



At-Tahur Limited

# 2021

## Annual Report



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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	
Dr. Farzana Firoz	
Mr. Shabbi Zahid Ali	
Syed Kashif ul Hassan Shah	

### 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  
Askari Bank Limited  
Allied Bank Limited  
Bank Islamic Pakistan Limited  
Dubai Islamic Bank Pakistan Limited  
Habib Metropolitan Bank Limited  
JS Bank Limited  
MCB 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](mailto:info@at-tahur.com)  
Web: [www.at-tahur.com](http://www.at-tahur.com)

### Project Locations

Kotli Rai Abubakar, Distirct Kasur



**Fresh . Pure . Nourishing**



## **Vision**

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

## **Mission**

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. It is one hundred percent natural, pure & fresh. Premá is the only milk in Pakistan that is free from all kind of additives, preservatives and growth hormones making it completely traceable from Grass to Glass.



**Fresh , Pure Nourishing**





Fresh . Pure . Nourishing

## Production & Processing

In order to set the highest standards in purity, hygiene and nourishment, Premá is produced in state of the art dairy facilities, 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



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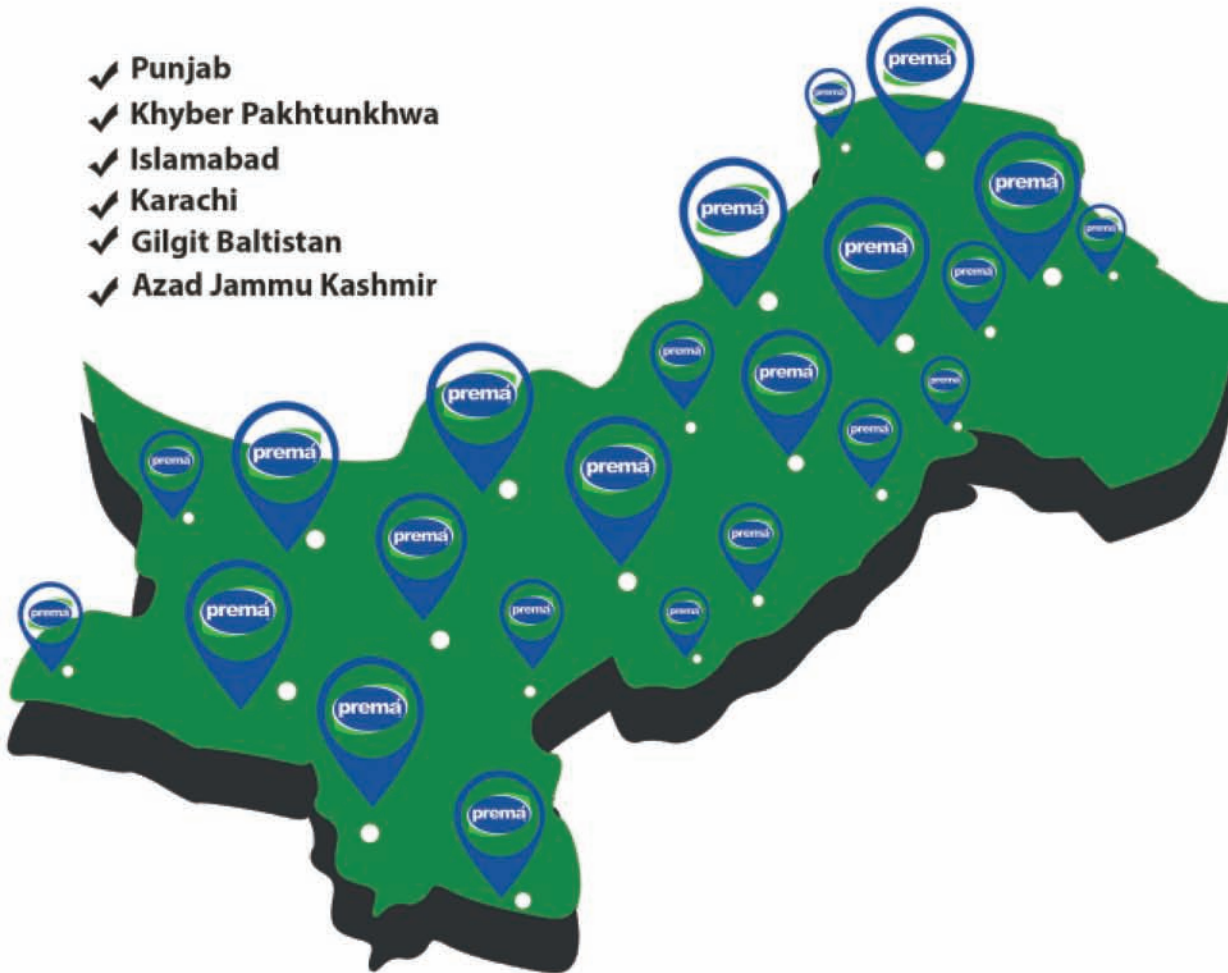




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# RETAIL OPERATIONS

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



Premá has a market footprint across Pakistan from Khyber to Karachi.





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# PASTEURIZED MILK



**Whole Milk**



**Low Fat Milk**

2 favorite variants free from any additives, preservatives & growth hormones.  
Fresh from pure breed Australian and Dutch cows.



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## YOGURT RANGE



**Low Fat Yogurt**



**Natural Yogurt**



**Sweet Yogurt**

Pure yogurt free from any preservatives and gelatin.





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## RAITA RANGE



**Zeera Raita**



**Podina Raita**

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.



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## CHUNKY FRUIT YOGURT



**Blueberry Chunky**



**Peach Chunky**



**Strawberry Chunky**

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 real fruit chunks. This gives a healthier and delicious alternative to the usual artificially sweetened deserts in the market.

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





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## FRUIT YOGURT



**Vanilla Yogurt**



**Anaar Yogurt**



**Strawberry Yogurt**



**Mango Yogurt**

Premá flavored yogurts provide a rich 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 - three most popular flavors in Pakistan.



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## PORTION SIZE PACKAGING



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

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

Premá Ecolean packaging offers convenience of being Microwaveable, and Easy to pour.





