur expenses of travelling and accommodation of Directors in relation to attending of Board meetings;
- The Directors' Remuneration policy will be reviewed and approved by the Board of Directors from time to time.

Moreover, the Board acknowledge the valuable contributions being made by the non-executive directors, and currently a meeting fee is being offered for attendance and participation in Board meeting, while this does not reflect compensation of their contributions and just represents a token of appreciation. The non-executive directors may waive their rights to receive such remuneration for attending and participation in the above meetings.

DIRECTORS' TRAINING PROGRAMME

Three Directors out of Seven Directors have done the Directors' Training program. Remaining directors will undergo Directors' Training Programme within the stipulated time define by CCG.

INVESTOR VALUE

During the year under review the Board of Directors has recommended a final cash dividend of Rs.0.37 i.e. 3.7% along with issuance of Bonus Shares 10% i.e. 1 share for every 10 shares.

The Break-up value per share for the year is Rs. 16/-.

AUDITORS

The existing auditors, M/s Riaz Ahmad & Company, Chartered Accountants retire and being eligible, offer themselves for re-appointment. The Directors endorse the

Directors' Report

recommendation of the Audit Committee for re-appointment of M/s Riaz Ahmad & Company, Chartered Accountants as the auditors for the year ending June 30, 2020.

RELATED PARTY TRANSACTIONS

All transactions with related parties have been disclosed in the financial statements under review.

PATTERN OF SHAREHOLDING

The pattern of shareholding of the Company as at June 30, 2019, as required by section 227 of the Companies Act, 2017 and Code of Corporate Governance, is enclosed.

KEY OPERATING & FINANCIAL DATA

The key operating and financial data for the last six years is enclosed.

CORPORATE SOCIAL RESPONSIBILITIES (CSR)

The Company strongly believes in integration of corporate social responsibility into its business that are influenced directly or indirectly by our business.

CORPORATE GOVERNANCE

The Company has been complying with the rules of Securities and Exchange Commission of Pakistan and has implemented better internal control policies with more rigorous checks and balances.

CHAIRMAN REVIEW

The Directors of the Company endorse the contents of the Chairman's review, dealing with the overall performance of the Company, future outlook and report on the performance and effectiveness of the Board.

MATERIAL CHANGE

There have been no material changes and commitments affecting the financial position of the company which have occurred between 30 June 2019 till September 19, 2019.

FUTURE OUTLOOK

Moving forward, your Company plans to initiate new and exciting products that will further strengthen the existing product slate to provide a wider choice to customers and ensure sustainable growth and value creation.

During the current fiscal year Rupees devalued by 35% and there may be a further correction against the USD. The inflation is also on the rise and it could put more pressure on

buying power of consumers and drive them towards purchasing value products. This is indeed challenging time as the economic outlook of the country remains uncertain. Management is striving its best to adapt to the changing environment and provide the best products to its valued customers.

ACKNOWLEDGEMENTS

We are grateful to our customers for their continued patronage of our products and wish to acknowledge the efforts of the entire At-Tahur team, including our staff, vendors, dealers and all business partners for their untiring efforts in these challenging times and look to their continued support.

We bow to the Almighty and pray for His blessings and guidance.

For & On behalf of Board of Directors



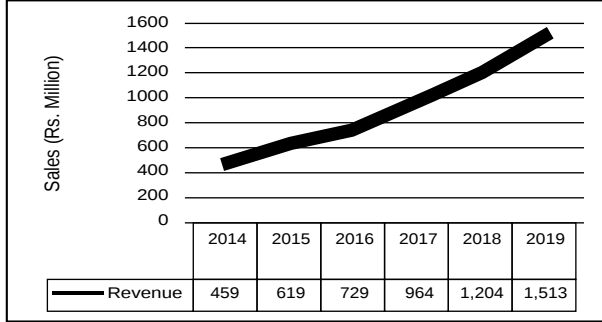
Rasikh Elahi
Chief Executive Officer



Shabbi Zahid Ali
Director

September 19, 2019

ڈائریکٹرز کی رپورٹ



کمپنی کی بنیادی سرگرمیاں

الطہور لمیٹڈ ("کمپنی") 2007ء میں پرائیویٹ لمیٹڈ کمپنی کے طور پر پاکستان میں قائم ہوئی اور بعد ازاں ستمبر 2015ء میں پبلک کمپنی غیر لسٹڈ میں تبدیل ہو گئی۔ بعد میں 30 جولائی 2018ء کو پاکستان اسٹاک ایکسچینج میں کمپنی اور اس کے حصص لسٹڈ ہوئے۔ کمپنی کی بنیادی سرگرمی دودھ اور دیگر متعلقہ مصنوعات ہیں۔

مالیاتی کارکردگی کا جائزہ

30 جون 2019ء کو اختتام پذیر سال کے دوران، گذشتہ سال میں 9.49 ملین لٹر فروخت کے مقابلہ میں 12.291 ملین لٹر فروخت کے حجم میں اضافہ ہوا۔ کمپنی نے گذشتہ برس 1204.45 ملین روپے خالص سیلز ریونیو کے مقابلہ میں بحساب 26 فی صد 1513.29 ملین روپے کا نیاریکارڈ قائم کیا۔ گذشتہ برس میں 177.68 ملین روپے منافع علاوہ ٹیکس کے مقابلہ میں بحساب 52 فی صد 270.10 ملین روپے منافع علاوہ ٹیکس درج کیا گیا۔ ریونیو اور خالص منافع میں اضافہ نئی مصنوعات کو متعارف کرانے، فروخت میں تبدیلی اور ہماری تمام مصنوعات کی طلب میں اضافہ اور پاکستانی روپے کے مقابلہ میں غیر ملکی زرمبادلہ میں اضافہ سے منسوب کیا جاتا ہے۔ آپ کی کمپنی کی فی حصص آمدنی 30 جون 2019ء کو اختتام پذیر سال کے لئے 1.86 روپے تھی جو گذشتہ سال میں 1.62 روپے فی حصص تھی۔

قومی خزانے میں حصہ

سال بھر میں، کمپنی نے انکم ٹیکس، ایکسائز ڈیوٹی، سیلز ٹیکس اور دیگر حکومتی ٹیکسوں کی مد میں قومی خزانہ میں 92.26 ملین روپے کی کثیر رقم جمع کرائی جو کمپنی کی کل آمدنی کا 6.10 فی صد ہے۔

مصنعتی جائزہ اور ماحول

کاروباری ماحول

پاکستان کا کرنٹ اکاؤنٹ خسارہ مالی سال 2019ء میں مثبت رہا۔ مالی سال 2019 جولائی تا اپریل میں کرنٹ اکاؤنٹ خسارہ 11.586 ملین ڈالر تک پہنچ گیا جو

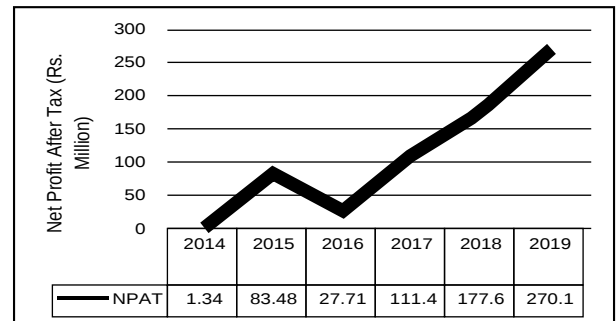
الطہور لمیٹڈ کے ڈائریکٹرز 30 جون 2019ء کو اختتام پذیر سال کے لئے کمپنی کی پڑتال شدہ مالیاتی اسٹیٹمنٹس کے ہمراہ ڈائریکٹرز کی رپورٹ پیش کرنے میں فخر محسوس کرتے ہیں۔

الطہور لمیٹڈ کا اندراج

کمپنی نے 13 جون 2018ء کو 36,667,000 عمومی حصص کی ابتدائی عوامی پیشکش (IPO) کی۔ جس میں فی حصص کی فلور پرائس 20 روپے بشمول 10 روپے فی حصص پر بیمہ رکھی۔ 36,667,000 کل حصص میں سے 27,500,000 حصص 30 جون 2018ء سے قبل زیادہ نیٹ ورٹھ کے حامل افراد (HNWD) اور ادارہ جاتی سرمایہ داروں کو پیش کئے گئے جنہیں بک بلڈنگ عمل کے ذریعے متعین کردہ 21 روپے فی حصص کی سٹرائیک پرائس پر مکمل طور پر سبسکرائب کیا گیا۔ 02 جولائی 2018ء کو بقیہ 9,167,000 عمومی حصص جس کی عمومی پرائس 10 روپے فی حصص تھی۔ 21 روپے کی سٹرائیک پرائس پر عوام الناس کو پیش کئے گئے اور انہیں مکمل طور پر سبسکرائب کیا گیا۔ 18 جولائی 2018ء کو تمام حصص داران کو حصص حسب ضابطہ تفویض کئے گئے۔ 23 جولائی 2018ء کو پاکستان اسٹاک ایکسچینج لمیٹڈ نے عمومی حصص کی باضابطہ لسٹنگ کے لئے کمپنی کے اطلاق کو منظور کیا اور 30 جولائی 2018ء کو حصص کی تجارت کا آغاز ہوا۔

مالیاتی کارکردگی کا خلاصہ

ملین روپے	2018-19	2017-18	فرق (سالانہ کی بنیاد پر)
آمدنی	1513.29	1204.45	26%
مجموعی پرافٹ مارجن	790.89	550.42	44%
آپریٹنگ پرافٹ مارجن	271.68	169.76	60%
خالص منافع بعد ٹیکس	249.21	160.55	55%
خالص منافع علاوہ ٹیکس	270.10	177.68	52%
فی حصص آمدنی	1.86	1.62	15%



ڈائریکٹرز کی رپورٹ

ذریعہ: وزارت نیشنل فوڈ سکیورٹی اینڈ ریسرچ				
جدول 1.3: دودھ اور گوشت کی پیداوار اندازاً (000 ٹن میں)				
جنس	2015-16 ¹	2016-17 ¹	2017-18 ¹	2018-19 ¹
دودھ (مجموعی پیداوار)	54,328	56,080	57,890	59,759
گائے	19,412	20,143	20,903	21,691
بھینس	33,137	34,122	35,136	36,180
دودھ (انسانی استعمال) ²	43,818	45,227	46,682	48,185
گائے	15,529	16,115	16,722	17,353
بھینس	26,510	27,298	28,109	28,944
میٹ ³	3,873	4,061	4,262	4,478
بیف	2,017	2,085	2,155	2,227

1: مذکورہ برسوں کے لئے دودھ اور گوشت کی پیداوار کے اعداد و شمار دودھ کی پیداوار کے پیمانے کو متعلقہ برسوں کی اوسط پاپولیشن سے منسلک کر کے 1996 اور 2006 کی لائیو شاک مردم شماری کی شرح نمو کی بنیاد پر حاصل کئے گئے ہیں۔
2: انسانی استعمال کے لئے دودھ کے اعداد و شمار گائے اور بھینس کے دودھ کی مجموعی پیداوار سے 20 فی صد منفی (15 فی صد نقل و حمل میں ضیاع اور 5 فی صد دودھ پلانے کے لئے) کر کے حاصل کئے گئے ہیں۔
3: گوشت کی پیداوار کے اعداد و شمار صرف سرخ گوشت کے لئے ہیں اس میں قابل استعمال بیکار گوشت شامل نہیں۔

گذشتہ چار برسوں میں لائیو شاک کی دیگر مصنوعات کے اندازاً اعداد و شمار جدول 1.4 میں بیان کئے گئے ہیں۔

ذریعہ: وزارت نیشنل فوڈ سکیورٹی اینڈ ریسرچ				
جدول 1.4: لائیو شاک مصنوعات کی پیداوار اندازاً (000 تعداد)				
جنس	2015-16 ¹	2016-17 ¹	2017-18 ¹	2018-19 ¹
کھالیں	15,886	16,421	16,947	17,547
مویشی	8,111	8,416	8,734	9,063
بھینس	7,669	7,897	8,131	8,373

گذشتہ سال کی اسی مدت میں 15.864 بلین ڈالر تھا جو 26.9 فی صد اضافہ ظاہر کرتا ہے۔ اسی مدت میں گذشتہ برس مالی سال 2018ء جولائی تا اپریل میں یہ 69.6 فی صد تک بڑھ گیا تھا۔ تاہم، مالی سال 2019ء مارچ میں 871 بلین ڈالر کے مقابلہ میں اپریل کے مہینے میں یہ بڑھ کر 1241 بلین ڈالر ہو گیا۔ برآمدات میں کمی اور خصوصاً یورپ اور مشرق وسطیٰ سے کم بیرونی آمدنی کی وجہ سے اپریل 2019ء میں کرنٹ اکاؤنٹ خسارہ بڑھ گیا۔ آئندہ مالیاتی سال میں ہم بھاری مالیاتی اور کرن اکاؤنٹ خسارہ، بھاری بیرونی قرضوں اور مشکل مالی حالات کی وجہ سے مناسب معاشی ترقی کی توقع رکھتے ہیں۔ پاکستانی روپیہ بھی دباؤ میں رہنے کی توقع ہے جس کی وجہ سے مہنگائی میں اضافہ ہوگا اور صارفین کی خرچ کرنے کی سکت کم ہوگی جس کی وجہ سے ڈیری صنعت کی نمو متاثر ہونے کا خدشہ ہے۔

منفی جائزہ

گذشتہ برس لائیو شاک نے زرعی آمدنی میں 60.54 فی صد اور جی ڈی پی میں 11.22 فی صد حصہ ڈالا اور 3.8 فی صد ٹارگٹ کے متوازی نمو کی شرح 4 فی صد رہی۔

ذریعہ: پاکستان شماریات بیورو				
جدول 1.1: شرح نمو (فی صد)				
سیکٹر	2015-16	2016-17	2017-18	2018-19 P
زراعت	0.15	2.07	3.81	0.85
لائیو شاک	3.36	2.99	3.76	4.00

جدول 1.2 میں گذشتہ چار برسوں کے لئے لائیو شاک پاپولیشن بیان کی گئی ہے۔

ذریعہ: وزارت نیشنل فوڈ سکیورٹی اینڈ ریسرچ				
جدول 1.2: اندازاً لائیو شاک پاپولیشن (تعداد بلین میں)				
جنس	2015-16 ¹	2016-17 ¹	2017-18 ¹	2018-19 ¹
مویشی	42.8	44.4	46.1	47.8
بھینس	36.6	37.7	38.8	40.0

1: لائیو شاک مردم شماری 1996 اور 2006 کی شرح نمو کی بنیاد پر اندازاً اعداد گذشتہ چار برسوں میں لائیو شاک کی بڑی مصنوعات دودھ اور گوشت کے اعداد و شمار جدول 1.3 میں بیان کئے گئے ہیں۔

ڈائریکٹرز کی رپورٹ

1: مذکورہ برسوں کے لئے لائیو شاک مصنوعات کے اعداد و شمار متعلقہ برسوں کی ممکنہ پالیٹیشن کو پیداواری پیمانوں کے تناسب سے حاصل کئے گئے ہیں۔

تحفظ کے لئے مکمل احتیاط سے کام لیا جاتا ہے۔ حادثات، زخموں اور بیماریوں سے بچاؤ اور تمام حفاظتی خطرات کی شناخت، خاتمے اور انتظام کے لئے کمپنی کے ملازمین ہمیشہ متحرک رہتے ہیں۔

حفاظتی پالیسی

تحفظ کو یقینی بنانے کے لئے ہم نے مندرجہ ذیل اقدامات اٹھائے ہیں:

- ادارے میں ہر سطح پر صحت و تحفظ پالیسی مرتب اور پھیلائی گئی ہے۔
- حادثات، چوٹ اور بیماریوں کے پھیلاؤ کے خدشات کو کم کرنے کے لئے خطرات کی شناخت اور رسک کنٹرول طریق عمل مرتب کیا گیا ہے۔
- کمپنی ملازمین کے لئے متعدد عمومی اور خصوصی ٹریننگ پروگرام کا انعقاد کرتی ہے۔ آگ سے بچاؤ، بنیادی تحفظ اور ابتدائی طبی امداد جیسے عمومی تحفظ کے ٹریننگ پروگرام ہمارے ملازمین کو ہنگامی حالات سے نبرد آزما ہونے اور حادثات سے بچاؤ میں مدد کرتے ہیں۔ جب کہ کام سے متعلقہ مخصوص ٹریننگ میں مشین اور پراسیس سیفٹی شامل ہیں۔ معیارات کی تعمیل میں صرف مجاز اراکین کو مخصوص کام کرنے کی اجازت ہوتی ہے۔
- کمپنی کے ملازمین کو ماسک اور دستانوں وغیرہ پر مشتمل ذاتی حفاظتی سامان فراہم کیا گیا ہے۔
- کمپنی ISO 9001 کی حامل اور تصدیق شدہ حلال کمپنی ہے۔
- کمپنی ISO 22000 سند حاصل کرنے کے لئے بھی کوشاں ہے۔

حفاظتی ریکارڈ

کمپنی میں رواں برس کام کے دوران کوئی حادثہ ریکارڈ نہیں کیا گیا ہے۔ ایسا صرف فوری بہتری اور متعدد اقدامات کے ذریعے ممکن ہوا۔ ان اقدامات میں خطرات کا مسلسل تعین، کام میں حفاظت کا جائزہ، آگاہی سیشن، کام کے دوران خطرات کی شناخت، ماہر اراکین کی جانب سے حفاظتی معائنہ اور اعلیٰ انتظامیہ کی جانب سے سیفٹی واک شامل ہیں۔

انسانی وسائل

الطیو رلیٹیوڈ انسانی وسائل کی اہمیت سے وقت ہے۔ کمپنی بہترین قابلیت حاصل کرنے پر توجہ دیتی ہے اور کمپنی کو کامیابی کی جانب گامزن کرنے کے لئے افراد کی تربیت کرتی ہے۔ صارفین کی خوشی کے لئے کمپنی مناسب وقت پر درست جگہ میں قابل افراد کی تقرری پر یقین رکھتی ہے۔ کمپنی کا بیج آرٹکشن انسانی صلاحیت کو بڑھانے پر یقین رکھتا ہے تاکہ کاروباری نمو میں بہتری آسکے۔

پاکستان معاشی سروے 2018-19 کے مطابق آبادی میں اضافہ ہو رہا ہے اور برآمدات کے مواقع ملک میں لائیو شاک اور لائیو شاک مصنوعات کی طلب میں اضافہ کر رہے ہیں۔ لائیو شاک کی مجموعی پیداوار کا طریق عمل ”مربوط پالیسی کے ذریعے موافق ماحول پیدا کر کے سرکاری و نجی شعبوں کی شراکت داری“ کے مرہون منت ہے۔ صحت، انتظامی معاملات، جانوروں کی افزائش، مصنوعی افزائش، جانوروں کی خوراک کے متوازن تناسب اور لائیو شاک بیماریوں پر قابو پا کر جانوروں کی پیداوار میں اضافہ کے لئے مربوط اقدامات اٹھائے جا رہے ہیں۔ اس کا مقصد لائیو شاک شعبہ کو مضبوط کرنا اور ملکی ضروریات کو پورا کرنا ہے۔ جس کی وجہ سے معاشی ترقی، خوراک کی فراہمی اور دیہی علاقوں کی معاشی و معاشرتی بقا یقینی بنائی جائے گی۔

کمپنی کا جائزہ

آپ کی کمپنی نے پاکستان کی ڈیری انڈسٹری میں ایک اہم کھلاڑی کی حیثیت سے حوصلہ افزا ترقی کی ہے اور اہم سنگ میل کا حصول جاری رکھے ہے۔ اپنی گزشتہ کارکردگی کو بہتر کرتے ہوئے جون 2019ء کو اختتام پذیر سال ایسا عرصہ رہا ہے جس میں کمپنی کی آمدنی اور منافع گزشتہ برسوں کے مقابلہ میں اعلیٰ ترین رہا ہے۔ الطیو رلیٹیوڈ نے نہ صرف لگاتار تین برسوں میں 6 ملین لیٹر فروخت کا ہدف حاصل کیا ہے بلکہ اس کی مالیاتی کارکردگی بھی بہترین ریکارڈ کی گئی ہے۔ اس طرح کمپنی پر صارفین کے اعتماد کا اظہار ہوتا ہے اور صارفین کو گراں قدر مصنوعات پیش کی جاتی ہیں۔

کمپنی جدت اور تحقیق کے ذریعے اپنی مصنوعات میں اضافہ کے لئے پرعزم ہے جو تازہ، خالص اور صحت بخش ڈیر مصنوعات کی فراہمی کے کمپنی کے مشن کا اہم ترین حصہ رہا ہے۔ متعارف کی گئی نئی مصنوعات میں مندرجہ ذیل شامل ہیں:

- پریما ویٹلا یوگرٹ 100 گرام
- پریما سٹرابری ملک 180 ملی لیٹر

تحفظ، صحت اور ماحول

کمپنی حفاظت، صحت اور ماحولیاتی اصول و ضوابط پر سختی سے عمل پیرا ہو کر تمام ملازمین کو محفوظ اور صحت ماحول فراہم کرنے کے لئے پرعزم ہے۔ ترجیحات کو یقینی بناتے ہوئے، ٹھیکے داروں، سپلائرز اور تمام افراد جو کمپنی کے کاروباری افعال کی وجہ سے متاثر ہو سکتے ہیں، کے

ڈائریکٹرز کی رپورٹ

تنوع اور تقرری

کمپنی مؤثر اقدامات اٹھانے اور ملازمت کے مساوی فراہم کرنے اور کام کی جگہ پر خواتین کی تقرری کے لئے پرعزم ہے۔

بنیادی خدشات اور غیر یقینی صورت حال

گذشتہ برس میں کمپنی کی بہترین مالیاتی کارکردگی کے باوجود پاکستانی روپے کے مقابلہ میں غیر ملکی کرنسی میں اضافہ، مہنگائی اور بین الاقوامی مصنوعات کی قیمتوں میں اضافہ اہم عوامل میں شامل ہوگا جو کمپنی کی آئندہ مالیاتی اسٹیٹمنٹس پر اثر انداز ہو سکتی ہے۔ کمپنی نئے مقابلہ کو خوش آمدید کہتی ہے تاہم موافق نموء کے لئے انڈسٹری کے موجودہ کھلاڑیوں کے لئے مساوی مواقع اور مستقل حکومتی پالیسیاں مرتب کی جانی چاہئیں۔

اندرونی ضبط

کمپنی نے کاروباری امور کو بہتر انداز میں چلانے، اثاثہ جات کے تحفظ اور ریکارڈ کی درستگی اور موزونیت کے لئے کمپنی نے اندرونی ضبط کا مؤثر نظام لاگو کیا ہے۔ انتظامی نگرانی اور جائزہ اندرونی ضبط کے نظام کا اہم حصہ ہے۔ بورڈ براہ راست یا بذریعہ کمیٹی اندرونی ضبط کی سرگرمیوں کی موزونیت کو یقینی بناتا ہے۔ بورڈ کمپنی کے مالیاتی افعال اور حالت کی بذریعہ عبوری کھاتوں، رپورٹس، منافع کے جائزہ اور دیگر مالیاتی اور عددی معلومات کی باقاعدگی سے نگرانی کرتا ہے۔

خطرات کا انتظام

الطہور لمیٹڈ مربوط رسک مینجمنٹ فریم ورک کا حامل ہے جو سیاسی اور نیکرو اکنامک ماحول کے تناظر میں پیش آنے والے خطرات کا تعین کرتا ہے۔ رسک مینجمنٹ سسٹم سٹرٹیجک، قانونی، مالیاتی، افعالی، اساسی اور کاروباری سرگرمیوں سے متعلق خطرات کی شناخت کرتا ہے۔ مینجمنٹ کمیٹی شعبہ جاتی مقاصد، اہداف اور کارکردگی کے ہمراہ خطرات کا جائزہ لیتی ہے۔ شناخت کردہ خطرات کے اثرات کو کم کرنے کے لئے مناسب حکمت عملی مرتب اور لاگو کی گئی ہے۔

مالیاتی اسٹیٹمنٹس

مالیاتی اسٹیٹمنٹس کی تیاری میں پاکستان میں لاگو بین الاقوامی مالیاتی رپورٹنگ معیارات (IFRS) اور کمپنیز ایکٹ 2017ء کے تحت جاری کردہ ضوابط و ہدایات پر عمل کیا گیا ہے۔ اگر کمپنیز ایکٹ 2017ء کے قواعد و ہدایات اور IFRS میں اختلاف پایا جائے تو کمپنیز ایکٹ 2017ء کے ضوابط و ہدایات پر عمل کیا جائے گا۔ کمپنی کے آڈیٹرز میسرز ریاض احمد اینڈ کو، چارٹرڈ اکاؤنٹنٹس، نے کمپنی کی مالیاتی اسٹیٹمنٹس کا آڈٹ کیا ہے اور اراکین کو غیر سند یافتہ رپورٹ جاری کی ہے۔

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک سے متعلق ڈائریکٹرز کا بیان

- کمپنی کی انتظامیہ کی جانب سے مرتب کردہ مالیاتی گوشوارے کمپنی کے کاروباری امور، آپریشن کے نتائج، کیش فلو اور ایکویٹی میں تبدیلیوں کو بہتر انداز میں پیش کرتے ہیں۔ کمپنی نے کھاتوں کی موزوں کتابیں مرتب کی ہیں۔
- مالیاتی گوشواروں کی تیاری میں موزوں اکاؤنٹنگ پالیسیوں کا تسلسل سے استعمال کیا گیا ہے اور اکاؤنٹنگ خسارے موزوں اور قابل فیصلوں کی بنیاد پر لگائے جاتے ہیں۔ مساوائے مالیاتی گوشواروں کے نوٹ 4 میں بیان کردہ تبدیلیوں کے۔
- مالیاتی گوشواروں کی تیاری میں پاکستان میں لاگو بین الاقوامی اکاؤنٹنگ معیارات کی پیروی کی گئی ہے اور اس میں تبدیلیوں کو مناسب انداز میں ظاہر کیا گیا ہے۔
- اندرونی ضبط کا نظام انتہائی مضبوط ہے اور اس کا مؤثر انداز میں اطلاق کیا گیا ہے اور اس کی نگرانی کی جاتی ہے۔
- کاروباری جاری رکھنے کی لسطہ کمپنی کی صلاحیت میں کوئی ابہام موجود نہ ہے۔
- لسٹنگ ریگولیشنز میں بیان کردہ کاروباری گورننس کی بہترین عمل داری میں کوئی رکاوٹ موجود نہ ہے۔
- گذشتہ پچھتر برس کے بنیادی افعالی اور مالیاتی اعداد و شمار مختصر الفب ہذا ہیں۔
- ٹیکس، ڈیوٹی، لیوی اور اخراجات کی مد میں قانونی ادائیگیاں کردی گئی ہیں۔ مساوائے ان کے جو مالیاتی گوشواروں میں بیان کی گئی ہیں۔

بورڈ اور اس کے اجلاس

ڈائریکٹرز کی کل تعداد حسب ذیل ہے:

a.	مرد	07
b.	خواتین	صفر

بورڈ آف ڈائریکٹرز کی ترکیب حسب ذیل ہے:

a. آزاد ڈائریکٹرز

1. محترم اعجاز ثار (جسٹس ریٹائرڈ)
2. محترم اورنگزیب فیروز
3. محترم عامر ظفر خان
4. محترم اعجاز حسین اعوان (میجر جنرل ریٹائرڈ)
5. سید کاشف الحسن شاہ

ڈائریکٹرز کی رپورٹ

(تاہم، مصروفیت کی بنا پر اجلاس میں شرکت نہ کرنے والے اراکین کو غیر حاضری کی رخصت عنایت کی گئی)

ہیومن ریسورس اینڈ ریمونریشن کمیٹی

کوڈ آف کارپوریٹ گورننس کی تعمیل میں بورڈ آف ڈائریکٹرز نے ہیومن ریسورس اینڈ ریمونریشن کمیٹی تشکیل دی ہے اور سال 2018-19ء کے دوران HR&RC کا ایک اجلاس منعقد ہوا۔ ہر رکن کی حاضری حسب ذیل ہے۔

نمبر شمار	نام ڈائریکٹر	اجلاس میں حاضری کی تعداد
1.	محترم اعجاز ناصر	1
2.	محترم شعی زابد علی	1
3.	محترم راسخ الہی	1

ڈائریکٹرز کا مشاہیرہ

بورڈ آف ڈائریکٹرز نے ڈائریکٹرز کا مشاہیرہ طے کرنے کی پالیسی مرتب کی ہے۔ پالیسی کی خصوصیات حسب ذیل ہیں:

- کمپنی اپنے نان ایگزیکٹو اور آزاد ڈائریکٹرز کو بورڈ اجلاس میں شرکت کے لئے اجلاس فیس کے علاوہ مشاہیرہ ادا نہیں کرے گی۔
- بورڈ اجلاس میں شرکت کی غرض سے ڈائریکٹرز کی جانب سے رہائش اور سفر پر برداشت کئے جانے والے اخراجات کمپنی ادا کرے گی۔
- ڈائریکٹرز کی مشاہیرہ پالیسی پر ہمہ وقت نظر ثانی کی جائے گی اور بورڈ آف ڈائریکٹرز اس کی منظوری دیں گے۔

مزید برآں بورڈ نان ایگزیکٹو ڈائریکٹرز کی گراں قدر خدمات کو تسلیم کرتا ہے اور حال میں بورڈ اجلاس میں حاضری اور شرکت کے لئے اجلاس فیس ادا کی جائے گی جب کہ یہ ان کے معاوضہ کی عکاسی نہیں کرتا بلکہ یہ صرف ان کی خدمات کا اعتراف ہے۔ نان ایگزیکٹو ڈائریکٹرز مذکورہ بالا اجلاس میں شرکت اور حاضری کے لئے معاوضہ وصول کرنے کے حق سے دستبردار ہو سکتے ہیں۔

ڈائریکٹرز کا ٹریننگ پروگرام

سات میں سے تین ڈائریکٹرز نے ڈائریکٹرز ٹریننگ پروگرام مکمل کیا ہے۔ بقیہ ڈائریکٹرز CCG میں مقرر کردہ وقت کے دوران ڈائریکٹرز ٹریننگ پروگرام میں حصہ لیں گے۔

انویسٹر ریلیو

زیر جائزہ سال کے دوران بورڈ آف ڈائریکٹرز نے 0.37 روپے یعنی 3.7 فی صد حتمی نقد منافع

b. دیگر نان ایگزیکٹو ڈائریکٹرز

1. محترم شعی زابد علی

c. ایگزیکٹو ڈائریکٹرز

1. محترم راسخ الہی

سال 2018-19ء میں بورڈ آف ڈائریکٹرز کے چار اجلاس منعقد ہوئے۔ (سال میں کسی بھی وقت) ڈائریکٹرز کے نام اور ان کی حاضری حسب ذیل ہے:

نمبر شمار	ڈائریکٹر کا نام	حاضری کی تعداد
1.	محترم اعجاز ناصر	4
2.	محترم راسخ الہی	4
3.	محترم عامر ظفر خان	3
4.	محترم اورنگزیب فیروز	1
5.	محترم کاشف الحسن شاہ	4*
6.	محترم محمد اعجاز اعوان	-
7.	محترم شعی زابد علی	4
8.	محترم محمد فضل	-*

(تاہم مصروفیت کی بنا پر بورڈ اجلاس میں شرکت نہ کرنے والے ڈائریکٹرز کو غیر حاضری کی رخصت عنایت کی گئی۔)

* سال کے دوران محترم محمد فضل 27 اگست 2018ء کو ڈائریکٹر کے عہدہ سے مستعفی ہوئے اور سید کاشف الحسن شاہ کو عارضی نشست مکمل کرنے کے لئے 27 اگست 2018ء کو بورڈ میں ڈائریکٹر مقرر کیا گیا۔

آڈٹ کمیٹی

کوڈ آف کارپوریٹ گورننس کی تعمیل میں بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی تشکیل دی ہے اور سال 2018ء کے دوران آڈٹ کمیٹی کے 04 اجلاس منعقد ہوئے۔ ہر رکن کی حاضری حسب ذیل ہے۔

نمبر شمار	نام ڈائریکٹر	اجلاس میں حاضری کی تعداد
1.	محترم اورنگزیب فیروز	2
2.	محترم عامر ظفر خان	3
3.	محترم شعی زابد علی	4

ڈائریکٹرز کی رپورٹ

منقسمہ اور ہر دس حصص کے لئے 1 بونس حصص یعنی 10 فی صد حصص کے اجراء کی سفارش کی ہے۔ سال بھر کے لئے بریک اپ ویلیو فی حصص -16 روپے ہے۔

آڈیٹرز

موجودہ آڈیٹرز میسرز ریاض احمد اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس ریٹائر ہو چکے ہیں اور اہل ہونے کی بنا پر اپنی دوبارہ تقرری کی پیشکش کرتے ہیں۔ ڈائریکٹرز نے 30 جون 2020ء کو اختتام پذیر سال کے لئے آڈٹ کمیٹی کی سفارشات پر میسرز ریاض احمد اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو دوبارہ آڈیٹرز مقرر کرنے کو تسلیم کیا ہے۔

متعلقہ پارٹی لین دین

متعلقہ فریقین کے ساتھ تمام لین دین زیر جائزہ مالیاتی اسٹیٹمنٹس میں بیان کیا گیا۔

شیئر ہولڈنگ کی وضع

کمپنیز ایکٹ 2017ء کے سیکشن 227 اور کوڈ آف کارپوریٹ گورننس کے تحت 30 جون 2019ء کو کمپنی کی شیئر ہولڈنگ کی وضع ساتھ منسلک ہے۔

بنیادی فعالی اور مالیاتی اعداد و شمار

گذشتہ چھ برس کا بنیادی فعالی اور مالیاتی ڈیٹا ساتھ منسلک ہے۔

کاروباری سماجی ذمہ داریاں (CSR)

کمپنی اپنے کاروبار میں کاروباری سماجی ذمہ داری سے منسلک ہونے پر یقین رکھتی ہے جو براہ راست یا بالواسطہ ہمارے کاروبار کو متاثر کرتی ہے۔

کاروباری انتظام

کمپنی سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے قواعد کی تعمیل کرتی ہے اور کمپنی نے سخت نگرانی کے ساتھ اندرونی ضبط کی بہتر پالیسی کا اطلاق کیا ہے۔

چیئرمین کا تجزیہ

کمپنی کے ڈائریکٹرز چیئرمین کے تجزیہ کو تسلیم کرتے ہیں، جو کمپنی کی مجموعی کارکردگی، آئندہ کا لائحہ عمل اور بورڈ کی کارکردگی اور تاثر پر رپورٹ سے متعلق ہے۔

مادی تبدیلی

30 جون 2019ء سے 19 ستمبر 2019ء تک کمپنی کی مالیاتی حالت کو متاثر کرنے والی کوئی تبدیلی یا ہدف سامنے نہیں آیا ہے۔

مستقبل کا منظر نامہ

کمپنی اپنے منصوبہ میں نئی اور موجودہ مصنوعات پر اقدامات کرنے کا منصوبہ رکھتی ہے جو موجودہ مصنوعات کو مزید استحکام دیں گے تاکہ صارفین کو انتخاب کے لئے زیادہ مواقع میسر آئیں اور موافق نمو پیدا ہو۔

موجودہ مالی سال کے دوران روپے کی قیمت 35 فی صد تک کم ہوئی اور امریکی ڈالر کے مقابلہ میں مزید کم ہونے کا خدشہ ہے۔ مہنگائی میں بھی اضافہ ہو رہا ہے اور صارفین کی خریدنے کی صلاحیت پر مزید دباؤ بڑھے گا اور بہترین مصنوعات کی خریداری میں کمی واقع ہو سکتی ہے۔ معاشی طور پر یہ وقت ملک کے لئے انتہائی مشکل ہے اور ملک کی معاشی ترقی کے لئے مستقبل غیر یقینی ہے۔ انتظامیہ متغیر ماحول کو اپنانے اور اپنے صارفین کو بہترین مصنوعات کی فراہمی کے لئے ہر ممکن کوشش کر رہی ہے۔

اعترافات

ہماری مصنوعات پر مسلسل اعتماد کے لئے ہم اپنے صارفین کے تہہ دل سے شکر گزار ہیں اور اظہور کی مکمل ٹیم، بشمول عملہ کی کاوشوں اور ویڈیوز، ڈیلرز اور تمام کاروباری شراکت داروں کی ان تھک محنت کو قدر کی نگاہ سے دیکھتے ہیں اور ان کی مسلسل حمایت کی توقع رکھتے ہیں۔ ہم اللہ کے آگے جھکتے ہیں اور اس کی عنایات اور رہنمائی کے لئے دعا کرتے ہیں۔

مخائب / برائے بورڈ آف ڈائریکٹرز



شمی زاہدی
ڈائریکٹر



راخ الہی
چیف ایگزیکٹو ڈائریکٹر

19 ستمبر 2019ء

Key Operating and Financial Data of Six Years at a Glance

A. Summary of Profit & Loss Account		2019	2018	2017	2016	2015	2014
Sales		1,513,288,448	1,204,453,369	963,902,663	728,785,909	618,868,691	459,084,307
Gross profit		790,893,137	550,424,642	390,525,641	346,981,071	291,765,527	178,124,868
Profit from operation		271,676,992	169,760,824	94,241,060	31,199,080	58,211,379	7,105,552
Profit before taxation		249,212,255	160,552,135	88,762,330	25,639,463	55,729,891	5,583,826
Profit after taxation		270,100,072	177,680,359	111,426,261	27,713,312	83,475,577	1,344,915
B. Summary of Statement of Financial Position							
Share capital		1,466,670,000	1,100,000,000	1,100,000,000	1,100,000,000	887,500,010	439,955,850
Accumulated profit / (loss) for the period		937,349,391	331,663,877	152,655,512	38,879,790	8,996,334	(72,741,105)
Long term liabilities		144,575,080	229,594,833	37,100,400	18,003,302	17,139,941	12,229,686
Current liabilities		384,935,915	416,240,553	187,544,675	138,965,494	115,491,601	84,497,650
Non Current Assets		2,235,909,450	1,642,606,223	1,101,423,768	1,092,646,431	961,000,982	734,367,798
Current Assets		697,620,936	854,092,706	375,876,819	252,202,155	216,190,581	72,799,023
C. Performance Indicators							
Profitability Ratios							
Gross profit ratio	(%)	52.26	45.70	40.52	47.61	47.14	38.80
Operating profit margin to sales	(%)	17.95	14.09	9.78	4.28	9.41	1.55
Net profit margin to sales (Net)	(%)	17.85	14.75	11.56	3.80	13.49	0.29
Return on average Equit	(%)	21.05	16.15	10.13	2.79	12.58	0.31
Return on capital employed	(%)	9.26	6.80	6.38	2.32	4.94	0.88
Return on average assets	(%)	9.95	8.94	7.90	2.20	8.41	0.17
Liquidity Ratios							
Current Ratio	(Times)	1.81	2.05	2.00	1.81	1.87	0.86
Quick Ratio	(Times)	1.45	1.85	1.54	1.33	0.99	0.71
Activity / Turnover Ratio							
Debtors turnover ratio	(Times)	20.41	18.75	29.22	61.77	70.73	90.54
No. of days in receivables / Average collection period	(Days)	17.88	19.47	12.49	5.91	5.16	4.03
Inventory turnover ratio	(Times)	10.99	14.21	11.05	11.00	6.34	45.02
No. of days in Inventory	(Days)	26.82	26.06	29.07	41.05	31.81	11.27
Creditors turnover ratio	(Times)	18.54	16.51	16.94	14.06	22.10	14.68
No. of days in creditors / Average payment period	(Days)	39.38	50.81	34.72	59.02	41.79	34.39
Total assets turnover	(Times)	0.56	0.61	0.68	0.58	0.62	0.59
Earning per Share	(Rs)	1.86	1.62	1.01	0.28	1.58	0.03
Break-up value per share	(Rs)	16.58	13.02	11.39	11.41	16.93	8.35
Capital Structure Ratio							
Debt equity ratio		0.06	0.16	0.03	0.02	0.02	0.03
Total Liabilities to total assets	(%)	18.05	25.87	15.21	11.67	11.27	11.98

Pattern of Shareholding

As at June 30, 2019

No. of Shareholders	From	To	Total Shares Held
73	1	100	1,274
466	101	500	226,762
419	501	1,000	416,376
406	1,001	3,500	1,032,720
110	5,001	10,000	870,111
40	10,001	15,000	520,952
22	15,001	20,000	406,465
22	20,001	25,000	514,345
7	25,001	30,000	195,447
4	30,001	35,000	137,501
9	35,001	40,000	337,346
3	40,001	45,000	129,000
5	45,001	50,000	245,497
6	50,001	55,000	315,500
2	55,001	60,000	117,500
3	60,001	65,000	194,311
3	65,001	70,000	205,347
2	70,001	75,000	145,499
1	75,001	80,000	80,000
1	80,001	85,000	85,000
1	85,001	90,000	87,000
2	90,001	95,000	182,500
2	95,001	100,000	196,997
1	105,001	110,000	109,132
1	110,001	115,000	111,500
2	125,001	130,000	253,387
1	140,001	145,000	145,000
2	165,001	170,000	336,000
1	185,001	190,000	188,500
3	195,001	200,000	599,524
1	240,001	245,000	242,000
1	250,001	255,000	254,774
1	260,001	265,000	265,000
2	395,001	400,000	800,000
2	445,001	450,000	900,000
2	455,001	460,000	916,652
1	475,001	480,000	478,489
1	505,001	510,000	509,365
1	515,001	520,000	516,500
1	530,001	535,000	534,500
3	580,001	585,000	1,750,000
1	705,001	710,000	706,244
1	830,001	835,000	831,988
1	995,001	1,000,000	1,000,000
1	2,390,001	2,395,000	2,395,000
1	2,495,001	2,500,000	2,500,000
1	2,525,001	2,530,000	2,526,000
1	4,240,001	4,245,000	4,240,980
1	11,150,001	11,155,000	11,155,000
1	38,935,001	38,940,000	38,939,264
1	66,815,001	66,820,000	66,818,751
1646			146,667,000

Pattern of Shareholding

As at June 30, 2019

Categories of shareholders	Share held	Percentage
Directors, Chief Executive Officers, and their spouse and minor children	106,342,354	72.5060%
Associated Companies, undertakings and related parties. (Parent Company)	0	0.0000%
NIT and ICP	916,652	0.6250%
Banks Development Financial Institutions, Non Banking Financial Institutions.	265,000	0.1807%
Insurance Companies	11,155,000	7.6057%
Modarabas and Mutual Funds	876,935	0.5979%
Share holders holding 10% or more	105,758,015	72.1076%
General Public		
a. Local	18,029,856	12.2931%
b. Foreign	2,676	0.0018%
Others (to be specified)		
1- Investment Companies	2,500,000	1.7045%
2- Pension Funds	106,292	0.0725%
3- Joint Stock Companies	5,685,574	3.8765%
4- Others	786,661	0.5364%

Catagories of Shareholding required under Code of Corporate Governance (CCG)

As on June 30, 2019

Sr. No.	Name	No. of Shares Held
Associated Companies, Undertakings and Related Parties (Name Wise Detail):		-
Mutual Funds (Name Wise Detail)		
1	CDC - TRUSTEE ABL STOCK FUND (CDC)	489
2	CDC - TRUSTEE ALFALAH GHP VALUE FUND (CDC)	264
3	CDC - TRUSTEE MEEZAN BALANCED FUND (CDC)	64,311
4	CDC - TRUSTEE MEEZAN ISLAMIC FUND (CDC)	109,132
5	CDC -TRUSTEE NAFA ISLAMIC STOCK FUND (CDC)	509,365
6	CDC - TRUSTEE PIML ASSET ALLOCATION FUND (CDC)	65,347
7	CDC - TRUSTEE PIML ISLAMIC EQUITY FUND (CDC)	26,421
8	CDC - TRUSTEE PIML VALUE EQUITY FUND (CDC)	27,026
9	CDC - TRUSTEE MEEZAN DEDICATED EQUITY FUND (CDC)	83
10	MCBFSL - TRUSTEE ABL ISLAMIC STOCK FUND (CDC)	46,997
Directors and their Spouse and Minor Children (Name Wise Detail):		
1	MR. RASIKH ELAHI	66,818,751
2	MR. SHABBI ZAHID ALI	500
3	MR. AURANGZEB FIROZ	583,835
4	SHEIKH IJAZ NISAR	1
5	MR. MUHAMMAD IJAZ HUSSAIN AWAN	1
6	MR. AMAR ZAFAR KHAN	1
7	SYED KASHIF UL HASSAN SHAH (CDC)	1
8	MRS. ZAHRA ALI ELAHI W/O RASHIKH ELAHI	38,939,264
Executives:		-
Public Sector Companies & Corporations:		-
Banks, Development Finance Institutions, Non Banking Finance		11,553,792
Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:		
Shareholders holding five percent or more voting intrest in the listed company (Name Wise Detail)		
1	MR. RASIKH ELAHI	66,818,751
2	MRS. ZAHRA ALI ELAHI W/O RASHIKH ELAHI	38,939,264
3	EFU LIFE ASSURANCE LTD (CDC)	11,155,000

All trades in the shares of the listed company, carried out by its Directors, Executives and their spouses and minor children shall also be disclosed:

S.No	NAME	SALE	PURCHASE
1	MR. AURANGZEB FIROZ (CDC)	-	583,334

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2017

For the year ended June 30, 2019

This statement is being presented to comply with the best practices of the Code of Corporate Governance as contained in regulation no. 40 (1) of Listed Companies (Corporate Governance) Regulation, 2017:

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

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

- a. Male: 7
- b. Female: 0

2. The composition of board is as follow:

S. No.	Category	Names
1	Independent Directors	Mr. Ijaz Nisar Mr. Aurangzeb Firoz Mr. Amar Zafar Khan Mr. Ijaz Hussain Awan Syed Kashif ul Hassan Shah
2	Executive Director	Mr. Rasikh Elahi
3	Non-Executive Directors	Mr. Shabbi Zahid Ali

3. The directors have confirmed that none of them is serving as a director in more than five listed companies including this Company (excluding the listed subsidiaries of listed holding companies where applicable).
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. A complete record of particulars of significant policies along with dates on which they were approved or amended has been maintained.
6. All the powers of the board have been duly exercised and decisions on relevant matters

have been taken by 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 meeting of board.
8. The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. Three Directors out of Seven Directors have done the Directors' Training program. The names of Directors are:
 1. Mr. Amar Zafar Khan
 2. Mr. Aurangzeb Firoz
 3. Syed Kashif ul Hassan Shah
10. The board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations. Further CFO & Company Secretary is the same person and Company is in process to separate these two designations.
11. CFO and CEO duly endorsed the financial statements before approval of the board.
12. The board has formed committees comprising of members given below:

a) Audit Committee:

Mr. Aurangzeb Firoz	-	Chairman - Independent Non-Executive
Mr. Shabbi Zahid Ali	-	Member Non-Executive
Mr. Amar Zafar Khan	-	Member Independent Non-Executive

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2017

For the year ended June 30, 2019

b) HR and Remuneration Committee:

Mr. Ijaz Nisar	-	Chairman Independent Non- Executive
Mr. Rasikh Elahi	-	Member Executive
Mr. Shabbi Zahid Ali	-	Member Non-Executive

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 were as per following:

1) Audit Committee:

Four quarterly meetings were held during the financial year ended June 30, 2019;

2) Human Resource & Remuneration Committee:

One meeting was held during the financial year ended June 30, 2019.