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## PURE CHOCOLATE MILK, BADAM ZAFRAN & STRAWBERRY MILK



Badam Zafran Milk

Chocolate Milk

Strawberry Milk

The distinct, smooth and rich flavors of pure Chocolate, Badam Zafran and Strawberry mixed with Premá's 100% pure cows' milk for a great experience.



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## LABAN RANGE



Sweet Laban



Salted Laban



Strawberry Laban

Annar Laban



Blueberry Laban

Premá 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 digestive system in top condition.





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## BUTTER RANGE



**Slow Churned Plain Butter**

**Slow Churned Mildly Salted Butter**

All natural and pure butter is produced through the slow churn process for retaining homemade goodness.

No colors, preservatives and additives.



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## CHEESE RANGE



**Cream Cheese**



**Mozzarella Cheese**

Prema Cream Cheese is produced from natural ingredients and is characterized by its distinct fresh taste. It is the perfect solution for a quick snack and also performs in hot and cold recipes; making it ideal for bakery applications.

Prema Mozzarella Cheese is a delicious stretched curd cheese, known for its soft texture and stringy nature. Prepared from Natural Ingredients, without any artificial colors, flavors or preservatives.

## Chairman's Message

On behalf of the Board, it is my pleasure to present the Annual Report for the year ended June 30<sup>th</sup>, 2021. 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 41%.

We aim to deliver strong business growth, supported by the expansion of processing facilities and improving efficiencies for delivering the best nutrition and positive impact on the lives of our consumers. In this regard, we continue to explore avenues, as we strongly believe that there is huge potential for expansion to fulfill the nutritional need of growing population base.

As pioneer in the pasteurized dairy sector, we have set high benchmarks for quality and customer-care, by producing fresh, pure and nourishing products to ensure well-being of our customers. As a result, At-Tahur Limited has been conferred with **'Brand of the Year Award' for two consecutive years i.e. 2019 & 2020** for the Fastest Growing Brand in Milk & Yogurt category, by The Brands Foundation FPCCI.

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"

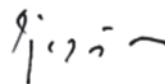
Pursuant to the updated Code of Corporate Governance, the company is trying to ensure full compliance. These steps will surely contribute to

board development, remuneration processes, accountability and audit, and relations with our valued shareholders.

The emergence of COVID-19 has caused major disruptions to economic activity around the world including Pakistan. The drop in the domestic and global demand compounded the strain on the economy. By the Grace of Allah Almighty, At-Tahur Limited by and large remained unscathed by the COVID scourge. We believe, we have emerged much stronger and more resilient on account of COVID challenge.

On behalf of the Board of Directors, I would like to express gratitude to our stakeholders for their continued support and encouragement. I would also like to appreciate the valuable services rendered by the employees of the company. I also acknowledge the commitment and diligence of my fellow directors and their valuable contributions for the continued growth of the company. I 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.



**Justice (R) Sheikh Ijaz Nisar**  
**Chairman**  
**At-Tahur Limited**

**Date: September 23, 2021**



## چیرمین کا پیغام

بورڈ آف ڈائریکٹرز کی جانب سے مالیاتی سال 2020-21 کی سالانہ رپورٹ پیش کرنے میں خوشی کا اظہار کرتا ہوں۔ الطہور لمیٹڈ (PSX: پریمیا) بغیر کسی رعایت کے اچھی کاروباری گورننس کے معیار کو برقرار رکھنے کے لئے پرعزم ہے۔ یہ کمپنی کی اعلیٰ نمونیک اور سال ہے۔ جہاں ہم نے 41 فی صد کی نمودرج کی۔

ہمارا مقصد مضبوط کاروباری نمونہ ہے۔ جس میں پروسسنگ کی سہولیات میں توسیع اور پیداواری میں بہتری 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 توسیع کی کافی گنجائش ہے۔

پیشہ انڈسٹری سیکٹر میں بطور کمپنی ہم نے اپنا مقصد اعلیٰ معیار اور کسٹمر کنیوینینا ہے اور اپنے صارفین کی بہتر صحت کے لیے تازہ خالص اور توانائی بخش مصنوعات مہیا کیں ہیں۔ اس کے نتیجے میں الطہور لمیٹڈ کو دو دھار دہی کی فروخت میں تیزی سے اضافہ کی وجہ سے مسلسل دو سال "برانڈ آف دی ایئر ایوارڈ" 2019 اور 2020 "ملا 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 کال لبالب یہ تھا: ”پریمیا ملک کے علاوہ تمام دیگر نمونے انسانی استعمال کے لئے نامناسب پائے گئے ہیں۔“ عدالت عظمیٰ پاکستان کا رروائی۔ 2016۔

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

کارپوریٹ گورننس کے تازہ ترین جاری کردہ ضابطہ کے مطابق کمپنی کارپوریٹ گورننس کے ضابطہ اخلاق کی مکمل تکمیل کی کوشش کر رہی ہے۔ یہ اقدامات بورڈ کی ترقی، معاوضے کے عمل، احتساب، آڈٹ اور حصص یافتگان کے ساتھ تعلقات میں بہتری لائیں گے۔

کوویڈ 19 نے پاکستان سمیت دنیا بھر میں معاشی سرگرمیوں میں بڑی رکاوٹیں کھڑی کیں ہیں۔ ملکی اور عالمی طلب میں کمی نے معیشت پر مزید دباؤ ڈالا ہے۔ اللہ کے فضل سے الطہور لمیٹڈ کو ویڈ 19 کی لعنت سے بآسانی چھٹکارہ مل گیا۔ کوویڈ 19 کی وجہ سے ہم مزید مضبوط بن کر نکلے۔

میں ڈائریکٹرز کی جانب سے تمام اسٹیک ہولڈرز کی مسلسل حمایت اور حوصلہ افزائی کے لیے اظہار تشکر کرتا ہوں اور کمپنی کے ملازمین کی گراں قدر خدمات کی بھی تعریف کرنا چاہتا ہوں اور مزید برآں اپنے ساتھی ڈائریکٹرز کی بھی خدمات کا شکریہ ادا کرتا ہوں جو انہوں نے کمپنی کی مسلسل ترقی کے لیے کیں۔ اس موقع پر میں اپنے معزز کسٹمرز اور صارفین کا بھی شکریہ ادا کرتا ہوں جنہوں نے ہماری مصنوعات پر اعتماد کیا اور کمپنی کی ترقی کو یقینی بنانے کے لئے مسلسل مدد فراہم کی۔

—

اعجاز ٹار جسٹس (ریٹائرڈ)

چیرمین

الطہور لمیٹڈ

23 ستمبر 2021ء



## Directors' Report

### Dear Fellow shareholders of At-Tahur Limited,

On behalf of the Board of Directors of the Company, it gives me immense pleasure to present the Annual Report of the Company for the year ended June 30th, 2021 together with the audited financial statements for the year in accordance with the accounting, regulatory and legal standards and requirements.