15. The board has set up an effective internal audit function which is considered suitable qualified, experienced for the purpose and conversant with the policies and procedures of the Company.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all other requirements of the Regulations have been complied with.



Rasikh Elahi
Chief Executive Officer

September 19, 2019
Lahore



Shabbi Zahid Ali
Director

Independent Auditor's Review Report to the Members

Review Report on the Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 (the Regulations) prepared by the Board of Directors of At-Tahur Limited (the Company) for the year ended 30 June 2019 in accordance with the requirements of regulation 40 of the Regulations.

The responsibility for compliance with 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 inquire 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 and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. 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. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 30 June 2019.

Further, we highlight below instance of non-compliance with the requirement of the Regulations as reflected in the paragraph reference where it is stated in the Statement of Compliance:

Sr. No.	Paragraph reference	Description
(1)	10	An individual simultaneously holds the position of company secretary and chief financial officer in the Company.



RIAZ AHMAD & COMPANY
Chartered Accountants

LAHORE

Date: September 19, 2019

Independent Auditor's Report to the Members

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of At-Tahur Limited ('the Company'), which comprise the statement of financial position as at 30 June 2019, 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 30 June 2019 and of the profit, other comprehensive loss, 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.

Key Audit Matters

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

Following are the key audit matters:

Sr. No.	Key audit matters	How the matters were addressed in our audit
1.	Fair value recognition of biological assets As at 30 June 2019, the carrying value of the Company's biological assets comprising of heifers / calves, bulls and milking cows (collectively referred to as 'dairy livestock'), amounted to Rupees 1,055.356 million, which approximates the fair value less costs to sell representing 35.98% of its total assets. During the year ended 30 June 2019, the Company has recognized fair value gain of Rupees 453.895 million arising from the changes in fair value less costs to sell due to biological transformation of dairy livestock, changes in prices of the dairy livestock of similar attributes and changes in foreign currency exchange rates at the reporting date.	Our audit procedures in relation to the determination of fair value of biological assets, amongst others, included the following: ● We obtained understanding and assessed the Company's internal controls over the determination of fair value of dairy livestock at each reporting date. ● We assessed the appropriateness of the Company's accounting policies for recognition of changes in fair value of biological assets at each reporting date based on the results of valuation of dairy livestock by independent valuers and compliance of those policies with

Independent Auditor's Report to the Members

Report on the Audit of the Financial Statements

	Dairy livestock are measured on initial recognition and at the end of each reporting date at their fair value less costs to sell. The determination of the fair value requires significant management's judgement regarding inter alia, the species, age, culling rates and growing condition of the dairy livestock. The management employs independent valuers to support its determination of the fair value of the dairy livestock at the end of each reporting date. For further information on biological assets, refer to the following: - Summary of significant accounting policies, Biological assets note 2.7 to the financial statements. - Biological assets note 14 to the financial statements.	accounting and reporting standards. ● We assessed the reasonableness of valuation of dairy livestock by reviewing the representations given by the management to the independent valuers, challenging and performing audit procedures on key assumptions, estimates and accuracy of the data provided by the management and comparing the key assumptions and estimates to the historical data which were used as basis by the independent valuers. ● We considered the objectivity, independence and expertise of the independent valuers. ● We reviewed the adequacy and appropriateness of the disclosures relating to the fair value measurement of biological assets in the financial statements in accordance with accounting and reporting standards.
Sr. No.	Key audit matters	How the matters were addressed in our audit
2.	Deferred income tax asset Under International Accounting Standard 12 "Income Taxes", the Company is required to review recoverability of the deferred income tax asset recognized in the statement of financial position at each reporting period. Recognition of deferred income tax asset is dependent on management's estimate of availability of sufficient future taxable profits against which carried forward losses and tax credits can be utilized. The future taxable profits are based on approved management's projections. This estimation is inherently uncertain and requires judgement in relation to the future cash flows and also involves assessment of timing of reversals of unused tax losses and tax credits. As at 30 June 2019, the Company have recognized deferred income tax assets amounting to Rupees 204.189 million on unused tax losses, carried forwarded turnover	Our procedures included, but were not limited to: ● We obtained understanding of the income taxes process, and evaluated the design and tested management's controls over the calculation of the deferred income tax asset and the review of the future recoverability. ● We tested management's computation of unused tax losses, carried forwarded minimum tax and provision for workers' profit participation fund for which deferred income tax assets were recognized. ● We analyzed the requirements of Income Tax Ordinance, 2001, in relation to above and considering the ageing analysis, expiry periods of relevant deferred income tax assets and tax rates enacted in consultation with our in-house tax specialist. ● We assessed the reasonableness of cash flow projection, taxable profits projections,

Independent Auditor's Report to the Members

Report on the Audit of the Financial Statements

	tax and provision for workers' profit participation fund. We considered this as key audit matter due to significant value of deferred income tax asset and significant management judgement regarding assumptions used in this area. For further information on deferred income tax asset, refer to the following: - Summary of significant accounting policies, Taxation note 2.3 to the financial statements. - Deferred income tax asset note15 to the financial statements.	challenging and performing audit procedures on assumptions such as herd growth rate, milk production patterns, changes in milk yield, future revenue and costs, by comparing the assumptions to historical results, approved budget and comparing the current year's results with prior year forecast and other relevant information for assessing the quality of Company's forecasting process in determining the future taxable profits. ● We tested mathematical accuracy of future projections and the use of appropriate tax rate applicable on temporary timing differences. ● We assessed the appropriateness of management's accounting for deferred income taxes and the accuracy of related disclosures in accordance with the accounting and reporting standards.
Sr. No.	Key audit matters	How the matters were addressed in our audit
3.	Revenue recognition The Company recognized net revenue of Rupees 1,513.288 million for the year ended 30 June 2019. We identified recognition of revenue as a key audit matter because revenue is one of the key performance indicator of the Company and gives rise to an inherent risk that revenue could be subject to misstatement to meet expectations or targets. For further information, refer to the following: - Summary of significant accounting policies, Revenue from contracts with customers note 2.17 to the financial statements. - Sales note 20 to the financial statements.	Our procedures included, but were not limited to: ● We obtained an understanding of the process relating to recognition of revenue and testing the design, implementation and operating effectiveness of key internal controls over recording of revenue. ● We compared a sample of revenue transactions recorded during the year with sales orders, sales invoices, delivery documents and other relevant underlying documents. ● We compared a sample of revenue transactions recorded around the year-end with the sales orders, sales invoices, delivery documents and other relevant underlying documentation to assess if the related revenue was recorded in the appropriate accounting period. ● We tested the effectiveness of the Company's internal controls over the calculation and recognition of discounts.

Independent Auditor's Report to the Members

Report on the Audit of the Financial Statements

		● We assessed whether the accounting policies for revenue recognition complies with the requirements of IFRS 15 'Revenue from Contracts with Customers'. ● We compared the details of a sample of journal entries posted to revenue accounts during the year, which met certain specific risk-based criteria, with the relevant underlying documentation. We also considered the appropriateness of disclosures in the financial statements.
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Information Other than the Financial Statements and Auditor's Report Thereon

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Independent Auditor's Report to the Members

Report on the Audit of the Financial Statements

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of 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 Atif Anjum.



RIAZ AHMAD & COMPANY
Chartered Accountants

Lahore

Date: September 19, 2019

Statement of Financial Position

as at 30 JUNE 2019

	NOTE	2019 Rupees	2018 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
150,000,000 (2018: 150,000,000) ordinary shares of Rupees 10 each		1,500,000,000	1,500,000,000
Issued, subscribed and paid-up share capital	3	1,466,670,000	1,100,000,000
Reserves	4	937,349,391	331,663,877
Total equity		2,404,019,391	1,431,663,877
Share deposit money	5	-	419,199,666
LIABILITIES			
NON-CURRENT LIABILITIES			
Employees' retirement benefit	6	49,402,851	28,077,763
Liabilities against assets subject to finance lease	7	33,961,809	21,309,695
Long term financing	8	61,210,420	180,207,375
		144,575,080	229,594,833
CURRENT LIABILITIES			
Trade and other payables	9	159,398,359	161,197,949
Short term borrowings	10	150,000,000	127,547,806
Accrued mark-up / profit		2,866,898	4,927,831
Current portion of non-current liabilities	11	62,594,094	110,308,136
Provision for taxation		10,076,564	12,258,831
		384,935,915	416,240,553
Total liabilities		529,510,995	645,835,386
CONTINGENCIES AND COMMITMENTS	12		
TOTAL EQUITY AND LIABILITIES		2,933,530,386	2,496,698,929

The annexed notes form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

	NOTE	2019 Rupees	2018 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	13	1,045,282,153	860,853,461
Biological assets	14	1,053,873,480	682,411,604
Long term security deposits		12,190,849	7,908,635
Deferred income tax asset	15	124,562,968	91,432,523
		2,235,909,450	1,642,606,223
CURRENT ASSETS			
Stores		4,084,589	3,010,987
Inventories	16	137,669,642	84,734,314
Biological assets	14	1,482,888	1,238,766
Trade debts	17	73,773,066	74,527,057
Short term advances and other receivables	18	49,495,159	75,736,942
Short term security deposits		3,451,586	8,678,559
Short term prepayments		1,250,205	926,556
Advance income tax		83,223,896	71,343,806
Sales tax recoverable		69,103,302	68,980,268
Cash and bank balances	19	274,086,603	464,915,451
		697,620,936	854,092,706
TOTAL ASSETS		2,933,530,386	2,496,698,929



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

Statement of Profit or Loss

For the year ended 30 June 2019

	NOTE	2019 Rupees	2018 Rupees
SALES	20	1,513,288,448	1,204,453,369
GAIN ARISING ON INITIAL RECOGNITION OF MILK AT FAIR VALUE LESS COSTS TO SELL AT THE TIME OF MILKING	21.1	732,627,412	499,684,677
GAINS ARISING FROM CHANGES IN FAIR VALUE LESS COSTS TO SELL OF DAIRY LIVESTOCK	14.1	453,895,264	205,260,877
		2,699,811,124	1,909,398,923
OPERATING COSTS	21	(1,908,917,987)	(1,358,974,281)
		790,893,137	550,424,642
ADMINISTRATIVE AND GENERAL EXPENSES	22	(147,808,841)	(97,544,814)
SELLING AND MARKETING EXPENSES	23	(237,602,121)	(187,047,890)
OTHER EXPENSES	24	(154,520,654)	(128,718,481)
		(539,931,616)	(413,311,185)
		250,961,521	137,113,457
OTHER INCOME	25	20,715,471	32,647,367
PROFIT FROM OPERATIONS		271,676,992	169,760,824
FINANCE COST	26	(22,464,737)	(9,208,689)
PROFIT BEFORE TAXATION		249,212,255	160,552,135
TAXATION	27	20,887,817	17,128,224
PROFIT AFTER TAXATION		270,100,072	177,680,359
EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)	28	1.86	1.62

The annexed notes form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

Statement of Comprehensive Income

For the year ended 30 June 2019

	2019 Rupees	2018 Rupees
PROFIT AFTER TAXATION	270,100,072	177,680,359
OTHER COMPREHENSIVE INCOME		
Items that may be reclassified subsequently to profit or loss	-	-
Items that will not be subsequently reclassified to profit or loss:		
Remeasurement of defined benefit plan	(11,220,282)	1,897,152
Income tax on remeasurement of defined benefit plan	3,253,882	(569,146)
Other comprehensive (loss) / income for the year - net of tax	(7,966,400)	1,328,006
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	262,133,672	179,008,365

The annexed notes form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

Statement of Changes in Equity

For the year ended 30 June 2019

	SHARE CAPITAL	RESERVES			TOTAL
		CAPITAL RESERVE	REVENUE RESERVE	TOTAL RESERVES	
		SHARE PREMIUM	UN-APPR- OPRIATED PROFIT		
Balance as at 30 June 2017	1,100,000,000	-	152,655,512	152,655,512	1,252,655,512
Profit for the year	-	-	177,680,359	177,680,359	177,680,359
Other comprehensive income for the year	-	-	1,328,006	1,328,006	1,328,006
Total comprehensive income for the year	-	-	179,008,365	179,008,365	179,008,365
Balance as at 30 June 2018	1,100,000,000	-	331,663,877	331,663,877	1,431,663,877
Adjustment on adoption of IFRS-9 (Note 2.9)	-	-	(12,586,744)	(12,586,744)	(12,586,744)
Adjusted total equity as at 01 July 2018	1,100,000,000	-	319,077,133	319,077,133	1,419,077,133
Transaction with owners:					
Ordinary shares issued during the year	366,670,000	403,337,000	-	403,337,000	770,007,000
Share issuance costs	-	(47,198,414)	-	(47,198,414)	(47,198,414)
	366,670,000	356,138,586	-	356,138,586	722,808,586
Profit for the year	-	-	270,100,072	270,100,072	270,100,072
Other comprehensive loss for the year	-	-	(7,966,400)	(7,966,400)	(7,966,400)
Total comprehensive income for the year	-	-	262,133,672	262,133,672	262,133,672
Balance as at 30 June 2019	1,466,670,000	356,138,586	581,210,805	937,349,391	2,404,019,391

The annexed notes form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

Statement of Cash Flows

For the year ended 30 June 2019

	2019 Rupees	2018 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	249,212,255	160,552,135
Adjustments for non-cash charges and other items:		
Depreciation	65,720,084	38,783,811
Gains arising from changes in fair value less costs to sell of dairy livestock	(453,895,264)	(205,260,877)
Loss / (gain) on sale of operating fixed asset	700,367	(666,478)
Loss on sale of dairy livestock - net	85,404,715	73,266,314
Loss due to death of dairy livestock	39,606,121	49,312,680
Allowance for expected credit losses	11,515,849	-
Profit on bank deposits	(13,503,871)	(13,071)
Provision for employees' retirement benefit	10,104,806	8,869,924
Amortization of deferred income	-	(4,838,382)
Finance cost	22,464,737	9,208,689
Cash generated from operating activities before working capital changes	17,329,799	129,214,745
(Increase) / decrease in current assets:		
Inventories	(52,935,328)	2,535,155
Stores	(1,073,602)	(497,975)
Trade debts	(23,348,602)	(20,578,999)
Short term advances and other receivables	26,241,783	(40,463,818)
Short term prepayments	(323,649)	(596,972)
Sales tax recoverable	(123,034)	(4,018,470)
(Decrease) / increase in current liabilities:		
Trade and other payables	(1,799,590)	53,922,135
	(53,362,022)	(9,698,944)
Cash (used in) / generated from operations	(36,032,223)	119,515,801
Finance cost paid	(24,525,670)	(5,265,565)
Income tax paid	(23,051,103)	(33,209,608)
Net decrease in security deposits	944,759	4,069,100
Net cash (used in) / generated from operating activities	(82,664,237)	85,109,728
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant and equipment	(241,439,366)	(275,746,929)
Purchase of dairy livestock	(66,314,417)	(160,211,123)
Proceeds from sale of operating fixed asset	19,000,000	1,215,000
Proceeds from sale of dairy livestock	23,492,847	36,788,722
Return on bank deposits	13,503,871	13,071
Net cash used in investing activities	(251,757,065)	(397,941,259)
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowings - net	22,452,194	81,087,994
Liabilities against assets subject to finance lease	(14,625,660)	(27,139,376)
Long term financing obtained	22,815,000	239,207,375
Long term financing repaid	(190,658,000)	-
Proceeds from issue of ordinary shares - net of share issuance costs	303,608,920	-
Share deposit money received	-	419,199,666
Net cash from financing activities	143,592,454	712,355,659
Net (decrease) / increase in cash and cash equivalents	(190,828,848)	399,524,128
Cash and cash equivalents at the beginning of the year	464,915,451	65,391,323
Cash and cash equivalents at the end of the year	274,086,603	464,915,451

The annexed notes form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

Notes to the Financial Statements

For the year ended 30 June 2019

1. THE COMPANY AND ITS OPERATIONS

- 1.1 At-Tahir Limited ("the Company") is a public limited Company incorporated in Pakistan on 16 March 2007 under the Companies Ordinance, 1984 (Now Companies Act, 2017). The Company was incorporated as a private limited Company and subsequently converted into a public limited Company with effect from 28 September 2015. The principal activity of the Company is to run dairy farm for the production and processing of milk and dairy products. The registered office of the Company is situated at 182-Abu Bakar Block, New Garden Town, Lahore.
- 1.2 The Company issued prospectus on 13 June 2018 for Initial Public Offer (IPO) of 36,667,000 ordinary shares of Rupees 10 each at a floor price of Rupees 20 per share including share premium of Rupees 10 per share. Out of the total issue of 36,667,000 ordinary shares, 27,500,000 shares were offered to High Net Worth Individuals (HNWI) and Institutional Investors before 30 June 2018 which were fully subscribed at a strike price of Rupees 21 per share determined through book building process. On 02 July 2018, remaining 9,167,000 ordinary shares of Rupees 10 each were offered to General Public at a strike price of Rupees 21 which were fully subscribed by the General Public. On 18 July 2018, shares have been duly allotted to all shareholders. On 23 July 2018, Pakistan Stock Exchange Limited has approved the Company's application for formal listing of ordinary shares and trading of shares has started on 30 July 2018.

- 1.3 Geographical location and addresses of all business units are as follows:

Dairy Farm, Distribution Centers and Office	Address
Dairy farm	Kotli Rai Abubakar, District Kasur
Distribution Centers:	
Lahore	The Enterprise Building, 1 KM Thokar Niaz Baig, Near Eden Value Homes, Multan Road, Lahore
Rawalpindi	Modern Flour Mills, Naseerabad, Peshawar Road, Rawalpindi
Office	182, Abu Bakar Block, New Garden Town, Lahore

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated:

2.1 Basis of preparation

a) 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 (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRSs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

b) Accounting convention

These financial statements have been prepared under the historical cost convention except for biological assets which are carried at fair value less costs to sell, employees' retirement benefit liability at present value and certain financial instruments carried at fair value.

Notes to the Financial Statements

For the year ended 30 June 2019

c) Critical accounting estimates and judgments

The preparation of financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, including expectation of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgments were exercised in application of accounting policies are as follows:

Useful lives and residual values of property, plant and equipment

The Company reviews the useful lives and residual values of property, plant and equipment on regular basis. Any change in estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on the depreciation charge and impairment.

Income tax

In making the estimates for income tax currently payable by the Company, the management takes into account the current income tax law and the decisions of appellate authorities on certain issues in the past. Instances where the Company's view differs from the view taken by the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

Fair valuation of biological assets

The Company values its biological assets at fair value less costs to sell. Any change in estimate might affect the carrying amount of the biological asset with a corresponding charge to the statement of profit or loss.

Inventories

Net realizable value of inventories is determined with reference to currently prevailing selling prices less estimated expenditure to make sales.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Employees' retirement benefit

The Company uses the valuation performed by an independent actuary as the present value of its retirement benefit obligation. The valuation is based on assumptions as mentioned in note 6.5.

Revenue from contracts with customers involving sale of goods

When recognizing revenue in relation to the sale of goods to customers, the key performance obligation of the Company is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the Company

Notes to the Financial Statements

For the year ended 30 June 2019

considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

- d) Standards, interpretations and amendments to published approved accounting standards that are effective in current year and are relevant to the Company

Following standards, interpretations and amendments to published approved accounting standards are mandatory for the Company's accounting periods beginning on or after 01 July 2018:

- IFRS 9 'Financial Instruments'
- IFRS 15 'Revenue from Contracts with Customers'
- IFRS 15 (Amendments), 'Revenue from Contracts with Customers'
- IFRIC 22 'Foreign Currency Transactions and Advance Consideration'
- Annual Improvements to IFRSs: 2014-2016 Cycle

The Company had to change its accounting policies and make certain adjustments without restating prior year results following the adoption of IFRS 9 and IFRS 15. These are disclosed in note 2.9 and note 2.17. Most of the other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

- e) Standards, interpretations and amendments to published approved accounting standards that are not yet effective but relevant to the Company

Following standards, interpretations and amendments to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after 01 July 2018 or later periods:

IFRS 16 'Lease' (effective for annual periods beginning on or after 01 January 2019). IFRS 16 specifies how an entity will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16 approach to lessor accounting substantially unchanged from its predecessor, IAS 17 'Leases'. IFRS 16 replaces IAS 17, IFRIC 4 'Determining Whether an Arrangement Contains a Lease', SIC-15 'Operating Leases Incentives' and SIC-27 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease'. The management of the Company is in the process of evaluating the impacts of the aforesaid standard on the Company's financial statements.

Amendments to IFRS 9 (effective for annual periods beginning on or after 01 January 2019) clarify that for the purpose of assessing whether a prepayment feature meets the solely payments of principal and interest ('SPPI') condition, the party exercising the option may pay or receive reasonable compensation for the prepayment irrespective of the reason for prepayment. In other words, prepayment features with negative compensation do not automatically fail SPPI. The amendments are not likely to have significant impact on the Company's financial statements.

IFRIC 23 'Uncertainty over Income Tax Treatments' (effective for annual periods beginning on or after 01 January 2019). The interpretation addresses the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12 'Income Taxes'. It specifically considers: whether tax treatments should be considered collectively; assumptions for taxation authorities' examinations; the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates; and the effect

Notes to the Financial Statements

For the year ended 30 June 2019

of changes in facts and circumstances. The interpretation is not expected to have a material impact on the Company's financial statements.

Amendments to IAS 1 'Presentation of Financial Statements' and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' (effective for annual periods beginning on or after 01 January 2020). The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS. In addition, the IASB has also issued guidance on how to make materiality judgements when preparing general purpose financial statements in accordance with IFRS.

On 12 December 2017, IASB issued Annual Improvements to IFRSs: 2015-2017 Cycle, incorporating amendments to four IFRSs more specifically in IFRS 3 'Business Combinations', IFRS 11 'Joint Arrangements', IAS 12 'Income Taxes' and IAS 23 'Borrowing Costs'. The amendments are effective for annual periods beginning on or after 01 January 2019. The amendments have no significant impact on the Company's financial statements and have therefore not been analyzed in detail.

On 29 March 2018, the International Accounting Standards Board (the IASB) has issued a revised Conceptual Framework. The new Framework: reintroduces the terms stewardship and prudence; introduces a new asset definition that focuses on rights and a new liability definition that is likely to be broader than the definition it replaces, but does not change the distinction between a liability and an equity instrument; removes from the asset and liability definitions references to the expected flow of economic benefits; this lowers the hurdle for identifying the existence of an asset or liability and puts more emphasis on reflecting uncertainty in measurement; discusses historical cost and current value measures, and provides some guidance on how the IASB would go about selecting a measurement basis for a particular asset or liability; states that the primary measure of financial performance is profit or loss, and that only in exceptional circumstances will the IASB use other comprehensive income and only for income or expenses that arise from a change in the current value of an asset or liability; and discusses uncertainty, derecognition, unit of account, the reporting entity and combined financial statements. The Framework is not an IFRS standard and does not override any standard, so nothing will change in the short term. The revised Framework will be used in future standard-setting decisions, but no changes will be made to current IFRS. Preparers might also use the Framework to assist them in developing accounting policies where an issue is not addressed by an IFRS. It is effective for annual periods beginning on or after 1 January 2020 for preparers that develop an accounting policy based on the Framework.

- f) Standards and amendments to approved published standards that are not yet effective and not considered relevant to the Company

There are other standards and amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2019 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

2.2 Employees' retirement benefit

The Company operates an unfunded gratuity scheme for all of its employees who have completed the qualifying period as defined under the scheme. As per gratuity scheme, employees of the Company are entitled to gratuity equivalent to last drawn salary multiplied by the number of years of service up to the date of leaving the Company. The liability recognized in the statement of financial position in respect of defined benefit obligation is the present value of the defined benefit obligation at the end of the reporting period less fair value of plan assets, if any. The defined benefit obligation is calculated annually by independent actuary using the projected unit credit method. The charge for the year is based on actuarial valuation. The amount arising as a result of remeasurements is recognized in the statement of financial position immediately, with

Notes to the Financial Statements

For the year ended 30 June 2019

a charge or credit to other comprehensive income in the periods in which they occur. Past-service costs are recognized immediately in the statement of profit or loss.

2.3 Taxation

a) Current

Provision for taxation is based on taxable income for the year determined in accordance with the prevailing law for the taxation of income. The charge for the year is calculated using the prevailing tax rates or tax rates expected to apply to the profit for the year if enacted after taking into account available tax credits and rebates, if any. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

b) Deferred

Deferred tax is accounted for using the liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the statement of profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

2.4 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency. Figures are rounded off to the nearest of Pak Rupees.

2.5 Foreign currency transactions and translation

All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the reporting date. Transactions in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are charged or credited to statement of profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated into Pak Rupees at exchange rates prevailing at the date of transaction. Non-monetary assets and liabilities denominated in foreign currency that are stated at fair value are translated into Pak Rupees at exchange rates prevailing at the date when fair values are determined.

2.6 Property, plant and equipment and depreciation

Owned

Property, plant and equipment except freehold land and capital work-in-progress are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost of property, plant and equipment consists of historical cost, borrowing cost pertaining to erection / construction period of qualifying assets and other directly attributable costs of bringing the asset to working condition. Freehold

Notes to the Financial Statements

For the year ended 30 June 2019

land and capital work-in-progress is stated at cost less any identified impairment loss.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to statement of profit or loss during the year in which they are incurred.

Leased

Leases where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Assets subject to finance lease are capitalized at the commencement of the lease term at the lower of present value of minimum lease payments under the lease agreements and the fair value of the leased assets, each determined at the inception of the lease.

The related rental obligation net of finance cost is included in liabilities against assets subject to finance lease. The liabilities are classified as current and non-current depending upon the timing of payments.

Each lease payment is allocated between the liability and finance cost so as to achieve a constant rate on the balance outstanding. The finance cost is charged to the statement of profit or loss over the lease term.

Depreciation of assets subject to finance lease is recognized in the same manner as for owned assets. Depreciation of the leased assets is charged to the statement of profit or loss.

Depreciation

Depreciation is computed over the useful economic lives of the related assets and charged to statement of profit or loss applying reducing balance method at the rates specified in note 13.1 to these financial statements. Depreciation on additions is charged from the month in which the assets are available for use and on deletions up to the month in which the assets are deleted.

Useful life of assets is reviewed at each financial year end and if expectations differ from previous estimates the change is accounted for as change in accounting estimate in accordance with IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'.

De-recognition

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the assets) is included in the statement of profit or loss in the year the asset is de-recognized.

2.7 Biological assets

Dairy livestock are measured on initial recognition and at end of each reporting period at their fair value less costs to sell. Fair value of dairy livestock is determined by independent valuers on the basis of best available estimates for livestock dairy of similar attributes. Costs to sell are the incremental costs directly attributable to the disposal of an asset mainly comprises of transportation costs.

Gains or losses arising from changes in fair value less costs to sell of dairy livestock are recognized in the statement of profit or loss.

Dairy livestock are categorized as mature or immature. Mature dairy livestock are those that have attained harvestable specifications. Immature dairy livestock have not yet reached that stage.

2.8 Ijarah transactions

Ujrah (lease) payments are recognized as expenses in the statement of profit or loss on a straight-line basis over the Ijarah term unless another systematic basis is representative of the time pattern of the user's

Notes to the Financial Statements

For the year ended 30 June 2019

benefit even if the payments are not on that basis.

2.9 IFRS 9 “Financial instruments”

The Company has adopted IFRS 9 “Financial Instruments” from 01 July 2018. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the Company makes an irrevocable election on initial recognition to present gains and losses on equity instruments in other comprehensive income. Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the Company's own credit risk to be presented in other comprehensive income (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the Company. New impairment requirements use an 'expected credit loss' ('ECL') model to recognize an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

The Company has adopted IFRS 9 without restating the prior year results. Key changes in accounting policies resulting from application of IFRS 9 are as follows:

i) Recognition of financial instruments

The Company initially recognizes financial assets on the date when they are originated. Financial liabilities are initially recognized on the trade date when the entity becomes a party to the contractual provisions of the instrument.

ii) Classification and measurement of financial instruments

IFRS 9 largely retains the existing requirements in IAS 39 “Financial Instruments: Recognition and Measurement” for the classification and measurement of financial liabilities. However, it replaces the previous IAS 39 categories for financial assets i.e. loans and receivables, fair value through profit or loss (FVTPL), available for sale and held to maturity with the categories such as amortized cost, fair value through profit or loss (FVTPL) and fair value through other comprehensive income (FVTOCI).

Investments and other financial assets

a) Classification

From 01 July 2018, the Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortized cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

Notes to the Financial Statements

For the year ended 30 June 2019

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

b) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income / (other expenses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

Fair value through other comprehensive income (FVTOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment losses (and reversal of impairment losses), interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other income / (other expenses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other income / (other expenses) and impairment losses are presented as separate line item in the statement of profit or loss.

Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt instrument that is subsequently measured at FVTPL is recognised in profit or loss and presented net within other income / (other expenses) in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments at fair value for financial instruments

Notes to the Financial Statements

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quoted in an active market, the fair value corresponds to a market price (level 1). For financial instruments that are not quoted in an active market, the fair value is determined using valuation techniques including reference to recent arm's length market transactions or transactions involving financial instruments which are substantially the same (level 2), or discounted cash flow analysis including, to the greatest possible extent, assumptions consistent with observable market data (level 3).

Fair value through other comprehensive income (FVTOCI)

Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Fair value through profit or loss

Changes in the fair value of equity investments at fair value through profit or loss are recognised in other income / (other expenses) in the statement of profit or loss as applicable.

Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

Financial liabilities

a) Classification and measurement

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit or loss. Any gain or loss on de-recognition is also included in profit or loss.

iii) Impairment of financial assets

From 01 July 2018, the Company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade debts and other receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iv) De-recognition

a) Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognized financial assets that is created or retained by the Company is recognized as a separate asset or liability.

b) Financial liabilities

The Company derecognizes a financial liability (or a part of financial liability) from its statement of

Notes to the Financial Statements

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financial position when the obligation specified in the contract is discharged or cancelled or expires.

v) Offsetting of financial instruments

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

vi) Hedge accounting

IFRS 9 requires that hedge accounting relationships are aligned with its risk management objectives and strategy and to apply a more qualitative and forward-looking approach to assessing hedge effectiveness.

There is no impact of the said change on these financial statements as there is no hedge activity carried on by the Company during the year ended 30 June 2019.

vii) Impacts of adoption of IFRS 9 on these financial statements as on 01 July 2018

On 01 July 2018, the Company's management has assessed which business models apply to the financial assets held by the Company at the date of initial application of IFRS 9 (01 July 2018) and has classified its financial instruments into appropriate IFRS 9 categories. The main effects resulting from this reclassification are as follows:

Financial assets (01 July 2018)

	Trade debts categorized as	
	Loans and receivables	Amortised cost
	----- Rupees -----	
Opening balance (before reclassification)	74,527,057	-
Adjustment on adoption of IFRS 9:	-	-
- Reclassification of trade debts	(74,527,057)	74,527,057
- Recognition of expected credit losses on trade debts	-	(12,586,744)
Opening balance (after reclassification)	-	61,940,313

The impact of these changes on the Company's reserves and equity is as follows:

Reserves and equity (01 July 2018)

	Effect on un-appropriated profit	Effect on total equity
	----- Rupees -----	
Opening balance (before reclassification)	331,663,877	1,431,663,877
Adjustment on adoption of IFRS 9 due to recognition of expected life time credit losses on trade debts	(12,586,744)	(12,586,744)
Opening balance (after reclassification)	4,097,578	1,419,077,133

Reclassifications of financial instruments on adoption of IFRS 9

As on 01 July 2018, the classification and measurement of financial instruments of the Company were as follows:

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For the year ended 30 June 2019

Measurement category		Carrying amounts		
Original	New	Original	New	Difference
(IAS 39)	(IFRS 9)	Rupees in thousand		

Non-current financial assets

Long term security deposits	Loans and receivables	Amortised cost	7,908,635	7,908,635	-
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Current financial assets

Trade debts	Loans and receivables	Amortised cost	74,527,057	61,940,313	12,586,744
Short term advances and other receivables	Loans and receivables	Amortised cost	8,001,931	8,001,931	-
Short term security deposits	Loans and receivables	Amortised cost	8,678,559	8,678,559	-
Cash and bank balances	Loans and receivables	Amortised cost	464,915,451	464,915,451	-

Non-current financial liabilities

Liabilities against assets subject to finance lease	Amortised cost	Amortised cost	21,309,695	21,309,695	-
Long term financing	Amortised cost	Amortised cost	180,207,375	180,207,375	-

Current financial liabilities

Trade and other payables	Amortised cost	Amortised cost	134,912,804	134,912,804	-
Short term borrowings	Amortised cost	Amortised cost	127,547,806	127,547,806	-
Accrued mark-up	Amortised cost	Amortised cost	4,927,831	4,927,831	-
Current portion of non-current liabilities	Amortised cost	Amortised cost	110,308,136	110,308,136	-

2.10 Stores

These are valued at weighted average cost except for items in transit, which are stated at invoice value plus other charges paid thereon till the reporting date. Adequate provision is also made for slow moving items.

2.11 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined as follows:

- i) **Agriculture produce:** At fair value less costs to sell at the time of milking
- ii) **Forage, packing materials and other inventory items:** At weighted average cost
- iii) **Finished / manufactured goods:** At average manufacturing cost including a proportion of production overheads.

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

Agricultural produce harvested from the Company's biological assets is raw milk. Upon harvest, agricultural produce is initially recognized as inventory at its fair value less costs to sell at the point of

Notes to the Financial Statements

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harvest, which is determined based on its market prices quoted in the local area. Any resulting gain or loss arising on initial recognition of such fair values is recognized in the statement of profit or loss in the period of harvest. Upon subsequent sales, such amount of the inventories initially recognized is recognized in profit or loss as operating costs.

2.12 Trade debts and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables generally do not include amounts over due by 365 days.

The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

2.13 Borrowings

Financing and borrowings are initially recognized at fair value of the consideration received, net of transaction costs. They are subsequently measured at amortized cost using the effective interest method.

2.14 Borrowing cost

Interest, mark-up and other charges on long-term finances are capitalized up to the date of commissioning of respective qualifying assets acquired out of the proceeds of such long-term finances. All other interest, mark-up and other charges are recognized in statement of profit or loss.

2.15 Share capital

Ordinary shares are classified as share capital. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax.

2.16 Trade and other payables

Liabilities for trade and other amounts payable are initially recognized at fair value which is normally the transaction cost.

2.17 Revenue from contracts with customers

The Company has adopted IFRS 15 from 01 July 2018. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in Company's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the Company's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

Key changes in accounting policies resulting from application of IFRS 15 are as follows:

i) Revenue recognition

Revenue is recognised at an amount that reflects the consideration to which the Company is

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expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability.

Sale of goods

Revenue from the sale of agriculture produce is measured at the fair value of the consideration received or receivable at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Revenue from the sale of finished goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Interest

Interest income is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

ii) Contract assets

Contract assets arise when the Company performs its performance obligations by transferring goods to a customer before the customer pays its consideration or before payment is due. Contract assets are treated as financial assets for impairment purposes.

iii) Customer acquisition costs

Customer acquisition costs are capitalised as an asset where such costs are incremental to obtaining a contract with a customer and are expected to be recovered. Customer acquisition costs are amortised on a straight-line basis over the term of the contract.

Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained or which are not otherwise recoverable from a customer are expensed as incurred to profit or loss. Incremental costs of obtaining a contract where the contract term is less than one year is immediately expensed to profit or loss.

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iv) **Customer fulfilment costs**

Customer fulfilment costs are capitalised as an asset when all the following are met: (i) the costs relate directly to the contract or specifically identifiable proposed contract; (ii) the costs generate or enhance resources of the Company that will be used to satisfy future performance obligations; and (iii) the costs are expected to be recovered. Customer fulfilment costs are amortised on a straight-line basis over the term of the contract.

v) **Right of return assets**

Right of return assets represents the right to recover inventory sold to customers and is based on an estimate of customers who may exercise their right to return the goods and claim a refund. Such rights are measured at the value at which the inventory was previously carried prior to sale, less expected recovery costs and any impairment.

vi) **Contract liabilities**

Contract liability is the obligation of the Company to transfer goods to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Company performs its performance obligations under the contract.

vii) **Refund liabilities**

Refund liabilities are recognised where the Company receives consideration from a customer and expects to refund some, or all, of that consideration to the customer. A refund liability is measured at the amount of consideration received or receivable for which the Company does not expect to be entitled and is updated at the end of each reporting period for changes in circumstances. Historical data is used across product lines to estimate such returns at the time of sale based on an expected value methodology.

viii) **Impacts of adoption of IFRS 15 on these financial statements as on 01 July 2018**

The Company has adopted IFRS 15 by applying the modified retrospective approach according to which the Company is not required to restate the prior year results. The application of IFRS 15 does not have any impact on the revenue recognition policy of the Company and therefore, the cumulative effect of initially applying this standard as an adjustment to the opening balance of unappropriated profit in the year of initial application is Rupees Nil.

2.18 **Provisions**

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

2.19 **Contingent assets**

Contingent assets are disclosed when the Company has a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized until their realization becomes certain.

2.20 **Contingent liabilities**

Contingent liability is disclosed when the Company has a possible obligation as a result of past events

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whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent liabilities are not recognized, only disclosed, unless the possibility of a future outflow of resources is considered remote. In the event that the outflow of resources associated with a contingent liability is assessed as probable, and if the size of the outflow can be reliably estimated, a provision is recognized in the financial statements.

2.21 Impairment of non-financial asset

Assets that have an indefinite useful life are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment at each statement of financial position date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount for which assets carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date. Reversals of the impairment losses are restricted 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 impairment losses had not been recognized. An impairment loss or reversal of impairment loss is recognized in the statement of profit or loss.

2.22 Cash and cash equivalents

Cash and cash equivalent comprise cash in hand, cash at banks on current accounts, saving and deposit accounts and other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in values.

2.23 Earnings per share

The Company presents earnings per share (EPS) data for its ordinary shares. 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.

2.24 Dividend and other appropriations

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's financial statements in the period in which the dividends are declared and other appropriations are recognized in the period in which these are approved by the Board of Directors.

3 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

	2019 Number of shares	2018 Number of shares		2019 Rupees	2018 Rupees
	146,667,000	110,000,000	Ordinary shares of Rupees 10 each fully paid-up in cash	1,466,670,000	1,100,000,000
3.1 Movement during the year:					
	110,000,000	110,000,000	At 01 July	1,100,000,000	1,100,000,000
	36,667,000	-	Issue of fully paid-up ordinary shares of Rupees 10 each	366,670,000	-
	146,667,000	110,000,000	At 30 June	1,466,670,000	1,100,000,000

Notes to the Financial Statements

For the year ended 30 June 2019

3.2 Chief executive and directors of the Company held 66,818,751 (2018: 66,818,751) and 584,339 (2018: 1,005) ordinary shares respectively of the Company as at 30 June 2019. 38,939,264 (2018: 43,180,244) ordinary shares are held by family members of the chief executive of the Company.

	2019 Rupees	2018 Rupees
4 RESERVES		
Composition of reserves is as follows:		
Capital reserve		
Share premium (Note 4.1)	356,138,586	-
Revenue reserve		
Un-appropriated profit	581,210,805	331,663,877
	937,349,391	331,663,877

4.1 This reserve can be utilized by the Company only for the purposes specified in section 81 of the Companies Act, 2017.

5 SHARE DEPOSIT MONEY

The Board of Directors of the Company in its meeting held on 13 December 2017 decided to initiate the proceedings for enlisting of the Company on the Pakistan Stock Exchange Limited. Hence, the Company issued the prospectus for Initial Public Offer (IPO) of 36,667,000 ordinary shares of Rupees 10 each at a floor price of Rupees 20 per share including share premium of Rupees 10 per share as on 13 June 2018. As on 30 June 2018, 27,500,000 ordinary shares were offered and successfully subscribed through book building process by Institutional Investors and High Net Worth Individuals (HNWI) at a strike price of Rupees 21 per share against which the Company collected share deposit money of Rupees 419.199 million. As per regulation 9(15) of Public Offering Regulations 2017, the bid money of bidders who have undertaken to subscribe the unsubscribed retail portion remain blocked till the allotment of shares on pro-rata basis. Therefore, an amount of Rupees 68.601 million remained blocked as at 30 June 2018. On 02 July 2018, the Company offered retail portion of 9,167,000 ordinary shares of Rupees 10 each to the general public at a strike price of Rupees 21 per share which were fully subscribed by the general public. On 18 July 2019, shares have been allotted to all shareholders and blocked amount of Rupees 68.601 million has been refunded to the Institutional Investors and High Net Worth Individuals (HNWI) after the successful allotment of shares to the shareholders.