### Business Environment

Despite myriad challenges, Pakistan's economy is moving progressively on higher inclusive and sustainable growth path on the back of various measures and achievements during the year. Manufacturing sector has witnessed broad-based growth as major sectors of Large Scale Manufacturing have shown significant improvement i.e., Textile, Food Beverages & Tobacco, Non-Metallic Mineral Products and Automobile. First nine months of FY-2021 recorded highest period wise growth of 8.99 percent since FY-2007. In National Accounts, growth of QIM has registered a 9.3 percent growth for FY-2021 on the standard methodology of Pakistan Bureau of Statistics (PBS). Major contributors to this growth are Textile (5.9 percent), Food Beverage & Tobacco (11.7 percent), Petroleum products (12.7 percent), Pharmaceuticals (12.6 percent), Chemicals (11.7 percent), Non-Metallic Mineral Products (24.3 percent), Automobiles (23.4 percent) and Fertilizer (5.7 percent). Ministry of National Food Security & Research with its re-defined role under the 18th Constitutional Amendment undertook the following measures:

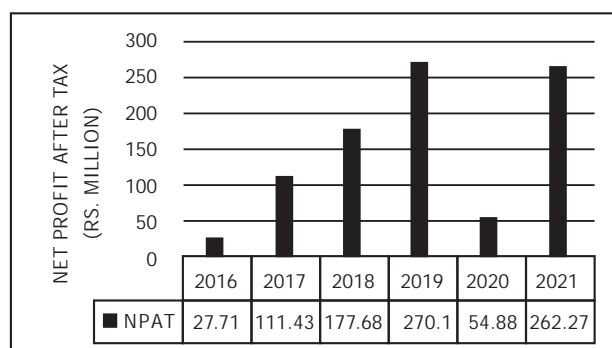
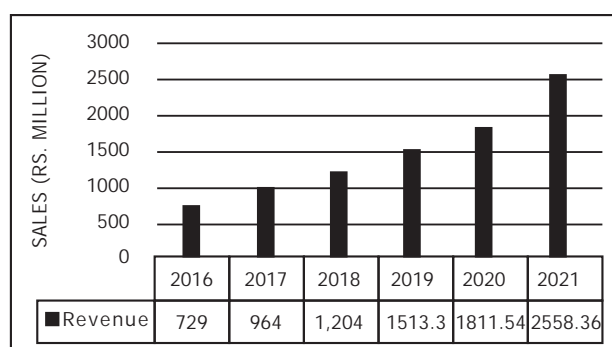
- Import of high yielding dairy cattle breeds of Holstein-Friesian and Jersey for enhanced milk production;
- Provision of semen and embryos of high yielding animals for the genetic improvement of indigenous low producing animals;
- Import of high-quality feed stuff/micro ingredients for improving the nutritional quality of animals & poultry feed, and;
- Import of dairy, meat and poultry processing machinery / equipment's at concessional tariff/duty in order to encourage and promote the establishment of value addition in the country.

### Financial Performance

During the year, your Company has posted after tax profit of PKR 262.27 million (Fy20: profit of PKR 54.88 million). The equity of the Company as at the balance sheet date is PKR 2.66 billion (June 30, 2020: PKR 2.40 billion), which translates into book value per share of PKR 14.99 (June 30, 2020: PKR 14.91).

PKR Million	2020-21	2019-20	Change (YOY)
Revenue	2,558.36	1811.54	41%
Gross Profit margin	1,114.51	800.13	39%
Operating Profit margin	421.54	172.26	145%
Net Profit before tax	363.44	118.60	206%
Net Profit after tax	262.27	54.88	378%
Earnings per share*	1.48	0.31	377%

\* Earnings per share for the year ended 30 June 2020 is restated from PKR 0.34 to PKR 0.31.



The company has posted new records on the financial front with net sales revenue of Rs. 2,558.36 million, up by 41% as compared to Rs. 1,811.54 million last years. Due to increase in sales during the year, Profit after tax increased by 378% to Rs. 262.27 million from Rs. 54.88 million posted last year. The overall increase in the revenue 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. The earnings per share of your Company for the year ended June 30, 2021 was PKR 1.48 diluted compared to PKR 0.31 (re-stated) reported last year.

## Directors' Report

### CONTRIBUTION TO NATIONAL EXCHEQUER

During the year, the Company contributed a sum of Rs.46.10 million, in terms of Income taxes, sales tax and other government levies, to the national exchequer, which amounts to about 1.80% of the total revenue of the Company.

### DIRECTORS' STATEMENT ON CORPORATE & FINANCIAL REPORTING FRAME WORK

- 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;
- Proper books of account of the Company have been maintained;
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- 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;
- The System of Internal Control is sound in design and has been effectively implemented and monitored;
- There are no significant doubts upon the listed company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance;
- Key operating and financial data of last six years in a summarized form is attached.
- 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:

- Male 06
- Female 01

The Composition of Board of Directors is as follows:

#### a. Independent Directors:

- Mr. Ijaz Nisar Justice (Rtd.)
- Mr. Aurangzeb Firoz
- Mr. Amar Zafar Khan

4. Dr. Farzana Firoz

5. Syed Kashif ul Hassan Shah

#### b. Other Non-Executive Directors:

- Mr. Shabbi Zahid Ali

#### c. Executive Directors:

- Mr. Rasikh Elahi

Four meetings of the Board of Directors were held during the year 2020-21. 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	4
4	Mr. Aurangzeb Firoz	3
5	Dr. Farzana Firoz	1
6	Mr. Kashif ul Hassan Shah	4
7	Mr. Shabbi Zahid Ali	4

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

### AUDIT COMMITTEE

The Board of Directors in compliance to the Code of Corporate Governance has established an Audit Committee and 4 Audit Committee Meetings were held during the year 2020-21. Attendance by each member is as under:

Sr. No.	Name of Director	No. Of Meetings Attended
1	Mr. Aurangzeb Firoz	3
2	Mr. Amar Zafar Khan	4
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 1 HR&RC Meeting was held during the year 2020-21. Attendance by each member is as under:

## Directors' Report

Sr. No.	Name of Director	No. Of Meetings Attended
1	Mr. Ijaz Nisar Justice (Rtd.)	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.

The gross managerial remuneration of Mr. Rasikh Elahi, Executive Director was revised as Rs. 2,000,000/- per month w. e. f. July 2020. The gross managerial remuneration is subject to the adjustment to related benefits effective from July 2020. Remaining entitlements remain unchanged.

Remuneration of CEO, Directors & Executives is disclosed in note no. 38 to the financial statements for the year ended June 30, 2021.

### 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. Nil i.e. Nil % along with issuance of 12% Bonus Shares i.e. 1.2 shares for every 10 shares.

The Break-up value per share for the year is Rs. 14.99/-.

### AUDITORS

The existing auditors, M/s Riaz Ahmad & Co., Chartered Accountants retire and being eligible, offer themselves for re-appointment. The Directors endorse the recommendation of the Audit Committee for re-appointment of M/s Riaz Ahmad & Co, as the auditors for the year ending June 30, 2022.

### 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, 2021, 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.

### PERFORMANCE EVALUATION OF DIRECTORS ON THE BOARD:

The Board has developed and adopted structured self –evaluation criteria and processes to evaluate its own performance, as well as individual performance of members and committees.

### 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.

### BUSINESS IMPACT ON ENVIRONMENT

The management believes that Eco -friendly activities have gained significant importance over the years. The company installed 1.2 MW solar system at farm, plant and head office, which shows our commitment and intent in reducing carbon emission, greenhouse gasses, etc.

Furthermore, cows' manure is being supplied in growing organic crops which again fortifies our commitment towards social welfare of the community and the environment at large.

### 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.

# Directors' Report

## 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 2021 till today.

## FUTURE OUTLOOK

The future prospects of your Company are exceedingly promising on account of the Management's efforts towards increasing the Company's market share through wider participation in all its business segments. The Company is striving to yield better volumes from its existing clientele as well as prospective clients by expanding and growing relationships with them through the Company's premium suite of products. This includes offering new and novel products and services through unrelenting research and focus on quality offerings.

## 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.

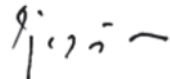
For & On behalf of Board of Directors



**Rasikh Elahi**

Chief Executive Officer

September 23, 2021



**Ijaz Nisar Justice (Rtd.)**

Director



## ڈائریکٹرز کی رپورٹ

### پیارے کمپنی کے حصص داران:

کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے مجھے 30 جون 2021 کو ختم ہونے والے سال کے آڈٹ شدہ مالی حسابات جو کہ اکاؤنٹنگ، ریگولیٹری اور قانونی معیارات کے مطابق ہیں کو پیش کرنے پر فخر محسوس کرتا ہوں۔

### کاروباری ماحول:

متعدد چیلنجوں کے باوجود پاکستان کی معیشت ترقی کے ساتھ آگے بڑھ رہی ہے اور یہ پائیدار ترقی مختلف اقدامات اور کامیابیوں کی وجہ سے ہے۔ مینوفیکچرنگ کے شعبہ میں وسیع بنیادوں پر ترقی ہوئی کیونکہ LSM کے بنیادی شعبہ جات نے نمایاں بہتری دیکھائی مثلاً ٹیکسٹائل، فوڈ، مشروبات اور تمباکو، غیر دھاتی مصنوعات اور آٹوموبائل۔ مالی سال 2021 کے پہلے نو ماہ میں مالی سال 2007 کے بعد 8.99 فیصد کی سب سے زیادہ مدت وار ترقی ریکارڈ کی گئی۔ قومی کھاتوں میں QIM کی نمو نے مالی سال 2021 کے لیے 9.3 فیصد اضافہ پاکستان بیورو آف سٹیٹسٹکس (PBS) کے معیاری طریقہ کار پر درج کیا گیا ہے۔ اس بہتری میں نمایاں شعبہ جات ٹیکسٹائل (5.9 فیصد)، فوڈ مشروبات اور تمباکو (11.7 فیصد)، پیٹرولیم مصنوعات (12.7 فیصد)، دواسازی (12.6 فیصد)، کیمیکلز (11.7 فیصد)، غیر دھاتی معدنی مصنوعات (24.3 فیصد)، آٹوموبائل (23.4 فیصد) اور کھاد (5.7 فیصد) 18 ویں ترمیم کے تحت NFS&R نے اپنے دوبارہ بیان کردہ کردار کے ساتھ مندرجہ ذیل اقدامات کیے۔

- دودھ کی پیداوار بڑھانے کے لیے ہولسٹین - فریسیٹن اور جرسی کی زیادہ پیداوار دینے والی ڈیری مویشیوں کی درآمد۔

- کم پیداوار والے جانوروں کی جنیتی بہتری کے لیے زیادہ پیداوار دینے والے جانوروں کی منی اور جین کی فراہمی۔
- جانوروں اور پولٹری کے غذائی معیار کو بہتر بنانے کے لیے اعلیٰ معیار کی کھالوں کی چیزیں / مائیکرو اجزاء کی درآمد۔
- ملک میں ویلیو ایڈیشن کے قیام کی حوصلہ افزائی اور فروغ دینے کے لیے ڈیری، گوشت، پولٹری پروسیسنگ، مشینری / سامان کی رعایتی ڈیوٹی پر درآمد۔

### مالی کارکردگی

سال کے دوران کمپنی نے بعد از ٹیکس منافع 262.27 ملین روپے دیکھایا (جون 2020: 54.88 ملین روپے)۔ کمپنی کا سرمایہ ٹیلنس شیٹ کی تاریخ کو 2.66 بلین روپے (جون 2020: 2.40 بلین روپے)۔ کمپنی کے شیئر کی کتابی قیمت 14.99 روپے (جون 2020: 14.91 روپے)۔