6 EMPLOYEES' RETIREMENT BENEFIT

The latest actuarial valuation of the defined benefit obligation as at 30 June 2019 was carried out using the projected unit credit method. Details of the obligation as per actuarial valuation are as follows:

	2019 Rupees	2018 Rupees
6.1 The amount recognized in the statement of financial position is as follows:		
Present value of defined benefit obligation (Note 6.2)	49,402,851	28,077,763

Notes to the Financial Statements

For the year ended 30 June 2019

	2019 Rupees	2018 Rupees			
6.2 Movement in the liability recognized in the statement of financial position is as follows:					
Opening balance	28,077,763	21,104,991			
Net charge for the year	12,163,649	8,869,924			
Benefits due but not paid	(2,058,843)	-			
Actuarial losses from changes in financial assumptions	149,959	18,668			
Experience adjustments	11,070,323	(1,915,820)			
Closing balance	49,402,851	28,077,763			
6.3 The amount recognized in the statement of profit or loss is as follows:					
Current service cost	9,729,298	7,234,287			
Interest cost on defined benefit obligation	2,434,351	1,635,637			
	12,163,649	8,869,924			
6.3.1 The charge for the year has been allocated as follows:					
Operating costs (Note 21.2)	2,394,202	4,309,681			
Administrative and general expenses (Note 22.1)	4,375,611	1,327,983			
Selling and marketing expenses (Note 23.1)	5,393,836	3,232,260			
	12,163,649	8,869,924			
6.4 Remeasurements recognized in statement of comprehensive income:					
Actuarial losses from changes in financial assumptions	149,959	18,668			
Experience adjustments	11,070,323	(1,915,820)			
	11,220,282	(1,897,152)			
	2019	2018			
6.5 Principal actuarial assumptions used are as follows:					
Expected rate of eligible salary increase in future % per annum	13.25	8.00			
Discount rate % per annum	14.25	9.00			
6.6 Mortality was assumed to be based on SLIC 2001-2005 ultimate mortality rates with one year set back.					
	2019 Rupees	2018 Rupees	2017 Rupees	2016 Rupees	2015 Rupees
6.7 Historical information					
Experience adjustment on defined benefit obligation for current and previous years	11,070,323	(1,915,820)	(3,717,464)	(5,178,550)	658,854
Actuarial losses from changes in demographic assumptions	-	-	326,474	-	-
Actuarial losses / (gains) from changes in financial assumptions	149,959	18,668	(14,026)	-	(619,700)
Present value of defined benefit obligation for current and previous years	49,402,851	28,077,763	21,104,991	18,003,302	17,139,941
Experience adjustment on defined benefit obligation	39.43%	(9.08%)	(20.65%)	(30.21%)	5.39%

Notes to the Financial Statements

For the year ended 30 June 2019

6.8 Estimated charge to statement of profit or loss for the year ending 30 June 2020 will be Rupees 20,477 million.

6.9 Sensitivity analysis for actuarial assumptions:

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions at reporting date:

Defined benefit obligation			
	Changes in assumption	Increase in assumption	Decrease in assumption
	Bps	Rupees	Rupees
Discount rate	100	46,507,010	52,721,573
Future salary increase	100	52,721,573	46,458,823

6.9.1 The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

6.10 The average duration of the defined benefit obligation is 6 years.

	2019 Rupees	2018 Rupees
7 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE		
Future minimum lease payments	98,170,946	76,477,606
Less: Un-amortized finance charge	(11,768,998)	(3,859,775)
Present value of future minimum lease payments	86,401,948	72,617,831
Less: Current portion shown under current liabilities (Note 11)	(52,440,139)	(51,308,136)
	33,961,809	21,309,695

7.1 Minimum lease payments have been discounted using implicit interest rates ranging from 9.79% to 13.80% (2018: 9.10% to 9.79%) per annum. Rentals are payable in monthly installments. Registration cost, taxes and insurance coverage are borne by the Company. These are secured against the leased assets, specific hypothecation charge over leased assets, demand promissory notes and security deposits of Rupees 11.889 million (2018: Rupees 6.478 million).

7.2 Minimum lease payments and their present values are regrouped as under:

	2019		2018	
	Note later than one year	Later than one year but not later than five year	Not later than one year	Later than one year but not later than five year
	----- (Rupees) -----			
Future minimum lease payments	57,343,658	40,827,288	52,996,496	23,481,110
Less: Un-amortized finance charge	(4,903,519)	(6,865,479)	(1,688,360)	(2,171,415)
Present value of future minimum lease payments	52,440,139	33,961,809	51,308,136	21,309,695

Notes to the Financial Statements

For the year ended 30 June 2019

		2019 Rupees		2018 Rupees	
8 LONG TERM FINANCING					
From banking company - secured					
Long term musharika (Note 8.1)		71,364,375		239,207,375	
Less: Current portion shown under current liabilities (Note 11.)		(10,153,955)		(59,000,000)	
		61,210,420		180,207,375	
LENDER		Rupees		Rupees	
		2019	2018		
8.1 Long term musharika					
MCB Islamic Bank Limited	Sixteen equal quarterly installments commenced on 20 January 2019 and ending on 20 October 2022 (Note 8.2)	-	59,000,000	1 year KIBOR + 2.25 %	Quarterly
MCB Islamic Bank Limited	Sixteen equal quarterly installments commencing on 4 September 2019 and ending on 4 June 2023	2,682,000	2,682,000	1 year KIBOR + 2.25 %	Quarterly
MCB Islamic Bank Limited	Sixteen equal quarterly installments commencing on 4 September 2019 and ending on 4 June 2023	14,133,146	14,133,146	1 year KIBOR + 2.25 %	Quarterly
MCB Islamic Bank Limited	Sixteen equal quarterly installments commencing on 7 September 2019 and ending on 7 June 2023 (Note 8.2)	-	131,658,000	1 year KIBOR + 2.25 %	Quarterly
MCB Islamic Bank Limited	Sixteen equal quarterly installments commencing on 9 October 2019 and ending on 9 July 2023	17,752,905	17,752,905	1 year KIBOR + 2.25 %	Quarterly
MCB Islamic Bank Limited	Sixteen equal quarterly installments commencing on 9 October 2019 and ending on 9 July 2023	2,643,184	2,643,184	1 year KIBOR + 2.25 %	Quarterly
MCB Islamic Bank Limited	Sixteen equal quarterly installments commencing on 11 August 2020 and ending on 11 July 2023	11,338,140	11,338,140	1 year KIBOR + 2.25 %	Quarterly
MCB Islamic Bank Limited	Twenty four equal monthly installments commencing on 11 August 2020 and ending on 11 July 2023	22,815,000	-	3 months KIBOR + 2.25 %	Quarterly
		71,364,375	239,207,375		
8.2	Long term musharika obtained from MCB Islamic Bank Limited amounting to Rupees 131.658 million has been fully repaid during the year.				

First pari passu charge of Rs 233,000 million by way of hypothecation on all present and future current assets of the Company. First pari passu charge of Rupees 627,000 million over Company's existing and future fixed assets (including land, building and plant and machinery) and personal guarantee of chief executive of the Company.

Notes to the Financial Statements

For the year ended 30 June 2019

	2019 Rupees	2018 Rupees
9 TRADE AND OTHER PAYABLES		
Creditors	77,931,381	91,038,253
Accrued liabilities	30,012,777	15,124,691
Payable to associated company (Note 9.1)	2,328,737	-
Payable to contractors	4,297,984	27,208,837
Income tax deducted at source	1,153,110	1,558,085
Workers' profit participation fund payable (Note 9.2)	43,645,642	24,727,060
Lease rentals payable	28,728	1,057,313
Salaries payable to directors	-	483,710
	159,398,359	161,197,949

9.1 This represents amount payable to Bahera (Private) Limited - associated company. This payable balance is unsecured, interest free and in the ordinary course of business of the Company.

	2019 Rupees	2018 Rupees
9.2 Workers' profit participation fund payable		
Balance as on 01 July	24,727,060	16,741,037
Add: Prior year adjustment	2,287,421	-
Add: Provision for the year	13,292,171	6,139,487
Interest for the year (Note 26)	3,338,990	1,846,536
Balance as on 30 June	43,645,642	24,727,060

9.2.1 The Company retains workers' profit participation fund for its business operations till the date of allocation to workers. Interest is paid at prescribed rate under the Companies Profit (Workers' Participation) Act, 1968 on funds utilized by the Company till the date of allocation to workers.

	2019 Rupees	2018 Rupees
10 SHORT TERM BORROWINGS		
From banking companies - secured		
Running finances (Note 10.1 and 10.2)	150,000,000	127,547,806

10.1 These finances are obtained from banking companies under mark-up arrangements and are secured against first pari passu charge over Company's present and future current assets, charge on fixed assets of the Company including charge on land of Bahera (Private) Limited - associated company, personal guarantee of chief executive of the Company and corporate guarantee of Bahera (Private) Limited. These form part of total credit facility of Rupees 230.000 million (2018: Rupees 230.000 million).

10.2 The rate of mark-up on short term borrowings ranged from 8.42% to 14.80% (2018: 8.14% to 8.92%) per annum.

Notes to the Financial Statements

For the year ended 30 June 2019

	2019 Rupees	2018 Rupees
11 CURRENT PORTION OF NON-CURRENT LIABILITIES		
Liabilities against assets subject to finance lease (Note 7)	52,440,139	51,308,136
Long term financing (Note 8)	10,153,955	59,000,000
	62,594,094	110,308,136

12 CONTINGENCIES AND COMMITMENTS

12.1 Contingencies

- 12.1.1** Deputy Commissioner Inland Revenue (DCIR) passed an order under sections 122(1), 122(5) and 177 read with section 122(9) of the Income Tax Ordinance, 2001 for tax year 2013 and made additions and disallowances of Rupees 111.822 million under various heads resulting in reduction of tax losses of the Company. Being aggrieved, the Company filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] who deleted some of the additions made by DCIR, remanded back some of the additions and disallowances with favorable comments and confirmed an addition and levy of workers' welfare fund. The Company has filed an appeal before Appellate Tribunal Inland Revenue (ATIR) against the order of CIR(A) which is yet to be heard. The management of the Company, based on advice of the legal counsel, is confident of favorable outcome of its appeal, hence no provision against additions and disallowances of Rupees 86.451 million, disallowance of tax credit of Rupees 1.796 million and levy of workers' welfare fund of Rupees 0.484 million has been made in these financial statements.
- 12.1.2** Deputy Commissioner Inland Revenue (DCIR) passed an order under sections 122(1) read with section 122(5) of the Income Tax Ordinance, 2001 for tax year 2015 creating a tax demand of Rupees 38.264 million. Being aggrieved, the Company filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] who gave partial relief to the Company, confirmed an addition and remanded back some of the matters. The Company has now filed an appeal before Appellate Tribunal Inland Revenue (ATIR) against the order of CIR(A) which is yet to be heard. The management of the Company, based on advice of the legal counsel, is confident of the favorable outcome of its appeal, hence no provision against the aforesaid has been recognised in these financial statements.
- 12.1.3** Deputy Commissioner Inland Revenue (DCIR) and Assistant Commissioner Inland Revenue (ACIR) had rejected sales tax refunds of the Company amounting to Rupees 35.269 million for various tax periods based on their interpretation of SRO 549(I)/2008 dated 11 June 2008 and SRO 670(I)/2013 dated 18 July 2013. As a result, the Company filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] against the aforesaid rejections. CIR(A) has given the decision in favor of the Company for the sales tax refunds amounting to Rupees 28.472 million. The management of the Company, based on advice of the legal counsel, is confident of favorable outcome of its appeal in connection with the remaining amount, hence no provision against the aforesaid rejections has been made in these financial statements.
- 12.1.4** On 10 November, 2017 the Competition Commission of Pakistan ("CCP") has initiated a formal enquiry under the provisions of the Competition Act, 2010 ("the Act") on complaint against the Company by Pakistan Dairy Association ("Association") for adopting deceptive marketing practices in contravention of section 10 of the Act. It has also been prayed by Association to CCP to impose a penalty of 10% of the annual turnover of the Company or Rupees 75 million, as CCP may deem appropriate. The Company has submitted a detail reply before the CCP through their advocates,

Notes to the Financial Statements

For the year ended 30 June 2019

rejecting the contents of filed compliant. The proceeding of the complaint filed against the Company are in process and the Company, based on the advise of its legal counsel, expects a favorable outcome of the matter. Hence, no provision for penalty has been recognized in these financial statements.

12.2 Commitments

12.2.1 Letters of credit other than for capital expenditure are of Rupees 0.948 million (2018: Rupees 11.233 million).

12.2.2 The Company has obtained vehicles and machinery under ijarah arrangements from Bank Islami Pakistan Limited for a period of three years. The total future monthly Ujrah payments under Ijarah are as follows:

	2019 Rupees	2018 Rupees
Not later than one year	1,407,095	15,222,799
Later than one year and not later than five years	-	1,380,373
	1,407,095	16,603,172
13 PROPERTY , PLANT AND EQUIPMENT		
Operating fixed assets		
- Owned (Note 13.1)	875,408,869	554,743,525
- Leased (Note 13.1)	90,445,979	75,130,871
	965,854,848	629,874,396
Capital work-in-progress (Note 13.3)	79,427,305	230,979,065
	1,045,282,153	860,853,461

Notes to the Financial Statements

For the year ended 30 June 2019

13.1 Operating fixed assets

	OWNED					
	Freehold Land	Buildings on freehold land	Plant machinery	Electric installations	Office equipment	Tools and equipment
At 30 June 2017						
Cost	132,330,143	274,161,488	219,919,345	13,448,770	4,594,935	13,693,574
Accumulated depreciation	-	(64,241,520)	(78,906,021)	(7,125,668)	(881,994)	(5,571,425)
Net book value	132,330,143	209,919,968	141,013,324	6,323,102	3,712,941	8,122,149
Year ended 30 June 2018						
Opening net book value	132,330,143	209,919,968	141,013,324	6,323,102	3,712,941	8,122,149
Additions	-	907,382	39,442,733	60,289	574,567	181,950
Transfer from leased assets:						
Cost	-	-	21,132,000	-	-	-
Accumulated depreciation	-	-	(2,261,920)	-	-	-
	-	-	18,870,080	-	-	-
Disposal						
Cost	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-
	-	-	-	-	-	-
Depreciation charge	-	(10,525,704)	(15,458,123)	(636,520)	(391,049)	(841,334)
	132,330,143	200,301,646	183,868,014	5,746,871	3,896,459	7,462,765
At 30 June 2018						
Cost	132,330,143	275,068,870	280,494,078	13,509,059	5,169,502	13,875,524
Accumulated depreciation	-	(74,767,224)	(96,626,064)	(7,762,188)	(1,273,043)	(6,412,759)
Net book value	132,330,143	200,301,646	183,868,014	5,746,871	3,896,459	7,462,765
Year ended 30 June 2019						
Opening net book value	132,330,143	200,301,646	183,868,014	5,746,871	3,896,459	7,462,765
Additions	-	273,497,467	62,963,770	10,892,973	482,288	11,303,510
Disposals:						
Cost	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-
	-	-	-	-	-	-
Depreciation charge	-	(20,298,964)	(23,041,933)	(1,620,730)	(412,926)	(1,529,723)
Closing net book value	132,330,143	453,500,149	223,789,851	15,019,114	3,965,821	17,236,552
At 30 June 2019						
Cost	132,330,143	548,566,337	343,457,848	24,402,032	5,651,790	25,179,034
Accumulated depreciation	-	(95,066,188)	(119,667,997)	(9,382,918)	(1,685,969)	(7,942,482)
Net book value	132,330,143	453,500,149	223,789,851	15,019,114	3,965,821	17,236,552
Annual rate of depreciation (%)	-	5	10	10	10	10

LEASED ASSETS							
Vehicles	Furniture	Computers	Arms and ammunition	Total	Plant and machinery	Vehicles	Total
53,628,044 (33,418,191)	1,706,649 (347,446)	2,507,702 (1,494,414)	187,450 (91,898)	716,178,100 (192,078,577)	21,132,000 (357,600)	13,471,010 (521,092)	34,603,010 (878,692)
20,209,853	1,359,203	1,013,288	95,552	524,099,523	20,774,400	12,949,918	33,724,318
20,209,853 3,421,744	1,359,203 23,799	1,013,288 34,000	95,552 121,400	524,099,523 44,767,864	20,774,400 61,000,134	12,949,918 5,614,890	33,724,318 66,615,024
-	-	-	-	21,132,000 (2,261,920)	(21,132,000) 2,261,920	-	(21,132,000) 2,261,920
-	-	-	-	18,870,080	(18,870,080)	-	(18,870,080)
(1,855,370) 1,306,848	- -	- -	- -	(1,855,370) 1,306,848	- -	- -	- -
(548,522) (4,125,125)	- (138,104)	- (312,486)	- (16,975)	(548,522) (32,445,420)	- (2,663,129)	- (3,675,262)	- (6,338,391)
18,957,950	1,244,898	734,802	199,977	554,743,525	60,241,325	14,889,546	75,130,871
55,194,418 (36,236,468)	1,730,448 (485,550)	2,541,702 (1,806,900)	308,850 (108,873)	780,222,594 (225,479,069)	61,000,134 (758,809)	19,085,900 (4,196,354)	80,086,034 (4,955,163)
18,957,950	1,244,898	734,802	199,977	554,743,525	60,241,325	14,889,546	75,130,871
18,957,950 33,632,128	1,244,898 186,970	734,802 17,520	199,977 14,500	554,743,525 392,991,126	60,241,325 502,537	14,889,546 27,907,240	75,130,871 28,409,777
(20,034,272) 333,905	- -	- -	- -	(20,034,272) 333,905	- -	- -	- -
(19,700,367) (5,339,150)	- (137,201)	- (223,582)	- (21,206)	(19,700,367) (52,625,415)	- (6,071,913)	- (7,022,756)	- (13,094,669)
27,550,561	1,294,667	528,740	193,271	875,408,869	54,671,949	35,774,030	90,445,979
68,792,274 (41,241,713)	1,917,418 (622,751)	2,559,222 (2,030,482)	323,350 (130,079)	1,153,179,448 (277,770,579)	61,502,671 (6,830,722)	46,993,140 (11,219,110)	108,495,811 (18,049,832)
27,550,561	1,294,667	528,740	193,271	875,408,869	54,671,949	35,774,030	90,445,979
20	10	30	10		10	20	

Notes to the Financial Statements

For the year ended 30 June 2019

13.1.1 Particulars of immovable properties (i.e. land and buildings) are as follows:

Description	Address	Area of land Area	Covered area of building Square feet
Dairy farm and milking parlor	Kotili Rai Abubakar, District Kasur	79.73	311,494
Plant	Kotili Rai Abubakar, District Kasur	4.88	29,858

13.1.2 Detail of operating fixed asset, disposed of during the year is as follows:

Description	Quantity	Cost	Accumulated depreciation	Net book value	Sale proceeds	Loss	Mode of disposal	Particulars of purchaser
----- RUPEES -----								
Toyota Land Cruiser (AJV-880)	1	20,034,272	333,905	19,700,367	19,000,000	700,367	Sale and lease bank	JS Bank Limited

Notes to the Financial Statements

For the year ended 30 June 2019

	2019 Rupees	2018 Rupees
13.2 Depreciation charge for the year has been allocated as follows:		
Operating costs (Note 21)	43,375,255	25,597,316
Administrative and general expenses (Note 22)	18,401,624	10,859,467
Selling and marketing expenses (Note 23)	3,943,205	2,327,028
	65,720,084	38,783,811
13.3 Capital work-in-progress		
Building on freehold land	6,024,031	144,008,858
Plant and machinery	38,403,274	10,217,930
Advance to contractor for civil works	-	37,000,000
Advances against plant and machinery	-	39,752,277
Advance for purchase of land	35,000,000	-
	79,427,305	230,979,065
14 BIOLOGICAL ASSETS		
Dairy livestock:		
Mature	698,640,000	541,672,232
Immature	356,716,368	141,978,138
	1,055,356,368	683,650,370
Non-current	1,053,873,480	682,411,604
Current	1,482,888	1,238,766
	1,055,356,368	683,650,370
14.1 Reconciliation of carrying amount of dairy livestock:		
Carrying amount at the beginning of the year	683,650,370	477,546,086
Purchases made during the year	66,314,417	160,211,123
Fair value gain due to new births	15,339,000	12,215,620
Gain arising from changes in fair value less costs to sell attributable to physical and price change	438,556,264	193,045,257
	453,895,264	205,260,877
Loss due to deaths of dairy livestock (Note 24)	(39,606,121)	(49,312,680)
Decrease due to sales of dairy livestock	(108,897,562)	(110,055,036)
Carrying amount at the end of the year, which approximates the fair value less costs to sell	1,055,356,368	683,650,370

14.2 As at 30 June 2019, the Company held 1,411 (2018: 1,348) mature assets able to produce milk and 1,095 (2018: 789) immature assets that are being raised to produce milk in the future. During the year, the

Notes to the Financial Statements

For the year ended 30 June 2019

Company produced approximately 12,109,544 (2018: 7,816,366) gross litres of milk from these biological assets. As at 30 June 2019, the Company also held 39 (2018: 50) immature male calves.

- 14.3** The valuation of dairy livestock as at 30 June 2019, has been carried out by independent valuers. In this regard, the valuers examined the physical condition of the livestock, assessed the key assumptions and estimates and relied on the representations made by the Company as at 30 June 2019. Further, in the absence of an active market of the Company's dairy livestock in Pakistan, market and replacement values of similar livestock from active markets in Europe and Australia, have been used as basis of valuation by the independent valuers. The cost of transportation to Pakistan is also considered.

	2019 Rupees	2018 Rupees
15 DEFERRED INCOME TAX ASSET		
The net deferred income tax asset originated due to timing differences relating to:		
Taxable temporary differences:		
Accelerated tax depreciation	(78,453,260)	(60,130,306)
Assets subject to finance lease	(1,172,769)	(678,521)
	(79,626,029)	(60,808,827)
Deductible temporary differences:		
Provision for workers' profit participation fund	12,657,236	6,676,306
Turnover tax carried forward	24,181,964	27,685,855
Available tax losses	167,349,797	117,879,189
	204,188,997	152,241,350
Net deferred income tax asset recognized in the financial statements	124,562,968	91,432,523

- 15.1** The Company has an aggregate amount of recognized deferred tax asset of Rupees 124.563 million (2018: Rupees 91.433 million) which represents management's best estimate of the probable benefits expected to be realized in future years in the form of reduced tax liability as the Company would be able to set off the profits earned in those years against losses carried forward. The Company has prepared five years financial projections for future taxable profits, which have been approved by the Board of Directors of the Company, to assess the recoverability of deferred tax assets. The projections involve certain key management assumptions underlying the estimation of future taxable profits. The determination of future taxable profits is most sensitive to certain key assumptions such as milk production patterns, future revenue and costs, growth of herd, increase in milk yield, etc. Any significant changes in such assumptions may have an effect on the recoverability of deferred tax asset. Management believes that it is probable that the Company will be able to achieve the profits and, consequently, the deferred tax asset will be fully realized in future.

	2019 Rupees	2018 Rupees
16 INVENTORIES		
Forage and other consumables	91,004,772	48,145,858
Packing materials (Note 16.1)	22,841,966	25,876,801
Flavours (Note 16.1 and Note 16.2)	18,430,658	6,580,333
Raw milk	257,972	1,194,880
Finished / manufactured goods	5,134,274	2,936,442
	137,669,642	84,734,314

Notes to the Financial Statements

For the year ended 30 June 2019

- 16.1** These include packing materials in transit amounting to Rupees 1.142 million (2018: Rupees Nil) and flavours in transit amounting to Rupees 7.345 million (2018: Rupees Nil).
- 16.2** These include stock of flavours held with third party amounting to Rupees 4.917 million (2018: Rupees 1.966 million).
- 16.3** The aggregate amount of write-down of inventories to net realizable value recognized as an expense during the year was Rupees Nil (2018: Rupees 0.129 million).