### مالیاتی کارکردگی کا خلاصہ

ملین روپے	2020-21	2019-20	فرق (سالانہ بنیاد پر)
آمدنی	2,558.36	1811.54	41%
مجموعی پرافٹ مارجن	1,114.51	800.13	39%
آپریٹنگ پرافٹ مارجن	421.54	172.26	145%
خالص منافع بمعہ ٹیکس	363.44	118.60	206%
خالص منافع علاوہ ٹیکس	262.27	54.88	378%
فی حصص آمدنی	1.48	0.31	377%

## ڈائریکٹرز کی رپورٹ

ایک حصص کی آمدنی 30 جون 2021ء کے لیے دوبارہ بنائی گئی جو کہ 0.34 روپے سے 0.31 روپے ہو گئی۔

پچھلے سال 54.88 ملین روپے تھا۔ آمدنی میں اضافہ نئی مصنوعات کے اجراء۔ سیلز ٹیکس میں تبدیلی اور مصنوعات کی مانگ میں اضافے کے سبب ہوا۔ 30 جون 2021 کو ختم ہونے والے سال میں آپ کی کمپنی کی فی حصص آمدنی 1.48 جبکہ پچھلے سال 0.31 روپے تھی۔

### قومی خزانے میں حصہ:

دوران سال کمپنی نے انکم ٹیکس، ایکسائز ڈیوٹی، سیلز ٹیکس اور دیگر حکومتی ٹیکسوں کی مد میں قومی خزانے میں 40.10 ملین روپے جمع کروائے۔ جو کمپنی کی کل آمدن کا 1.80 فیصد ہے۔

### کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک سے متعلق ڈائریکٹرز کا بیان

(a) 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۔

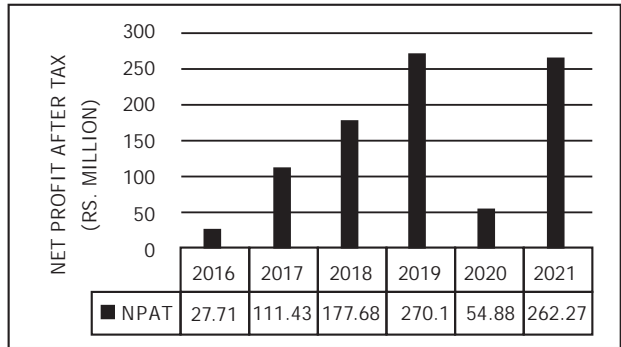
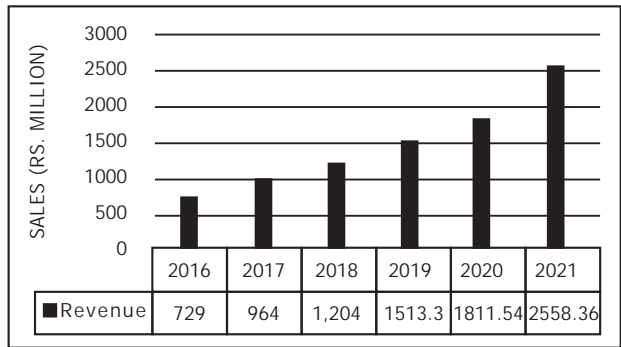
(b) کمپنی نے کھاتوں کی موزوں کتابیں مرتب کی ہیں۔

(c) 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 اور حساباتی تخمینوں کی بنیاد معقول اور مضبوط فیصلوں پر ہے۔

(d) 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۔

(e) اندرونی ضبط کا نظام انتہائی مضبوط ہے اور اس کا مؤثر انداز میں اطلاق کیا گیا ہے اور اس کی نگرانی کی جاتی ہے۔

(f) کاروباری جاری رکھنے کی لٹھ کمپنی کی صلاحیت میں کوئی ابہام موجود نہ ہے۔



کمپنی نے سال 2021 میں 2558.36 ملین روپے کی ریکارڈ فروخت کی جو کہ سال 2020 کے 1811.54 ملین روپے کے مقابلہ میں 41 فیصد زیادہ ہے۔ کوویڈ-19 کی وجہ سے پوری دنیا کی معیشت پر منفی اثرات پڑے جس کی وجہ سے ڈیفیڈ ٹیکس اتاثر جات میں 62.31 ملین روپے کی کمی ہوئی۔ ٹیکس کے بعد کا منافع 378 فیصد بڑھ کر 262.27 ملین روپے ہوا جبکہ یہ

## ڈائریکٹرز کی رپورٹ

نمبر شمار	ڈائریکٹر کا نام	حاضری کی تعداد
1.	محترم اعجاز نثار	4
2.	محترم راسخ الہی	4
3.	محترم عامر ظفر خان	4
4.	محترم اورنگزیب فیروز	3
5.	ڈاکٹر فرزانہ فیروز	1
6.	محترم کاشف الحسن شاہ	4
7.	محترم شعی زاہد علی	4

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

- (g) لسٹنگ ریگولیشنز میں بیان کردہ کاروباری گورننس کی بہترین عمل داری میں کوئی رکاوٹ موجود نہ ہے۔
- (h) گذشتہ چھ برس کے بنیادی افعالی اور مالیاتی اعداد و شمار مختصر آلف ہذا ہیں۔
- (i) ٹیکس، ڈیوٹی، لیوی اور اخراجات کی مد میں قانونی ادائیگیاں کردی گئی ہیں۔ ماسوائے ان کے جو مالیاتی گوشواروں میں بیان کی گئی ہیں۔

### بورڈ اور اس کے اجلاس

ڈائریکٹرز کی کل تعداد حسب ذیل ہے:

a. مرد 06

b. خواتین 01

بورڈ آف ڈائریکٹرز کی ترکیب حسب ذیل ہے:

a. آزاد ڈائریکٹرز

1. محترم اعجاز نثار (جسٹس ریٹائرڈ)

2. محترم اورنگزیب فیروز

3. محترم عامر ظفر خان

4. ڈاکٹر فرزانہ فیروز

5. سید کاشف الحسن شاہ

b. دیگر نان ایگزیکٹو ڈائریکٹرز

1. محترم شعی زاہد علی

c. ایگزیکٹو ڈائریکٹرز

1. محترم راسخ الہی

### آڈٹ کمیٹی

کوڈ آف کارپوریٹ گورننس کی تعمیل میں بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی تشکیل دی ہے اور سال 2020-21ء 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	3
2.	محترم عامر ظفر خان	4
3.	محترم شعی زاہد علی	4