	2019 Rupees	2018 Rupees
17 TRADE DEBTS		
Considered good:		
Trade debts	97,875,659	74,527,057
Less: Allowance for expected credit losses (Note 17.2)	(24,102,593)	-
	73,773,066	74,527,057

- 17.1** As at 30 June 2019, trade debts due from other than related parties of Rupees 73.773 million (2018: Rupees 74.527 million) were past due but not impaired. These relate to a number of independent customers from whom there is no recent history of default. The ageing analysis of these trade debts is as follows:

	2019 Rupees	2018 Rupees
Upto 1 month	37,421,240	51,214,459
1 to 6 months	32,162,771	14,397,803
More than 6 months	4,189,055	8,914,795
	73,773,066	74,527,057

17.2 Allowance for expected credit losses

Opening balance	-	-
Add: Recognized as on 01 July 2018	12,586,744	-
Add: Recognized during the year (Note 24)	11,515,849	-
Closing balance	24,102,593	-

18 SHORT TERM ADVANCES AND OTHER RECEIVABLES

Considered good:

Advances to suppliers (Note 18.1)	39,004,485	62,855,406
Advances to employees against salary	2,121,039	2,001,931
Advances to staff for expenses	6,420,504	3,636,897
Advances against letters of credit	699,666	1,242,708
Common facilities cost recoverable (Note 18.2 and 18.3)	-	6,000,000
Profit receivable on bank deposits	1,249,465	-
	49,495,159	75,736,942

Notes to the Financial Statements

For the year ended 30 June 2019

- 18.1** These include advances amounting to Rupees Nil (2018: Rupees 13.953 million) to Bahera (Private) Limited - associated company in the ordinary course of business. The maximum aggregate amount receivable from related party at the end of any month during the year was as follows:

	2019 Rupees	2018 Rupees
Bahera (Private) Limited	21,353,188	21,095,634

- 18.2** This amount was due from Bahera (Private) Limited - associated company in the ordinary course of business. The age analysis is as follows:

	2019 Rupees	2018 Rupees
Upto 1 month	-	1,000,000
1 to 6 months	-	4,000,000
	-	5,000,000

- 18.3** The maximum aggregate amount receivable from related party at the end of any month during the year was as follows:

	2019 Rupees	2018 Rupees
Bahera (Private) Limited	9,000,000	6,000,000

19 CASH AND BANK BALANCES

Cash in hand	17,731,632	4,099,532
Cash with banks:		
Current accounts	47,434,099	460,766,855
Saving accounts (Note 19.1 and 19.2)	208,920,872	49,064
	274,086,603	464,915,451

- 19.1** Bank balances of Rupees 157.490 million (2018: Rupees Nil) as at 30 June 2019 represents un-utilized proceeds of the initial public offer (Note 1.2) and is being utilized for the purposes mentioned under the heading 4.9 'Expansion Plan' in the prospectus dated 13 June 2018.

- 19.2** Profit on balances in saving accounts ranged from 7.50% to 10.50% (2018: 3.75% to 4.50%) per annum.

	2019 Rupees	2018 Rupees
20 SALES		
Raw milk	93,975,727	6,019,035
Finished / manufactured goods	1,515,613,935	1,256,176,699
	1,609,589,662	1,262,195,734
Less: Sales tax	32,034,868	21,510,765
Discounts	64,266,346	36,231,600
	1,513,288,448	1,204,453,369

Notes to the Financial Statements

For the year ended 30 June 2019

	2019 Rupees	2018 Rupees
21 OPERATING COSTS		
Raw milk consumed (Note 21.1)	801,977,009	643,855,805
Forage consumed	541,323,558	298,404,098
Packing materials consumed	219,916,688	137,496,302
Stores consumed	3,925,197	1,913,428
Salaries, wages and other benefits (Note 21.2)	82,944,929	73,641,644
Oil and lubricants	84,159,027	67,051,832
Utilities	19,930,632	17,154,968
Insurance	327,232	238,982
Repair and maintenance	17,426,282	13,105,944
Artificial insemination supplies consumed	3,423,756	4,072,971
Dairy livestock medication consumed	14,772,190	16,074,586
Dairy supplies consumed	31,982,389	30,448,031
Chemicals consumed	1,721,947	878,331
Vehicles' running	8,025,312	3,617,002
Depreciation (Note 13.2)	43,375,255	25,597,316
Rent, rates and taxes	7,400,668	-
Miscellaneous	28,483,748	24,661,686
	1,911,115,819	1,358,212,926
Finished / manufactured goods		
Opening inventory	2,936,442	3,697,797
Closing inventory	(5,134,274)	(2,936,442)
	(2,197,832)	761,355
	1,908,917,987	1,358,974,281
21.1 Raw milk consumed		
Inventory at the beginning of the year	1,194,880	104,160
Milk purchased during the year	68,412,689	145,261,848
Gain arising on initial recognition of milk at fair value		
less costs to sell at the time of milking	732,627,412	499,684,677
Inventory at the end of the year	(257,972)	(1,194,880)
	801,977,009	643,855,805
21.2 Salaries, wages and other benefits include an amount of Rupees 2,394,202 (2018: Rupees 4,309,681) in respect of employees' retirement benefit.		
	2019 Rupees	2018 Rupees
22 ADMINISTRATIVE AND GENERAL EXPENSES		
Salaries and other benefits (Note 22.1)	63,502,382	31,740,681
Travelling and conveyance	1,340,409	1,681,126
Communication	5,884,183	2,187,910

Notes to the Financial Statements

For the year ended 30 June 2019

	2019 Rupees	2018 Rupees
Printing and stationery	902,978	2,027,717
Ujrah payments	14,255,250	25,495,772
Utilities	4,617,067	4,061,477
Vehicles' running	18,006,715	6,115,838
Postage and courier	137,810	148,134
Fee and subscription	3,304,463	3,196,784
News papers and periodicals	14,860	11,608
Insurance	2,281,616	1,133,994
Entertainment	2,712,865	1,080,449
Office rent	6,600,000	2,100,000
Legal and professional	1,412,123	2,679,423
Auditor's remuneration (Note 22.2)	2,035,000	1,725,000
Depreciation (Note 13.2)	18,401,624	10,859,467
Miscellaneous	2,399,496	1,299,434
	147,808,841	97,544,814

22.1 Salaries and other benefits include an amount of Rupees 4,375,611 (2018: Rupees 1,327,983) in respect of employees' retirement benefit.

	2019 Rupees	2018 Rupees
22.2 Auditor's remuneration		
Audit fee	1,395,000	1,100,000
Half yearly review fee	540,000	262,500
Interim audit fee	-	262,500
Reimbursable expenses	100,000	100,000
	2,035,000	1,725,000

23 SELLING AND MARKETING EXPENSES

Salaries and other benefits (Note 23.1)	75,266,730	55,157,517
Travelling	2,192,153	1,317,984
Sales promotion expenses	13,766,748	13,862,336
Vehicles' running	116,967,942	96,809,130
Distribution office rent	8,400,000	6,600,000
Container rent	8,902,395	6,103,240
Chillers' rent	1,321,733	918,534
Entertainment	753,249	795,773
Depreciation (Note 13.2)	3,943,205	2,327,028
Miscellaneous	6,087,966	3,156,348
	237,602,121	187,047,890

23.1 Salaries and other benefits include an amount of Rupees 5,393,836 (2018: Rupees 3,232,260) in respect of employees' retirement benefit.

Notes to the Financial Statements

For the year ended 30 June 2019

	2019 Rupees	2018 Rupees
24 OTHER EXPENSES		
Loss due to death of dairy livestock (Note 14.1)	39,606,121	49,312,680
Loss on sale of dairy livestock - net	85,404,715	73,266,314
Loss on sale of operating fixed asset (Note 13.1.2)	700,367	-
Allowance for expected credit losses (Note 17.2)	11,515,849	-
Provision for expired / damaged stock	1,714,010	-
Workers' profit participation fund	15,579,592	6,139,487
	154,520,654	128,718,481
25 OTHER INCOME		
Income from financial assets:		
Profit on bank deposits	13,503,871	13,071
Income from non-financial asset:		
Sales of scrap	4,211,600	4,769,536
Gain on sale of operating fixed asset	-	666,478
Common facilities cost charged	3,000,000	12,000,000
Credit balances written back	-	10,359,900
Amortization of deferred income on sale and lease back	-	4,838,382
	20,715,471	32,647,367
26 FINANCE COST		
Mark-up on short term borrowings	3,869,451	4,079,004
Profit on long term musharika	10,634,784	798,100
Interest on workers' profit participation fund (Note 9.2)	3,338,990	1,846,536
Bank and other charges	916,884	688,257
Mark-up on lease liabilities	3,704,628	1,796,792
	22,464,737	9,208,689
27 TAXATION		
For the year:		
- Current tax (Note 27.1)	10,076,564	12,258,831
- Deferred tax	(29,876,563)	(30,684,156)
Prior year adjustment	(1,087,818)	1,297,101
	(20,887,817)	(17,128,224)

27.1 The provision for current tax represents minimum tax on local sales and tax on income from other sources. Numerical reconciliation between the average tax rate and the applicable tax rate has not been presented, being impracticable.

Notes to the Financial Statements

For the year ended 30 June 2019

		2019	2018
28 EARNINGS PER SHARE – BASIC AND DILUTED			
There is no dilutive effect on the basic earnings per share which is based on:			
Profit after taxation attributable to ordinary shareholders	Rupees	270,100,072	177,680,359
Weighted average number of ordinary shares	Number	144,959,222	110,000,000
Earnings per share	Rupees	1.86	1.62

29 Reconciliation of movement of liabilities to cash flows arising from financing activities

	Long term financing	Assets subject to finance lease	Short term borrowing	Total
	Rupees	Rupees	Rupees	Rupees
Balance as at 01 July 2018	239,207,375	72,617,831	127,547,806	439,373,012
Financing / borrowings obtained	22,815,000	-	1,199,413,503	1,222,228,503
Repayment of financing / borrowings	(190,658,000)	-	(1,176,961,309)	(1,367,619,309)
Acquisitions - finance leases	-	27,054,000	-	27,054,000
Repayment of lease liabilities	-	(13,269,883)	-	(13,269,883)
Balance as at 30 June 2019	71,364,375	86,401,948	150,000,000	307,766,323

	2019 Rupees	2018 Rupees
29.1 Non-cash financing activities		
Acquisition of vehicles and plant and machinery by means of finance leases	27,054,000	66,615,024

30 EVENTS AFTER THE REPORTING PERIOD

- 30.1** The Board of Directors of the Company has proposed a cash dividend for the year ended 30 June 2019 of Rupees 0.37 per share (2018: Rupees Nil) and 01 bonus share for every 10 ordinary shares (2018: Nil) at their meeting held on 19 September 2019. However, these events have been considered as non-adjusting events under IAS 10 'Events after the Reporting Period' and have not been recognized in these financial statements.
- 30.2** Under Section 5A of the Income Tax Ordinance, 2001, a tax shall be imposed at the rate of 5% of accounting profit before tax of the Company if it does not distribute at least 20% of its after tax profit for the year within six months of the end of the year ended 30 June 2019 through cash. The requisite cash dividend has been proposed by the Board of Directors of the Company in their meeting held on 19 September 2019 and will be distributed within the prescribed time limit. Therefore, the recognition of any income tax liability in this respect is not considered necessary.

Notes to the Financial Statements

For the year ended 30 June 2019

31 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in these financial statements in respect of remuneration, including all benefits to chief executive, directors and executives of the Company is as follows:

	Chief Executive		Executives	
	2019	2018	2019	2018
	Rupees	Rupees	Rupees	Rupees
Managerial remuneration	13,636,364	2,727,273	21,808,509	23,022,746
Medical allowance	1,363,636	272,727	2,180,851	2,302,275
Number of persons	1	1	8	10

31.1 The Company has also provided Company maintained vehicle and mobile phone facility to certain executives. Chief executive of the Company is provided with Company maintained Vehicle, free utilities, reimbursement of children education and travel expenses and mobile phone facility.

31.2 Meeting fee of Rupees 0.480 million (2018: Rupees Nil) was paid to non-executive directors of the Company during the year.

31.3 No remuneration was paid to non-executive directors of the Company.

32 TRANSACTIONS WITH RELATED PARTIES

The Company carries out transactions with related parties in the normal course of business. Detail of transactions and balances with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

	2019 Rupees	2018 Rupees
Associated company		
Bahera (Private) Limited		
Purchase of goods	45,332,441	7,142,446
Common facilities cost charged	3,000,000	12,000,000

32.1 Following are the related parties with whom the Company had entered into transaction or have arrangement / agreement in place.

Name of related party	Basis of relationship	Transactions entered or agreements and / or arrangements in place during the financial year	Percentage of Shareholding
Bahera (Private) Limited	Common directorship	Yes	None
United Bank Limited	Common directorship	No	None
Eco Pak Limited	Common directorship	No	None
The Kidney Center	Common trusteeship of directors	No	None
City Schools (Private) Limited	Common directorship	No	None

Notes to the Financial Statements

For the year ended 30 June 2019

Name of related party	Basis of relationship	Transactions entered or agreements and / or arrangements in place during the financial year	Percentage of Shareholding
Educational System (Private) Limited	Common directorship	No	None
Smart Education System (Private) Limited	Common directorship	No	None
The Smart School (Private) Limited	Common directorship	No	None
City Asia Pacific Institute of Information Technology (Private) Limited	Common directorship	No	None
Engen (Private) Limited	Common directorship	No	None
City Educational Services (Private) Limited	Common directorship	No	None
Premier Realities (Private) Limited	Common directorship	No	None
Remington Realities (Private) Limited	Common directorship	No	None
Pakgen Power Limited	Common directorship	No	None
Lalpir Power Limited	Common directorship	No	None
City Agro (Private) Limited	Common directorship	No	None
Hayat Khan (Private) Limited	Common directorship	No	None
Standard Gas (Private) Limited	Common key management personnel	No	None
Siddiquison Energy Limited	Common directorship	No	None
Pakistan Educational Council	Common trusteeship of directors	No	None
Karachi Support Foundation	Common trusteeship of directors	No	None
Public Private Partnership Support Facility	Common trusteeship of directors	No	None

Detail of compensation to key management personnel comprising of chief executive officer and executives is disclosed in note 31.

33 UTILIZATION OF THE PROCEEDS OF THE INITIAL PUBLIC OFFER (IPO)

Till 30 June 2019, the Company has utilized the proceeds of the initial public offer of 36,667,000 ordinary shares for the purposes mentioned under the heading 4.9 'Expansion Plan' in the prospectus dated 13 June 2018, as per the following detail:

Notes to the Financial Statements

For the year ended 30 June 2019

Purposes Mentioned Under the Heading 4.9 'Expansion plan' in the prospectus Dated 13 June 2018	Total funds available	Total funds utilized till 30 June 2019
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----- Rupees -----

Plant and machinery	133,002,950	90,740,679
Farm civil works	206,552,161	206,552,161
Milking parlor	49,700,000	23,029,819
Cows	267,500,000	226,495,540
Utilities	24,000,000	-
Miscellaneous farm expenses	49,600,000	44,909,449
Working capital requirement	215,000,000	215,000,000
Excess IPO funds:		
- Repayment of long term debt facility	14,666,800	14,666,800
- Finance working capital	11,000,100	11,000,100
- Any other activity relating to company's ongoing operations. Decision to be taken by BOD	11,000,100	3,727,954
Total	982,022,111	836,122,502

Rupees

32.1 IPO proceeds utilization:	
Net proceeds from IPO	770,007,000
Profit on deposit	11,590,791
Debt financing	212,015,111
Total funds	993,612,902
Less: Funds utilized till 30 June 2019	836,122,502
Un-utilized funds as on 30 June 2019	157,490,400

2019

2018

34 NUMBER OF EMPLOYEES

Number of employees as on 30 June	475	354
Average number of employees during the year	415	360

35 PLANT CAPACITY AND ACTUAL PRODUCTION

Pasteurized milk

-Total capacity	Million litres	19.20	19.20
-Actual production	Million litres	9.86	8.48

Yogurt

-Total capacity	Million litres	2.66	2.66
-Actual production	Million litres	1.17	0.83

Notes to the Financial Statements

For the year ended 30 June 2019

		2019	2018
Raita			
-Total capacity	Million litres	0.70	0.70
-Actual production	Million litres	0.07	0.05
Chunky yogurt			
-Total capacity	Million litres	0.09	0.09
-Actual production	Million litres	0.06	0.05
Smoothie			
-Total capacity	Million litres	-	0.07
-Actual production	Million litres	-	0.01

35.1 Under utilization of available capacity is mainly due to limited availability of raw milk.

36. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

Certain financial assets and financial liabilities are not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts. Judgements and estimates are made in determining the fair values of the financial instruments that are recognised and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company classifies its financial instruments into the following three levels. However, as at the reporting date, the Company has no such type of financial instruments which are required to be grouped into these levels. These levels are explained as under:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

37. RECOGNIZED FAIR VALUE MEASUREMENTS - NON-FINANCIAL ASSETS

(i) Fair value hierarchy

Judgements and estimates are made for non-financial assets that are recognized and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its non-financial assets into the following three levels.

Notes to the Financial Statements

For the year ended 30 June 2019

At 30 June 2019	Level 1	Level 2	Level 3	Total
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----- Rupees-----

Biological assets	-	1,055,356,368	-	-
Total non-financial assets	-	1,055,356,368	-	-

At 30 June 2018	Level 1	Level 2	Level 3	Total
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----- Rupees-----

Biological assets	-	683,650,370	-	-
Total non-financial assets	-	683,650,370	-	-

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further, there was no transfer in and out of level 3 measurements.

(ii) Valuation techniques used to determine level 2 fair values

The fair value of these assets is determined by independent valuers. Fair value of biological assets has been determined using a replacement cost approach, whereby, current cost of similar dairy cattle in the international market has been adjusted for transportation costs to arrive at fair value.

Valuation processes

The Company engages external, independent valuers to determine the fair value of the Company's biological assets at the end of every year. As at 30 June 2019, the fair value of the biological assets was determined by M/s Atlas Exports Pty Limited, M/s Sadruddin Associate (Private) Limited and M/s Anderson Consulting (Private) Limited.

Changes in fair values are analysed between the chief financial officer and the valuers. As part of this discussion the team presents a report that explains the reason for the fair value movements.

38 FINANCIAL RISK MANAGEMENT

38.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Risk management is carried out by the Company's finance department under policies approved by the Board of Directors. The Board provides principles for overall risk management, as well as policies covering specific areas such as currency risk, other price risk, interest rate risk, credit risk, liquidity risk and investment of excess liquidity.

Notes to the Financial Statements

For the year ended 30 June 2019

(a) Market risk

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The Company is not exposed to any significant foreign exchange risk at the reporting dates as it has no receivables or payables in foreign currencies.

(ii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to equity price risk as it does not have any investment in equity securities.

The Company is exposed to financial risk arising from changes in milk prices. The Company does not anticipate that milk prices will decline significantly in the foreseeable future and, therefore, has not entered into derivative or other contracts to manage the risk of decline in milk prices. The Company reviews its outlook for milk prices regularly in considering the need for active financial risk management.

(iii) Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's interest rate risk arises from short term borrowings, long term financing, finance lease liabilities and bank balances in saving accounts. Financial instruments at variable rates expose the Company to cash flow interest rate risk. Financial instruments at fixed rate expose the Company to fair value interest rate risk.

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments was:

	2019 Rupees	2018 Rupees
Fixed rate instruments		
Floating rate instruments		
Financial assets		
Bank balances - saving accounts	208,920,872	49,064
Financial liabilities		
Long term financing	71,364,375	239,207,375
Short term borrowings	150,000,000	127,547,806
Liabilities against assets subject to finance lease	86,401,948	72,617,831

Notes to the Financial Statements

For the year ended 30 June 2019

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 reporting date would not affect profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

If interest rates at the year end date, fluctuates by 1% higher / lower with all other variables held constant, profit after taxation for the year would have been Rupees 0.939 million (2018: Rupees 4.174 million) lower / higher, mainly as a result of higher / lower interest expense / income on floating rate financial instruments. This analysis is prepared assuming the amounts of financial instruments outstanding at reporting dates were outstanding for the whole year.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2019 Rupees	2018 Rupees
Short term advances and other receivables	2,121,039	8,001,931
Security deposits	15,642,435	16,587,194
Trade debts	73,773,066	74,527,057
Bank balances	256,354,971	460,815,919
	347,891,511	559,932,101

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counter party default rate:

	Rating			2019	2018
	Short term	Long term	Agency	----- Rupees -----	
Banks					
Allied Bank Limited	A1+	AAA	PACRA	9,558,616	18,540,897
MCB Bank Limited	A1+	AAA	PACRA	1,669,933	422,303,504
Silk bank Limited	A-2	A-	JCR-VIS	1,211,019	6,321,524
Al Baraka Bank (Pakistan) Limited	A1	A	PACRA	186	184,366
Meezan Bank Limited	A-1+	AA+	JCR-VIS	-	420
MCB Islamic Bank Limited	A1	A	PACRA	188,362,522	6,323,995
Dubai Islamic Bank Pakistan Limited	A-1	AA-	JCR-VIS	49,438,282	7,042,021
National Bank of Pakistan	A1+	AAA	PACRA	2,065,654	2,800
JS Bank Limited	A1+	AA-	PACRA	3,799,688	-
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	10,000	-
Bank Islami Pakistan Limited	A1	A+	PACRA	239,071	96,392
				256,354,971	460,815,919

Notes to the Financial Statements

For the year ended 30 June 2019

The Company's exposure to credit risk and allowance for expected credit losses related to trade debts is disclosed in Note 17.

Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, the management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly, the credit risk is minimal.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At 30 June 2019, the Company had Rupees 80.000 million (2018: Rupees 102.452 million) available short term borrowing limits from financial institutions and Rupees 116.596 million (2018: Rupees 44.916 million) cash and bank balances (other than un-utilized IPO proceeds). The management believes the liquidity risk to be low. Following are the contractual maturities of financial liabilities, including interest payments. The amount disclosed in the table are undiscounted cash flows:

Contractual maturities of financial liabilities as at 30 June 2019

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2year	more than 2 year
----- Rupees -----						
Non-derivative financial liabilities:						
Long term financing	71,364,375	90,216,978	8,785,736	9,909,466	28,706,695	42,815,081
Trade and other payables	114,599,607	114,599,607	114,599,607	-	-	-
Short term borrowings	150,000,000	160,941,699	160,941,699	-	-	-
Accrued mark-up / profit	2,866,898	2,866,898	2,866,898	-	-	-
Liabilities against assets subject to finance lease	86,401,948	98,170,946	47,476,544	9,867,114	10,759,911	30,067,377
	425,232,828	466,796,128	334,670,484	19,776,580	39,466,606	72,882,458

Contractual maturities of financial liabilities as at 30 June 2018

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2year	more than 2 year
----- Rupees -----						
Non-derivative financial liabilities:						
Long term financing	239,207,375	296,429,936	69,761,741	8,672,520	59,020,509	158,975,166
Trade and other payables	134,912,804	134,912,804	134,912,804	-	-	-
Short term borrowings	127,547,806	133,236,438	133,236,438	-	-	-
Accrued mark-up / profit	4,927,831	4,927,831	4,927,831	-	-	-
Liabilities against assets subject to finance lease	72,617,831	76,477,606	8,473,251	44,523,245	10,252,430	13,228,680
	579,213,647	645,984,615	351,312,065	53,195,765	69,272,939	172,203,846

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest rates / mark-up rates effective as at 30 June. The rates of interest / mark up have been disclosed in note 7, 8 and 10 to these financial statements.

Notes to the Financial Statements

For the year ended 30 June 2019

	Amortized cost	Loans and receivables
	2019 Rupees	2018 Rupees
38.2 Financial instruments by categories		
Assets as per statement of financial position		
Short term advances and other receivables	2,121,039	8,001,931
Security deposits	15,642,435	16,587,194
Trade debts	73,773,066	74,527,057
Cash and bank balances	274,086,603	464,915,451
	365,623,143	564,031,633
	Financial liabilities at amortized cost	
	2019 Rupees	2018 Rupees
Liabilities as per statement of financial position		
Long term financing	71,364,375	239,207,375
Accrued mark-up / profit	2,866,898	4,927,831
Short term borrowings	150,000,000	127,547,806
Trade and other payables	114,599,607	134,912,804
Liabilities against assets subject to finance lease	86,401,948	72,617,831
	425,232,828	579,213,647

38.3 Offsetting financial assets and financial liabilities

As on the reporting date, recognized financial instruments are not subject to offsetting as there are no enforceable master netting arrangements and similar agreements.

38.4 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry and the requirements of the lenders, the Company monitors the capital structure on the basis of gearing ratio. This ratio is calculated as borrowings divided by total capital employed. Borrowings represent short term borrowings obtained by the Company as referred to in note 10, long term financing as referred to in note 8 and liabilities against assets subject to finance lease as referred to in note 7. Total capital employed includes 'total equity' as shown in the statement of financial position plus 'borrowings'.

		2019	2018
Borrowings	Rupees	307,766,323	439,373,012
Total equity	Rupees	2,404,019,391	1,431,663,877
Total capital employed	Rupees	2,711,785,714	1,871,036,889
Gearing ratio	Percentage	11.35%	23.48%

The decrease in the gearing ratio resulted from issuance of ordinary shares through initial public offer during the year.

Notes to the Financial Statements

For the year ended 30 June 2019

	Note	2019 Rupees	2018 Rupees
DISCLOSURES BY COMPANY LISTED ON ISLAMIC INDEX			
Description			
Loan / advances obtained as per Islamic mode:			
Loans	8	71,364,375	239,207,375
Advances	7	-	-
Shariah compliant bank deposits / bank balances			
Bank balances	19	238,040,061	13,646,774
Profit earned from shariah compliant bank deposits / bank balances			
Profit on deposits with banks	25	13,500,142	-
Revenue earned from shariah compliant business	20	1,513,288,448	1,204,453,369
Gain / (loss) or dividend earned from shariah complaint investments			
		-	-
Exchange gain earned			
		-	-
Mark-up paid on Islamic mode of financing	26	10,634,784	5,845,659
Profits earned or interest paid on any conventional loan / advance			
Interest paid on loans	26	3,869,451	4,079,004
Mark-up on lease liabilities	26	3,704,628	1,796,792
Interest on workers' profit participation fund	26	3,338,990	1,846,536
Profit earned on deposits with banks	25	3,730	13,071
Relationship with shariah compliant banks			
Name		Relationship	
Bank Islami Pakistan Limited		Bank balance and Ijarah lease	
Dubai Islamic Bank Pakistan Limited		Bank balance	
MCB Islamic Bank Limited		Bank balance and long term financing	
Al Baraka Bank (Pakistan) Limited		Bank balance	

39 SEGMENT INFORMATION

These financial statements have been prepared on the basis of single reportable segment. All of the sales of the Company relates to customers in Pakistan. All non-current assets of the Company as at reporting date were located in Pakistan.

40 DATE OF APPROVAL

These financial statements were approved on 19 September 2019 by Board of Directors of the Company.

41 CORRESPONDING FIGURES

Corresponding figures have been rearranged or reclassified, wherever necessary, for the purpose of comparison.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the 12th Annual General Meeting of the shareholders (2nd after listing on PSX) of **At-Tahur Limited** will be held on **Monday, October 28, 2019 at 11:30 a.m. at Registered Office, 182-Abu Bakar Block, New Garden Town, Lahore** to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Annual Audited Financial Statements of the Company for the year ended 30 June 2019 together with the Directors' and Auditors' reports thereon.
2. To approve and declare bonus shares @ 10% i.e. 1 share of every 10 shares as recommended by the Board of Directors for the year ended June 30, 2019.
3. To approve and declare final cash dividend of Rs. 0.37 per share i.e. @ 3.7 % as recommended by the Board of Directors for the year ended June 30, 2019.
4. To appoint auditors of the Company and to fix their remuneration. The present auditor M/s Riaz Ahmad & Company, Chartered Accountants, retires and being eligible, offers themselves for re-appointment as auditors of the Company.
5. To elect seven (07) Directors of the Company as fixed by the Board of Directors, for a term of three years commencing from October 30, 2019 in accordance with the provisions of the Companies Act, 2017 in place of retiring Directors namely:
 1. Mr. Amar Zafar Khan 2. Mr. Aurangzeb Firoz
 3. Mr. Ijaz Nisar 4. Mr. Muhammad Ijaz Hussain Awan
 5. Mr. Rasikh Elahi 6. Mr. Shabbi Zahid Ali
 7. Syed Kashif ul Hassan Shah

All retiring Directors are eligible to offer themselves for re-election.

SPECIAL BUSINESS

6. To Alter the Memorandum of Association of the Company to increase in Authorised Share Capital up to Rs. 1,650,000,000 from Rs. 1,500,000,000. In this respect the main clause V of Memorandum of Association be and hereby amended as follow:
 - V. The authorized capital of the company is Rupees 1,650,000,000 (Rupees One Billion Six Hundred Fifty Million Only) divided in to 165,000,000 shares of Rupees 10 each comprising ordinary shares and preference shares with the rights, privileges and conditions attaching thereto as are provided by the regulations of the company for the time being, with power to increase and reduce the capital of the company and to divide the shares in the capital for the time being into several classes in accordance with the provisions of the Companies Act, 2017.
7. To transact any other business with the permission of the Chair.

Statement under section 166 (3) pertaining to election of Directors and Statement under section 134 (3) concerning special resolution are being circulated to the members along with notice of the meeting.

By Order of the Board

Lahore
September 30, 2019

Company Secretary

Notice of Annual General Meeting

BOOK CLOSURE:

The Members' Register will remain closed from October 22, 2019 to October 28, 2019 (both day inclusive).

NOTES:

1. Transfer received in order at the Registered Office by the close of business hours on Monday, October 21, 2019 will be treated in time.
2. A member eligible to attend and vote at this Meeting may appoint another member as his/her proxy to attend and vote instead of him/her.
3. The instrument appointing a proxy and the power of attorney or other authority under which it is signed or a notarially attested copy of the power of attorney must be received by the Company at the Registered Office not later than 48 hours before the time for holding the Meeting.
4. CDC account holders will further have to follow the under mentioned guidelines as laid down by Securities & Exchange Commission of Pakistan:

For Attending the Meeting:

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

For Appointing Proxies:

- i. In case of individuals, the account holder or sub-account holder and whose registration details are uploaded as per the Regulations, shall submit the proxy form as per above requirement
- ii. Attested copies of valid CNIC or the passport of beneficial owners and the proxy shall be furnished with the proxy form.
- iii. The proxy shall produce his/her original valid CNIC or original passport at the time of the meeting.
- iv. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be produced (unless it has been provided earlier) at the time of meeting.

Video Conference Facility:

Shareholders individually or collectively holding 10.00% or more shareholding can provide their consent to participate in the meeting through video conference at least seven days prior to date of the meeting. Considering the geographical dispersal of the shareholder, the Company shall arrange video conference facility subject to the availability of such facility in that city. The Company will intimate members regarding venue of the video-link facility at least five days before the date of the general meeting along with complete information necessary to

Notice of Annual General Meeting

enable them to access the facility. The shareholders who wish to avail the video-link facility may send their request on Standard Form provided in the annual report and also available on the company's website

Circulations of Annual Reports through CD/DVD/USB/ Email

Pursuant to the Securities and Exchange Commission of Pakistan's notification S.R.O 470(I)/2016 dated 31 May, 2016, the shareholders of At-Tahur Limited had accorded their consent for transmission of annual reports including annual audited accounts, notices of annual general meetings and other information contained therein of the Company through CD or DVD or USB instead of transmitting the same in hard copies. The shareholders who wish to receive hard copy of the aforesaid documents may send to the Company Secretary / Share Registrar, the Standard Request Form provided in the annual report and also available on the website of the Company and the Company will supply hard copies of the aforesaid document to the shareholders on demand, free of cost, within one week of such demand.

Circulation of Accounts via Email

The shareholders who intends to receive the annual report including the notice of meeting through e-mail are requested to provide their written consent on the Standard Request Form provided in the annual report and also available on the Company's website.

Tax Deduction - Filer or Non-Filer

Dividend income on shares is liable to deduction of withholding tax under Section 150 of the Income Tax Ordinance, 2001 and pursuant to Finance Act 2019, effective July 1, 2019, withholding of tax on dividend based on 'Active' and 'Non-Active' status of shareholders shall be @ 15% and 30% respectively where 'Active' means a person whose name appears on the Active Taxpayers List available at e-portal of FBR (<http://www.fbr.gov.pk/>) and 'Non-Active' means a person whose name is not being appeared on the Active Taxpayers List.

Furthermore, according to clarification provided by the FBR; in case a Folio/CDS Account is jointly held, each joint-holder is to be treated separately as Active or Non-Active. In terms of the said clarification, tax of each joint-holder has been deducted on the gross dividend amount determined by bifurcating the shareholding of each joint-holder on equal proportions, except where shareholding proportion of joint-holder(s) is pre-defined as per the records of the Company's Share Registrar and thus tax rates are applied in line with respective proportions.

Those shareholders who are holding Folio/CDS jointly may notify in writing within 10 days of this notice to the Shares Registrar of the Company as per format given below. If no notification is received by the Shares Registrar, then it will be assumed that the shares are held in equal proportion by the principal shareholder and the joint holder(s):

Individual/Company Name	Folio/CDC A/c No.	Total Shares	Principle Shareholder		Joint Shareholder(s)	
			Name & CNIC No.	Shareholding Portion (No. of Shares)	Name & CNIC No.	Shareholding Portion (No. of Shares)

Notice of Annual General Meeting

Exemptions from Deduction of Income Tax/Zakat

Members seeking exemption from deduction of income tax or are eligible for deduction at a reduced rate, are requested to submit a valid tax exemption certificate or necessary documentary evidence as the case may be. Members desiring non-deduction of zakat are also requested to submit a valid declaration for non-deduction of zakat.

Statement under Section 166(3) of the Companies Act, 2017

This statement is annexed to the Notice of the Annual General Meeting of At-Tahur Limited (the Company) to be held on Monday, October 28, 2019, at which said business is to be transacted. The purpose of this Statement is to set forth the material facts concerning such Special Business.

Agenda Item (5) Concerning the Election of Directors:

This statement sets out the material facts pertaining to the election of directors to be elected at the Annual General Meeting of M/s At-Tahur Limited ("the Company") to be held on October 28, 2019.

1. The board of directors have fixed the number of directors to be elected as seven (07) for the term of three years commencing from October 30, 2019.
2. Any person/member whether majority shareholder or a minority shareholder, who seeks to contest the election to the office of director (the "Candidate"), whether he is a retiring director or otherwise, is requested to file with the Company at its registered office, not later than fourteen days before the date of the meeting at which elections are to be held, the following documents:
 - a. Notice of his/her intention to offer himself/herself for election as director in terms of Section 159(3) of the Companies Act, 2017.
 - b. The Candidate should also confirm that:

He/she is not ineligible to become a director of the Company under any applicable laws and regulations;

Neither he/she nor his/her spouse is engaged in the business of brokerage or is a sponsor director or officer of a corporate brokerage house;

His/her name is borne in the register of national tax payers (except where he/she is a no-resident);

He/she has not been convicted by a court of competent jurisdiction as defaulter in payment of any loan to a banking company, a development financial institution or a non-banking financial institution.

He/she is not serving as a director in more than five listed companies' simultaneously, provided that this limit shall not include the directorships in the listed subsidiaries of a listed holding company;

He/she is aware of the duties and powers of Director under the Companies Act, 2017, the Securities act, 2015, Memorandum and Articles of Association of the Company and all other applicable laws/rules/regulations/codes etc.

Notice of Annual General Meeting

- c. Person contesting as independent Director shall also submit a declaration that he/she qualifies the criteria of independence notified under the Companies Act, 2017;
- d. Consent to Act as director on Form-28 required under Section 167 of the Companies Act, 2017 along-with copy of CNIC;
- e. A detailed profile of the Candidate including his office address (the same will be placed on Company's website as per requirements of SECP notification S.R.O. 634(1)/2014 dated 10th July, 2014).

Statement under Section 134(3) of the Companies Act, 2017

Agenda Item (6) Concerning the Change in Memorandum of Association

Under the sub section 2 of section 85 of Companies Act, 2017 a Company alter its authorized share capital by way of special resolution. In this regard the clause V of the Memorandum of Association amend as follow.

Moreover, No directors or Chief Executive of the Company or their relatives have any interest in the proposed alterations of the Memorandum of Association of the Company except up to their holding in the Company and in their capacities as Directors/Chief Executive/Shareholders.

The following resolution is proposed to be passed as Special Resolution:

Draft Resolution:

Resolved that the existing clause V of the Memorandum of Association of the Company be and is hereby replaced to read as follow:

The authorized capital of the company is Rupees 1,650,000,000 (Rupees One Billion Six Hundred Fifty Million Only) divided in to 165,000,000 shares of Rupees 10 each comprising ordinary shares and preference shares with the rights, privileges and conditions attaching thereto as are provided by the regulations of the company for the time being, with power to increase and reduce the capital of the company and to divide the shares in the capital for the time being into several classes in accordance with the provisions of the Companies Act, 2017.

Resolved further that the Chief Executive Officer and / or Company Secretary be and is hereby authorized to do all acts, deeds and things, take any or all necessary actions to complete all legal and corporate formalities, make amendments, modification addition or deletion and file all requisite documents with the Registrar to effectuate and implement this special resolution.

Inspection:

A copy of existing Memorandum of Association along with copy of Memorandum of Association as will appear after such alteration has been kept at the Registered Office of the Company which may be inspected during business hours (9 a.m. 5 p.m.) on any working day from the date of publication / issue of this notice.

نوٹس | سالانہ اجلاس عام

نوٹس ہذا سے مطلع کیا جاتا ہے کہ الٹھو رلمیڈکا بارھواں سالانہ اجلاس عام 28 اکتوبر، 2019ء بروز پیر بوقت 11:30 بجے دن کمپنی کے رجسٹرڈ آفس واقع 182 ابوبکر بلاک، نیوگارڈن ٹاؤن لاہور میں مندرجہ ذیل امور پر بحث کے لئے منعقد ہوگا:

عمومی امور

1. 30 جون 2019ء کو اختتام پذیر سال کے لئے پڑتال شدہ کھاتوں کے ہمراہ ڈائریکٹرز اور آڈیٹرز رپورٹس کو وصول کرنا، زیر غور لانا اور اپنانا۔
2. 30 جون 2019ء کو اختتام پذیر سال کے لئے ڈائریکٹرز کی سفارشات پر 10 فی صد کی شرح سے یعنی ہر 10 حصص کے لیے 1 حصص بونس حصص جاری کرنے کی منظوری دینا۔
3. ڈائریکٹرز کی سفارشات پر 0.37 روپے یعنی 3.7 فی صد کی شرح سے حتمی نقد منافع منقسمہ کو منظور کرنا۔
4. کمپنی کے آڈیٹرز کی تقرری اور ان کا مشاہیرہ طے کرنا۔ موجودہ آڈیٹرز میسرز ریاض احمد اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس ریٹائر ہو چکے ہیں اور خود کو دوبارہ تقرری کے لئے پیش کرتے ہیں۔
5. کمپنیز ایکٹ 2017ء کے قواعد کے مطابق 30 اکتوبر 2019ء سے تین سالہ مدت کے لئے ریٹائر ہونے والے ڈائریکٹرز (جن کے نام حسب ذیل ہیں) کی جگہ بورڈ آف ڈائریکٹرز کی جانب سے طے شدہ کمپنی کے سات ڈائریکٹرز منتخب کرنا۔

1. محترم عامر ظفر خان 2. محترم اورنگزیب فیروز

3. محترم اعجاز نثار 4. محترم محمد اعجاز حسین اعوان

5. محترم راسخ الہی 6. محترم شعی زاہد علی

7. سید کاشف الحسن شاہ

تمام ریٹائر ہونے والے ڈائریکٹرز خود کو دوبارہ انتخاب کے لئے پیش کرنے کے اہل ہیں۔

خصوصی امور

6. مجاز سرمایہ حصص میں 1,500,000,000 روپے سے 1,650,000,000 روپے اضافہ کرنے کے لئے میمورنڈم آف ایسوسی ایشن میں تبدیلی لانا۔ اس تناظر میں میمورنڈم آف ایسوسی ایشن کی بنیادی شق V میں حسب ذیل ترمیم کی جاتی ہے۔

نوٹس | سالانہ اجلاس عام

۷. کمپنی کا مجاز سرمایہ حصص میں 1,650,000,000 روپے (صرف ایک ارب پینسٹھ کروڑ روپے) ہے۔ جو کہ 165,000,000 حصص میں تقسیم ہے اور فی حصص قیمت 10 روپے ہے۔ اور یہ مجاز سرمایہ عمومی حصص اور ترجیحی حصص بمعہ حقوق۔ استحقاق اور شرائط جو کہ کمپنی کے قواعد میں اس وقت درج ہیں پر مشتمل ہے۔ اور کمپنی کمپنیز ایکٹ 2017ء کے قواعد کے تحت مجاز سرمایہ میں کمی بیشی کر سکتی ہے اور مجاز سرمائے کو مختلف اقسام کے حصص میں تقسیم کر سکتی ہے۔

7. چیئرمین کی اجازت سے دیگر امور پر بحث کرنا۔

سیکشن (3) 166 کے تحت ڈائریکٹرز کے انتخابات اور سیکشن (3) 134 کے تحت خصوصی قرارداد سے متعلقہ بیان نوٹس اجلاس عام کے ہمراہ اراکین کو ارسال کر دیا گیا ہے۔

بحکم بورڈ
کمپنی سیکریٹری

لاہور

ستمبر 30، 2019ء

کتاب کی بندش:

اراکین کا رجسٹر 22 اکتوبر 2019ء سے 28 اکتوبر 2019ء تک (بشمول دونوں ایام) بند رہے گا۔

نوٹس | سالانہ اجلاس عام

مندرجات:

1. پیر 21 اکتوبر 2019ء کو رجسٹرڈ آفس میں کاروباری اوقات کار میں موصول ٹرانسفر کو بروقت تصور کیا جائے گا۔
 2. اس اجلاس میں ووٹ کرنے اور شرکت کرنے کا/کی اہل رکن اپنی جگہ اجلاس میں شرکت کرنے اور ووٹ کرنے کے لئے کسی دوسرے رکن کو اپنا پراسی مقرر کر سکتا/سکتی ہے۔
 3. پراسی مقرر کرنے کا دستاویز اور مختار نامہ یا دیگر اتھارٹی جس کے ماتحت اس پر دستخط کئے گئے ہوں یا مختار نامہ کی نوٹری سے تصدیق شدہ نقل کمپنی کے رجسٹرڈ دفتر میں اجلاس کے انعقاد سے 48 گھنٹے قبل موصول ہو جانا چاہئے۔
 4. CDC اکاؤنٹ ہولڈرز کو سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جاری کردہ حسب ذیل ہدایات پر عمل کرنا ہوگا:
- اجلاس میں شرکت کے لئے:

- i. افراد کی صورت میں، اکاؤنٹ ہولڈر یا ذیلی اکاؤنٹ ہولڈر یا جس کی رجسٹریشن تفصیلات قواعد کے تحت شائع کی گئی ہوں، کو اپنا اصلی کمپیوٹرائزڈ شناختی کارڈ (CNIC) یا پاسپورٹ اجلاس میں شرکت کے وقت پیش کرنا ہوگا۔
 - ii. کاروباری ادارہ کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد/مختار نامہ بمعہ نامزد کے نمونہ کے دستخط (اگر یہ پہلے فراہم نہ کئے گئے ہوں) اجلاس میں شرکت کے وقت پیش کرنا ہوں گے۔
- پراسی کے تقرر کے لئے:

- i. افراد کی صورت میں، اکاؤنٹ ہولڈر یا ذیلی اکاؤنٹ ہولڈر اور جس کی رجسٹریشن تفصیلات قواعد کے تحت شائع کی گئی ہوں کو مذکورہ بالا معیار کے مطابق پراسی فارم جمع کرنا ہوگا۔
- ii. جائز شناختی کارڈ یا بنی فیشل اونز کا پاسپورٹ اور پراسی، پراسی فارم کے ساتھ جمع کروائے جائیں گے۔
- iii. پراسی اجلاس کے موقع پر اپنا اصلی جائز CNIC یا اصلی پاسپورٹ پیش کرے گا/گی۔
- iv. کاروباری ادارہ کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد/مختار نامہ بمعہ نمونہ کے دستخط (اگر پہلے فراہم نہ کیا گیا ہو) اجلاس کے موقع پر پیش کرنا ہوگا۔