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

سال 2020-21ء میں بورڈ آف ڈائریکٹرز کے چار اجلاس منعقد ہوئے۔ (سال میں کسی بھی وقت) ڈائریکٹرز کے نام اور ان کی حاضری حسب ذیل ہے:



## ڈائریکٹرز کی رپورٹ

### 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 2020-21 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 ثار	1
2.	محترم شعی زاہد 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 ادائیگی 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 بورڈ اجلاس میں 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 کے لئے معاوضہ وصول کرنے کے حق سے دستبردار ہو سکتے ہیں۔

ایگزیکٹو ڈائریکٹر محترم راسخ الہی کی مجموعی انتظامی معاوضہ پر نظر ثانی کے بعد 2 ملین ماہانہ مجموعی معاوضہ 1 جولائی 2020 سے طے پایا تھا۔ مجموعی انتظامی معاوضہ جولائی 2020 سے متعلقہ فوائد سے مبرا ہے۔ باقی معاملات میں کوئی تبدیلی نہیں آئی تھی۔

چیف ایگزیکٹو، ڈائریکٹر اور ایگزیکٹو کا معاوضہ نوٹ نمبر 38 میں درج ہے۔

### 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۔

### انویسٹرویلیو

زیر جائزہ سال کے دوران بورڈ آف ڈائریکٹرز نے 0 روپے یعنی 0 فی صد حتمی نقد منافع منقسمہ اور ہر دس حصص کے لئے 1.2 بونس شیئر یعنی 12 فی صد شیئر کے اجراء کی سفارش کی ہے۔

سال بھر کے لئے بریک اپ ویلیو فی حصص -/14.99 روپے ہے۔

### آڈیٹرز

موجودہ آڈیٹرز میسرز ریاض احمد اینڈ کو، چارٹرڈ اکاؤنٹنٹس ریٹائر ہو چکے ہیں اور اہل ہونے کی بنا پر اپنی دوبارہ تقرری کی پیشکش کرتے ہیں۔ ڈائریکٹرز نے 30 جون 2022ء کو اختتام پذیر سال کے لئے آڈٹ کمیٹی کی سفارشات پر میسرز ریاض احمد اینڈ 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۔

## ڈائریکٹرز کی رپورٹ

### شیر ہولڈنگ کی وضع

کمپنیز ایکٹ 2017ء کے سیکشن 227 اور کوڈ آف کارپوریٹ گورننس کے تحت 30 جون 2021ء کو کمپنی کی شیر ہولڈنگ کی وضع ساتھ منسلک ہے۔

### بنیادی فعلی اور مالیاتی اعداد و شمار

گذشتہ چھ برس کا بنیادی فعلی 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۔

### ماحول پر کاروباری اثرات

انتظامیہ کا خیال ہے کہ گذشتہ برسوں میں ماحول دوست سرگرمیوں نے نمایاں اہمیت حاصل کی ہے۔ کمپنی نے فارم، پلانٹ اور ہیڈ آفس میں 1.2 میگاواٹ سولر سسٹم لگایا ہے جو کہ کاربن کے اخراج اور گرین ہاؤس گیسوں وغیرہ کو کم کرنے میں ہماری وابستگی اور ارادے کو ظاہر کرتا ہے۔

مزید برآں بڑھتی ہوئی نامیاتی فصلوں میں گائے کے گوبر کی کھاد مہیا کی جا رہی ہے جس سے ہماری ماحول کو بہتر کرنے کی کاوش کو تقویت ملتی 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۔

### چیزمین کا تجزیہ

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

### مادی تبدیلی

30 جون 2021ء سے آج تک کمپنی کی مالیاتی حالت کو متاثر کرنے والی کوئی تبدیلی یا ہدف سامنے نہیں آیا ہے۔

### مستقبل کا منظر نامہ

انتظامیہ کی کاوشوں کی وجہ سے آپ کی کمپنی کا مستقبل بہتر ہے جو کہ مارکیٹ شیر میں اضافے اور تمام کاروباری طبقات میں وسیع پیمانے پر شرکت ہے۔ کمپنی اپنے موجودہ گاہکوں کے علاوہ متوقع گاہکوں سے اچھے بزنس کی اُمید کرتی ہے۔ اس سلسلے میں کمپنی اپنے گاہکوں کو بہترین مصنوعات فراہم کر رہی ہے۔ یہ سب کام تحقیق کے ساتھ گاہکوں کو عمدہ نئی مصنوعات کی فراہمی کی وجہ سے ممکن 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 وینڈرز، 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۔

منجانب/ برائے بورڈ آف ڈائریکٹرز

اعجاز نثار

ڈائریکٹر

راخ الہی

چیف ایگزیکٹو ڈائریکٹر

23 ستمبر 2021ء

## Key Operating and Financial Data of Seven Years at a Glance

<b>A. Summary of Statement of Profit or Loss</b>		<b>2021 Rupees</b>	<b>2020 Rupees</b>	<b>2019 Rupees</b>	<b>2018 Rupees</b>	<b>2017 Rupees</b>	<b>2016 Rupees</b>
Sales		2,558,360,057	1,811,537,025	1,513,288,448	1,204,453,369	963,902,663	728,785,909
Gross profit		1,114,507,613	800,133,084	790,893,137	550,424,642	390,525,641	346,981,071
Profit from operation		421,536,054	172,255,337	271,676,992	169,760,824	94,241,060	31,199,080
Profit before taxation		363,439,157	118,603,740	249,212,255	160,552,135	88,762,330	25,639,463
Profit after taxation		262,269,635	54,884,617	270,100,072	177,680,359	111,426,261	27,713,312
<b>B. Summary of Statement of Financial Position</b>							
Share capital		1,774,670,700	1,613,337,000	1,466,670,000	1,100,000,000	1,100,000,000	1,100,000,000
Accumulated profit for the period		885,680,269	791,629,896	937,349,391	331,663,877	152,655,512	38,879,790
Long term liabilities		517,380,372	198,929,029	144,575,080	229,594,833	37,100,400	18,003,302
Current liabilities		761,891,645	642,422,131	384,935,915	416,240,553	187,544,675	138,965,494
Non Current Assets		3,191,012,689	2,661,605,533	2,235,909,450	1,642,606,223	1,101,423,768	1,092,646,431
Current Assets		748,610,297	584,712,523	697,620,936	854,092,706	375,876,819	252,202,155
<b>C. Performance Indicators</b>							
Gross profit ratio	(%)	43.56	44.17	52.26	45.70	40.52	47.61
Operating profit margin to sales	(%)	16.48	9.51	17.95	14.09	9.78	4.28
Net profit margin to sales (Net)	(%)	10.25	3.03	17.85	14.75	11.56	3.80
Return on average equity	(%)	10.36	2.28	21.05	16.15	10.13	2.79
Return on capital employed	(%)	9.86	2.28	9.26	6.80	6.38	2.32
Return on average assets	(%)	7.30	1.78	9.95	8.94	7.90	2.20
Current Ratio	(Times)	0.98	0.91	1.81	2.05	2.00	1.81
Quick Ratio	(Times)	0.48	0.59	1.45	1.85	1.54	1.33
Debtors turnover ratio	(Times)	20.43	16.10	20.41	18.75	29.22	61.77
Average collection period	(Days)	17.87	22.67	17.88	19.47	12.49	5.91
Inventory turnover ratio	(Times)	12.59	14.16	10.99	14.21	11.05	11.00
No. of days in Inventory	(Days)	28.98	25.78	26.82	26.06	29.07	41.05
Total assets turnover	(Times)	0.65	0.56	0.56	0.61	0.68	0.58
Earning per Share	(Rs)	1.48	0.34	1.69	1.62	1.01	0.28
Break-up value per share	(Rs)	14.99	14.91	15.06	13.02	11.39	11.41
Debt equity ratio		0.19	0.08	0.06	0.16	0.03	0.02
Total Liabilities to total assets	(%)	32.47	25.92	18.05	25.87	15.21	11.67



## Pattern of Shareholding

As at June 30, 2021

No. of Shareholders	From	To	Total Shares Held
181	1	100	6,112
245	101	500	87,998
439	501	1,000	319,046
712	1,001	3,500	1,604,383
157	5,001	10,000	1,229,625
66	10,001	15,000	818,953
38	15,001	20,000	689,514
34	20,001	25,000	802,200
15	25,001	30,000	429,700
16	30,001	35,000	513,370
11	35,001	40,000	427,400
6	40,001	45,000	259,490
20	45,001	50,000	991,000
5	50,001	55,000	262,850
4	55,001	60,000	232,950
6	60,001	65,000	378,285
2	65,001	70,000	137,500
3	70,001	75,000	222,600
4	75,001	80,000	315,500
5	80,001	85,000	412,505
2	85,001	90,000	177,650
3	90,001	95,000	278,300
5	95,001	100,000	495,060
1	100,001	105,000	101,815
1	110,001	115,000	114,601
2	115,001	120,000	238,000
2	135,001	140,000	280,000
1	145,001	150,000	148,590
1	150,001	155,000	154,137
1	155,001	160,000	159,500
1	160,001	165,000	165,000
1	200,001	205,000	203,000
1	205,001	210,000	209,350
2	220,001	225,000	447,000
1	225,001	230,000	228,085
3	245,001	250,000	748,500
1	260,001	265,000	263,250
3	270,001	275,000	821,500
1	280,001	285,000	280,500
2	295,001	300,000	600,000
1	300,001	305,000	303,000
1	305,001	310,000	308,276
1	405,001	410,000	406,000
1	420,001	425,000	422,400
1	440,001	445,000	445,000
1	470,001	475,000	475,000
2	480,001	485,000	968,000
3	495,001	500,000	1,497,500
1	545,001	550,000	548,000
2	550,001	555,000	1,109,146
1	560,001	565,000	562,000
1	565,001	570,000	567,420

## Pattern of Shareholding

As at June 30, 2021

1	570,001	575,000	575,000
1	630,001	635,000	632,049
1	705,001	710,000	705,833
1	745,001	750,000	747,500
1	780,001	785,000	785,000
1	800,001	805,000	804,500
2	815,001	820,000	1,631,664
1	895,001	900,000	899,700
1	1,095,001	1,100,000	1,099,000
1	1,285,001	1,290,000	1,286,754
1	1,400,001	1,405,000	1,404,250
1	1,515,001	1,520,000	1,520,000
1	3,930,001	3,935,000	3,933,750
1	4,475,001	4,480,000	4,476,725
1	5,130,001	5,135,000	5,131,585
1	47,115,001	47,120,000	47,116,509
1	80,850,001	80,855,000	80,850,690
2038			<b>177,467,070</b>

<b>2.3</b>	<b>Categories of shareholders</b>	<b>Share held</b>	<b>Percentage</b>
2.3.1	Directors, Chief Executive Officer, and their spouse and minor children	129,490,078	72.9657%
2.3.2	Associated Companies, undertakings and related parties. (Parent Company)	0	0.0000%
2.3.3	NIT and ICP	1,109,146	0.6250%
2.3.4	Banks Development Financial Institutions, Non Banking Financial Institutions.	0	0.0000%
2.3.5	Insurance Companies	5,734,975	3.2316%
2.3.6	Modarabas and Mutual Funds	8,218,507	4.6310%
2.3.7	Shareholders holding 10% or more	127,967,199	72.1076%
2.3.8	General Public		
	a. Local	25,286,085	14.2483%
	b. Foreign	3,237	0.0018%
2.3.9	Others (to be specified)		
<b>1- Pension Funds</b>		1,293,768	0.7290%
<b>2- Joint Stock Companies</b>		5,377,586	3.0302%
<b>3- Others</b>		953,688	0.5374%

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

As on June 30, 2021

Sr. No.	Name	No. of Shares Held	Percentage
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**Associated Companies, Undertakings and Related Parties (Name Wise Detail):**