ویڈیو کانفرنس سہولت:

10.00 فی صد یا زائد شیئر ہولڈنگ کے حامل انفرادی یا اجتماعی حصص داران اجلاس میں بذریعہ ویڈیو کانفرنس شرکت کے لئے اجلاس

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کے انعقاد سے کم از کم سات یوم قبل اپنی رضامندی کا اظہار کریں گے۔ شیئر ہولڈر کے جغرافیائی مقام کو مد نظر رکھتے ہوئے شہر میں سہولت کی دستیابی سے مشروط کمپنی ویڈیو کانفرنس سہولت کا بندوبست کرے گی۔ کمپنی اجلاس کے انعقاد سے کم از کم پانچ یوم قبل ویڈیو لنک سہولت کے لئے مقام سے متعلق اراکین کو آگاہ کرے گی۔ جس میں سہولت حاصل کرنے کے لئے تمام ضروری معلومات شامل ہوں گی۔ ایسے حصص داران جو ویڈیو لنک کی سہولت حاصل کرنے کے خواہش مند ہیں وہ سالانہ رپورٹ اور کمپنی کی ویب سائٹ پر فراہم کردہ معیاری فارم پر اپنی درخواست بھیج سکتے ہیں۔

سالانہ رپورٹس کی بذریعہ سی ڈی/ڈی وی ڈی/یو ایس بی/ای میل ترسیل

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے مورخہ 31 مئی، 2016ء کے مراسلہ SRO 470(I)/2016 کی پیروی میں الطہور لمیٹڈ کے حصص داران نے سالانہ پڑتال شدہ اکاؤنٹس، سالانہ اجلاس عام کے نوٹس اور کمپنی کی دیگر معلومات کے ہمراہ سالانہ رپورٹس کی کاغذی صورت کی بجائے بذریعہ سی ڈی یا ڈی وی ڈی یا یو ایس بی حاصل کرنے کے لئے رضامندی ظاہر کی ہے۔ جو حصص داران مذکورہ بالا دستاویزات کی کاغذی نقل حاصل کرنا چاہتے ہیں وہ سالانہ رپورٹ اور کمپنی کی ویب سائٹ پر دستیاب معیاری درخواست فارم کے ذریعے مطالبہ کر سکتے ہیں۔ اور کمپنی اس مطالبہ کے ایک ہفتہ کے اندر بغیر کسی فیس کے حصص داران کو مذکورہ بالا دستاویزات کی کاغذی نقل ارسال کرے گی۔

بذریعہ ای میل کھاتوں کی ترسیل

حصص داران جو نوٹس برائے اجلاس اور سالانہ رپورٹ بذریعہ ای میل وصول کرنا چاہتے ہیں انہیں درخواست کی جاتی ہے کہ وہ سالانہ رپورٹ اور کمپنی کی ویب سائٹ پر دستیاب معیاری درخواست فارم پر اپنی تحریری رضامندی فراہم کریں۔

ٹیکس کٹوتی۔ فائیلر اور نان فائیلر

انکم ٹیکس آرڈیننس 2001ء کے سیکشن 150 کے تحت حصص پر منافع منقسمہ کی آمدنی و دہولڈنگ ٹیکس کی کٹوتی سے مشروط ہے۔ اور یکم جولائی 2019ء کو موثر فائننس ایکٹ 2019ء کی پیروی میں حصص داران کی ”فعال“ اور ”غیر فعال“ حیثیت کی بنیاد پر منافع منقسمہ پر و دہولڈنگ ٹیکس بالترتیب 15 فی صد اور 30 فی صد کے حساب سے کاٹا جائے گا۔ جہاں ”فعال“ کا مطلب ایسا شخص ہے جس کا نام ایف بی آر (<http://www.fbr.gov.pk>) کے ای پورٹل میں دستیاب فعال ٹیکس دہندگان کی فہرست میں شامل ہے اور ”غیر فعال“ سے مراد ایسا شخص ہے جس کا نام فعال ٹیکس دہندگان فہرست میں شامل نہ ہے۔

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مزید برآں، ایف بی آر کی فراہم کردہ وضاحت کے تحت اگر کوئی فولیو/CDS اکاؤنٹ مشترکہ طور پر قائم ہے، ہر مشترکہ ہولڈر کو علیحدہ علیحدہ فعال یا غیر فعال حیثیت میں زیر غور لایا جائے گا۔ مذکورہ وضاحت کے تحت، ہر مشترکہ ہولڈر کا ٹیکس ہر مشترکہ ہولڈر کی شیئر ہولڈنگ کو تقسیم کر کے مجموعی منافع منقسمہ کی رقم پر مساوی وصول کیا جائے گا۔ ماسوائے جب مشترکہ ہولڈر/ہولڈرز کے شیئر ہولڈنگ تناسب کا کمپنی کے شیئر رجسٹرار کے ریکارڈز کے تحت پہلے ہی تعین کیا گیا ہو اور ٹیکس شرحیں متعلقہ تناسب کے تحت لاگو کی جائیں گی۔

ایسے حصص داران جو فولیو/CDS کے مشترکہ حصہ دار ہیں وہ اس نوٹس کے اجراء سے 10 یوم کے اندر کمپنی کے شیئر رجسٹرار کو مندرجہ ذیل صورت میں مطلع کریں گے۔ اگر شیئر رجسٹرار نے کوئی نوٹس وصول نہ کیا تو یہ تصور کیا جائے گا کہ وہ پرنسپل شیئر ہولڈرز اور مشترکہ ہولڈر/ہولڈرز کی جانب سے مساوی تناسب میں حصص کے مالک ہیں:

فرد/کمپنی کا نام	فولیو/CDC اکاؤنٹ نمبر	کل حصص	پرنسپل شیئر ہولڈر	مشترکہ شیئر ہولڈر/ہولڈرز
			نام اور CNIC نمبر	نام اور CNIC نمبر (تعداد حصص)
			شیئر ہولڈنگ تناسب (تعداد حصص)	شیئر ہولڈنگ تناسب (تعداد حصص)

انکم ٹیکس/زکوٰۃ کی کٹوتی سے استثنیٰ

انکم ٹیکس سے استثنیٰ حاصل کرنے کے خواہش مند یا کم شرح پر کٹوتی کے اہل اراکین سے درخواست کی جاتی ہے کہ ٹیکس استثنیٰ کا سٹیفکیٹ یا ضروری دستاویزی ثبوت جمع کرائیں۔ زکوٰۃ کی کٹوتی سے استثنیٰ حاصل کرنے کے خواہش مند اراکین سے بھی درخواست کی جاتی ہے کہ وہ زکوٰۃ کی عدم ادائیگی کا اعلامیہ جمع کرائیں۔

کمپنیز ایکٹ 2017ء کے سیکشن (3) 166 کے تحت بیان

یہ بیان 28 اکتوبر، 2019ء بروز پیر کو منعقدہ الطہور لمیٹڈ (کمپنی) کے سالانہ اجلاس عام کے نوٹس کے ساتھ منسلک ہے۔ جس کے تحت مذکورہ امور پر بحث کی جائے گی۔ اس بیان کا مقصد اس خصوصی امور سے متعلقہ مادی حقائق مرتب کرنا ہے۔

ڈائریکٹرز کے انتخاب سے متعلقہ ایجنڈا آئیٹم (5)

یہ بیان 28 اکتوبر، 2019ء بروز پیر کو منعقدہ الطہور لمیٹڈ (کمپنی) کے سالانہ اجلاس عام میں ڈائریکٹرز کے انتخاب سے متعلق مادی حقائق مرتب کرتا ہے۔

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1. بورڈ آف ڈائریکٹرز نے 30 اکتوبر 2019ء سے تین سال کی مدت کے لئے منتخب کئے جانے والے ڈائریکٹرز کی کل تعداد سات (07) طے کی ہے۔
2. کوئی بھی شخص / رکن چاہے وہ اکثریت کا حصہ دار یا اقلیتی حصہ دار ہو، اور ڈائریکٹر کے عہدہ ("امیدوار") کا انتخابات لڑنا چاہتا ہو، خواہ وہ ریٹائر ہونے والا ڈائریکٹر ہو یا کوئی اور، سے درخواست کی جاتی ہے کہ وہ انتخابات کے لئے اجلاس کے انعقاد سے چودہ یوم قبل کمپنی کے رجسٹرڈ آفس میں اپنے اندراج کے لئے مندرج ذیل درخواستیں جمع کرائیں۔
 - a. کمپنیز ایکٹ 2017ء کے سیکشن (3) 159 کے مطابق وہ خود کو ڈائریکٹر کے انتخاب کے لئے پیش کرنے کا نوٹس
 - b. امیدوار یہ بھی توثیق کرے گا کہ:
 - وہ لاگو قوانین و ضوابط کے تحت کمپنی کا / کی ڈائریکٹر بننے کے لئے نااہل نہ ہے۔
 - نہ ہی وہ اور نہ ہی اُس کا / کی جیون ساتھی بروکر تاج کاروبار سے منسلک ہے اور نہ ہی وہ کارپوریٹ بروکر تاج ہاؤس کا سپانسر ڈائریکٹر یا افسر ہے۔
 - اُس کا نام قومی ٹیکس دہندگان کی فہرست میں درج ہے۔ (ماسوائے وہ غیر ملکی ہو)
 - اُسے کسی مجاز عدالت کی جانب سے بینکنگ کمپنی، ترقیاتی مالی ادارے یا نان بینکنگ مالیاتی ادارے کا ناندہ نہ قرار دیا گیا ہو۔
 - وہ پانچ سے زائد سٹاکہولڈرز کا بیوقوف ڈائریکٹر نہ رہا / رہی ہو۔ جب کہ یہ حد سٹاکہولڈنگ کمپنی کی سٹاکہولڈنگ کی ڈائریکٹر شپ شامل نہ ہے۔
 - و کمپنیز ایکٹ 2017ء، سیکورٹیز ایکٹ 2015ء، کمپنی کے میمورنڈم اینڈ آرٹیکل آف ایسوسی ایشن اور تمام دیگر لاگو قوانین / اصول / ضوابط / کوڈز وغیرہ کے تحت ڈائریکٹر کے اختیارات اور فرائض سے واقف ہو۔
 - c. آزاد ڈائریکٹر کے مقابلہ کے لئے امیدوار کو کمپنیز ایکٹ 2017ء کے تحت آزاد ڈائریکٹر کی اہلیت کا اعلامیہ جمع کرانا ہوگا۔
 - d. کمپنیز ایکٹ 2017ء کے سیکشن 167 کے تحت فارم 28 پر ڈائریکٹر کا اقرارنامہ اور CNIC کی نقل جمع کرانا ہوگی۔
 - e. امیدوار کی مکمل تفصیلات بشمول اُس کے دفتر کا پتہ ضروری ہے۔ (مورخہ 10 جولائی 2014ء کے SECP کے مراسلہ SRO634(I)/2014 کے معیار کے مطابق اسے کمپنی کی ویب سائٹ پر شائع کیا جائے گا)۔

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کمپنیز ایکٹ کے سیکشن (3) 134 کے تحت بیان

میمورنڈم آف ایسوسی ایشن میں تبدیلی سے متعلق ایجنڈا آئیٹم (6)

کمپنیز ایکٹ 2017ء کے سیکشن 85 کی ذیلی شق 2 کے تحت، کمپنی اپنے مجاز حصص سرمایہ میں خصوصی قرارداد کے ذریعے تبدیلی لاسکتی ہے۔ اس تناظر میں میمورنڈم آف ایسوسی ایشن کی شق ۷ میں حسب ذیل ترمیم کی جاتی ہے:

مزید برآں، کمپنی کا کوئی بھی ڈائریکٹر یا چیف ایگزیکٹو یا ان کے رشتہ دار کو کمپنی کے میمورنڈم آف ایسوسی ایشن میں مجوزہ ترمیم میں کوئی فائدہ نہیں ہے ماسوائے کمپنی میں ہولڈنگ تک اور ان کی ڈائریکٹر/ چیف ایگزیکٹو/ شیئر ہولڈرز کے اختیارات تک۔

مندرجہ ذیل مجوزہ قرارداد کو خصوصی قرارداد کے طور پر پاس کیا جائے گا:

قرارداد کا مسودہ

قرار پایا کہ کمپنی کے میمورنڈم آف ایسوسی ایشن کی حالیہ شق ۷ کو حسب ذیل سے تبدیل کیا جاتا ہے:

کمپنی کا مجاز سرمایہ حصص میں 1,650,000,000 روپے (صرف ایک ارب پینسٹھ کروڑ روپے) ہے۔ جو کہ 165,000,000 حصص میں تقسیم ہے اور فی حصص قیمت 10 روپے ہے۔ اور یہ مجاز سرمایہ عمومی حصص اور ترجیحی حصص بمعہ حقوق۔ استحقاق اور شرائط جو کہ کمپنی کے قواعد میں اس وقت درج ہیں پر مشتمل ہے۔ اور کمپنی کمپنیز ایکٹ 2017ء کے قواعد کے تحت مجاز سرمایہ میں کمی بیشی کر سکتی ہے اور مجاز سرمائے کو مختلف اقسام کے حصص میں تقسیم کر سکتی ہے۔

مزید قرار پایا کہ اس خصوصی قرارداد کے مؤثر اور لاگو کرنے کے لئے چیف ایگزیکٹو آفیسر اور/ یا کمپنی سیکریٹری کو تمام قانونی اور کاروباری تقاضے پورے کرنے، ترمیم کرنے، تبدیلی، اضافہ یا حذف کرنے اور تمام ضروری دستاویزات رجسٹر کو جمع کرانے کا اختیار دیا جاتا ہے۔

جائزہ:

موجودہ میمورنڈم آف ایسوسی ایشن اور ترمیم کے بعد ممکنہ میمورنڈم آف ایسوسی ایشن کی نقول کمپنی کے رجسٹرڈ دفتر میں رکھی گئی ہے اس نوٹس کی اشاعت/ اجرا کے بعد کام کے دنوں میں کاروباری اوقات کار (صبح 09:00 سے شام 05:00 بجے تک) کے دوران اس کا جائزہ لیا جاسکتا ہے۔



Form for Video Conference Facility

The Company Secretary/Share Registrar,

I, We _____, of _____, being the registered shareholder(s) of the company under Folio No(s). _____ / CDC Participant ID No. ____ and Sub Account No. ____ / CDC Investor Account ID No., and holder of _____ Ordinary Shares, hereby request for video conference facility at _____ for the Annual General Meeting of the Company to be held on _____.

Date: _____

Member's signature

Note:

This Standard Request Form may be sent at either of the following addresses of the Company Secretary or Independent Share Registrar of the Company:

Company Secretary

At-Tahur Limited
182 Abu Bakar Block, New Garden Town, Lahore

Chief Executive,

M/s Corplink (Private) Limited
Independent Share Registrar of At-Tahur Limited
Wings Arcade, I-K, Commercial, Model Town, Lahore
Email: corplink786@gmail.com, shares@corplink.com.pk

Standard Request Form for Hard Copies of Annual Audited Accounts

Name of member: _____

CNIC No/Passport No: _____

Folio/CDC Participant ID/Sub a/c/Investor a/c: _____

Registered Address: _____

I/We hereby request you to provide me/us a hard copy of the Annual Report of At-Tahur Limited for the year ended June 30, _____ at my above-mentioned registered address instead of CD/DVD/USB.

I undertake to intimate any change in the above information through revised Standard Request Form.

Date: _____

Member's signature

Note:

This Standard Request Form may be sent at either of the following addresses of the Company Secretary or Independent Share Registrar of the Company:

Company Secretary

At-Tahur Limited
182 Abu Bakar Block, New Garden Town, Lahore

Chief Executive,

M/s Corplink (Private) Limited
Independent Share Registrar of At-Tahur Limited
Wings Arcade, I-K, Commercial, Model Town, Lahore
Email: corplink786@gmail.com, shares@corplink.com.pk



Consent Form for Electronic Transmission of Annual Report and Notice of AGM

M/s Corplink (Private) Limited
Independent Share Registrar of At-Tahur Limited
Wings Arcade, I-K, Commercial, Model Town, Lahore
Email: corplink786@gmail.com, shares@corplink.com.pk

Subject: **CONSENT FORM FOR ELECTRONIC TRANSMISSION OF ANNUAL REPORT AND NOTICE OF AGM**

Dear Sirs,

I/we, being the shareholder(s) of At-Tahur Limited ("Company"), do hereby consent and authorize the Company for electronic transmission of the Annual Audited Financial Statements of the Company along with Notice of Annual General Meeting via the Email provided herein below and further undertake to promptly notify the Company of any change in my Email address.

I understand that the transmission of Annual Audited Financial Statements of the Company along with Notice of Annual General Meeting via the Email shall meet the requirements as mentioned under the provisions of Companies Act, 2017.

1. Name of Shareholder(s): _____
2. Fathers / Husband Name: _____
3. CNIC: _____
4. NTN: _____
5. Participant ID / Folio No: _____
6. E-mail address: _____
7. Telephone: _____
8. Mailing address: _____

Signature: _____
(In case of corporate shareholders,
the authorized signatory must sign)

Date: _____

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Form of Proxy

Annual General Meeting

I/We _____
 of _____ in the district of _____ being a member of AT-TAHUR
 LIMITED hereby appoint _____
 of _____ another member of the Company or failing him/her
 appoint _____
 of _____ another member of the Company as my / our proxy to vote for
 me/us and on my/our behalf, at the Annual General Meeting of the Company to be held on Monday, October 28, 2019 at
 11:30 a.m. and at any adjournment thereof.

As witness my/our hand seal this _____ day of _____, 2019

Folio No.	CDC Account Holder		No. of
	Participant I D	Account/Sub Account	Ordinary held

Affix
Revenue of
Stamps of Rs. 5/-

Signature of Member

Witness 1

Signature _____

Name _____

CNIC No. _____

Passport No. _____

Address _____

Witness 2

Signature _____

Name _____

CNIC No. _____

Passport No. _____

Address _____

Important Notes:

- Proxies, in order to be effective, must be received at the Company's Registered Office situated at 182 Abu Bakar Block, New Garden Town, Lahore not later than 48 hours before the time for holding the meeting and must be duly stamped, signed and witnessed.
- If a member appoints more than one proxy and more than one instruments of proxies are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.
- No person can act as proxy unless he / she is member of the Company, except that a corporation may appoint a person who is not a member. For CDC Account Holders / Corporate entities In addition to the above, the following requirements have to be met.
 - The proxy form shall be witnessed by two persons whose name, address and Computerized National Identity Card (CNIC) number shall be mentioned on the form.
 - Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be provided with the proxy form.
 - The proxy shall produce original CNIC or passport at the time of attending the meeting.
 - In case of the Corporate entity, the Board of Directors' Resolution / Power of Attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

پراکسی (مختار نامہ) فارم 2019

سالانہ جنرل اجلاس

میں اہم _____ ساکن _____ ضلع _____ کا ا کے رہائشی ہوں / ہیں ا طہور لمیٹڈ کا ممبر ہونے کے ناطے _____ میں اہم _____ ساکن _____ کے رہائشی کو جو کہ کمپنی کا ایک اور ممبر ہے اپنا / اپنے متبادل مقرر کرتا ہوں / کرتے ہیں یا _____ ساکن _____ کے رہائشی کو جو کہ کمپنی کا ایک اور ممبر ہے اپنا / اپنے متبادل مقرر کرتا ہوں / کرتے ہیں۔ جو میرے اہمارے لئے اور میری اہماری طرف سے 28 اکتوبر 2019 بروز پیر دن صبح 11:30 بجے ہونیوالے کمپنی کے سالانہ جنرل اجلاس میں میری اہمارے طرف سے بحیثیت پراکسی ووٹ دیے کا مجاز ہوگا۔

آج مورخہ _____ 2019

فولیو نمبر	سی ڈی سی اکاؤنٹ / ذیلی اکاؤنٹ نمبر	عام حصص کی تعداد

پانچ روپے کی ٹکٹ
پر دستخط کریں
دستخط کمپنی کے ساتھ رجسٹرڈ نمونہ کیساتھ اتفاق کرنا چاہئے

گواہ شدگان 2

گواہ شدگان 1

دستخط _____ دستخط _____
نام _____ نام _____
شناختی کارڈ نمبر _____ شناختی کارڈ نمبر _____
پاسپورٹ نمبر _____ پاسپورٹ نمبر _____
پتہ _____ پتہ _____

نوٹ:

- 1۔ اجلاس شروع ہونے سے 48 گھنٹے پہلے 182 ایڈمبراک گارڈن، ڈائن لاہور میں واقع کمپنی کے رجسٹرڈ آفس میں پہنچنے والا دستخط شدہ اور ممبر لگا ہوا پراکسی فارم (مختار نامہ) موثر تصور کیا جائے گا۔
- 2۔ اگر ایک ممبر نے کمپنی میں ایک سے زیادہ پراکسی (متبادل رکن) مقرر کئے یا فارم جمع کروائے تو اس کے وہ تمام فارم غلط قرار دیئے جائیں گے۔
- 3۔ کوئی بھی فرد اس وقت تک متبادل رکن کے طور پر کام نہیں کر سکتا جب تک وہ کمپنی کا ممبر نہ ہو، سوائے کارپوریشن کے جو کسی بھی شخص کو متبادل رکن مقرر کر سکتی ہے۔

سی ڈی سی اکاؤنٹ ہولڈرز اور کارپوریٹ اداروں کیلئے

تذکرہ بالا کے علاوہ مندرجہ ذیل ضروریات کو بھی مد نظر رکھا جائے

- 1۔ پراکسی فارم دو افراد سے دستخط شدہ ہوا اور ان کے نام، پتہ اور شناختی کارڈ نمبر واضح لکھے ہوئے ہوں۔
- 2۔ اصل مالکان اور متبادل اراکین کے شناختی کارڈ یا پاسپورٹ کی فتول پراکسی فارم کیساتھ منسلک کی جائیں۔
- 3۔ متبادل رکن کو اجلاس کے وقت اصل شناختی کارڈ یا پاسپورٹ دکھانا ہوگا۔
- 4۔ کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی دستخط شدہ قرارداد اور آف انارٹی (مختار نامہ) پراکسی فارم کیساتھ کمپنی کو جمع کرنا ہوگا۔



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At-Tahur

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