-

-

**Mutual Funds (Name Wise Detail)**

1	CDC - TRUSTEE ABL STOCK FUND (CDC)	148,590	0.0837
2	CDC - TREUSTEE AKD OPPORTUNITY FUND (CDC)	300,000	0.1690
3	CDC - TRUSTEE ALFALAH GHP VALUE FUND (CDC)	319	0.0002
4	CDC - TRUSTEE APF-EQUITY SUB FUND (CDC)	275,000	0.1550
5	CDC - TRUSTEE APIF - EQUITY SUB FUND (CDC)	280,500	0.1581
6	CDC - TRUSTEE ATLAS ISLAMIC DEDICATED STOCK FUND (CDC)	209,350	0.1180
7	CDC - TRUSTEE ATLAS ISLAMIC STOCK FUND (CDC)	1,404,250	0.7913
8	CDC - TRUSTEE ATLAS STOCK MARKET FUND (CDC)	3,933,750	2.2166
9	CDC - TRUSTEE AWT ISLAMIC STOCK FUND (CDC)	12,169	0.0069
10	CDC - TRUSTEE MEEZAN ISLAMIC FUND (CDC)	632,049	0.3562
11	CDC - TRUSTEE NBP ISLAMIC ACTIVE ALLOCATION EQUITY FUND (CDC)	263,250	0.1483
12	CDC - TRUSTEE NBP ISLAMIC REGULAR INCOME FUND (CDC)	60,000	0.0338
13	CDC - TRUSTEE NBP ISLAMIC STOCK FUND (CDC)	80,840	0.0456
14	MC FSL - TRUSTEE JS GROWH FUND (CDC)	548,000	0.3088
15	MCBFSL - TRUSTEE ABL ISLAMIC STOCK FUND (CDC)	1,865	0.0011

**Directors and their Spouse and Minor Children (Name Wise Detail):**

1	MR. RASIKH ELAHI	80,850,690	45.5581
2	MR. SHABBI ZAHID ALI	605	0.0003
3	MR. AURANGZEB FIROZ	706,439	0.3981
4	SHEIKH IJAZ NISAR	1	0.0000
5	DR. FARZANA FIROZ (CDC)	815,832	0.4597
6	MR. AMAR ZAFAR KHAN	1	0.0000
7	SYED KASHIF UL HASSAN SHAH (CDC)	1	0.0000
8	MRS. ZAHRA ALI ELAHI W/O RASIKH ELAHI	47,116,509	26.5494

**Executives:**

-

-

**Public Sector Companies & Corporations:**

-

-

**Banks, Development Finance Institutions, Non Banking Finance**

7,097,318

3.9992

**Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:**

**Shareholders holding five percent or more voting interest in the listed company (Name Wise Detail)**

1	MR. RASIKH ELAHI	80,850,690	45.5120
2	MRS. ZAHRA ALI ELAHI W/O RASIKH ELAHI	47,116,509	26.5225

**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	Bonus
1	MR. RASIKH ELAHI		2	7,350,062
2	MR. SHABBI ZAHID ALI			55
3	MR. AURANGZEB FIROZ			64,221
4	DR. FARZANA FIROZ			74,166
5	MRS. ZAHRA ALI ELAHI W/O RASIKH ELAHI			4,283,319



# Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019

For the year ended June 30, 2021

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

1. The total number of directors are seven (07) as per following:

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

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 Syed Kashif ul Hassan Shah Dr. Farzana Firoz (Female Director)
2	Non-Executive Directors	Mr. Shabbi Zahid Ali
3	Executive Director	Mr. Rasikh Elahi (Chief Executive)
3.	The Directors have confirmed that none of them is serving as a Director on more than seven listed companies, including this Company;	
4.	The Company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;	
5.	The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;	
6.	All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Act and these Regulations;	
7.	The meetings of the Board were presided over by the Chairman and, in his absence, by a Director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;	
8.	The Board has a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations;	
9.	The Board has arranged Directors' Training program for the following;	
	1.	Mr. Amar Zafar Khan
	2.	Mr. Aurangzeb Firoz
	3.	Syed Kashif ul Hassan Shah
10.	The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.	
11.	Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;	

## Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019

For the year ended June 30, 2021

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

**a) Audit Committee:**

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

**b) HR and Remuneration Committee:**

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

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:

**a) Audit Committee:**

Four meetings were held during the financial year ended June 30, 2021.

**b) Human Resource & Remuneration Committee:**

Four meetings were held during the financial year ended June 30, 2021.

15. The Board has set up an effective internal audit function who are considered suitably qualified and experienced for the purpose and are 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 Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the company;

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

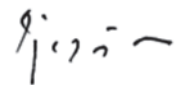
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with;

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

# Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019

For the year ended June 30, 2021

Sr. No.	Requirements	Explanation of non-Compliance	Regulation Number
1	<b>Representation of Minority shareholders</b> Acquainting the directors with these Regulations, applicable laws, their duties and responsibilities.	All the directors are suitably qualified and experienced and three of them have completed their prescribed Directors' Training.	18
2	<b>Directors' Training</b> At least 75% of the directors have acquired the prescribed certification under Directors Training upto June 30, 2021.	3 out of 7 directors of the Company have acquired Directors' Training Program certification. The Company has planned to arrange Directors' Training Program certification for remaining four directors before June 30, 2022.	19(1)
3	<b>Directors' Training</b> Companies are encouraged to arrange training for at least one female executive every year under the Directors' Training Program from year July 2020.	The Company has planned to arrange Directors' Training Program certification for female executives over the next few years.	19(3)
4	<b>Company Secretary</b> Same person shall not simultaneously hold office of Chief Financial Officer and the Company Secretary.	The Company is in process to separate these two designations.	24
5	<b>Nomination Committee</b> The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	Currently, the Board has not constituted a separate nomination committee and the functions are being performed by the human resource and remuneration committee. The Board shall consider to constitute nomination committee when required.	29
6	<b>Risk Management Committee</b> The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	Currently, the Board has not constituted a risk management committee and senior officers of the Company perform the requisite functions and apprise the Board accordingly. The Board shall consider to constitute risk management committee when required.	30
7	<b>Disclosure of significant policies on website</b> The Company may post key elements of its significant policies, brief synopsis of terms of reference of the Board's committees on its website and key elements of the directors' remuneration policy.	Although these are well circulated among the relevant employees and directors, the Board shall consider posting such policies and synopsis on its website in near future.	35

  
**IJAZ NISAR JUSTICE (RTD.)**  
Chairman  
September 23, 2021  
Lahore



## Independent Auditor's Review Report to the members of At-Tahur Limited

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

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of At-Tahur Limited (the Company) for the year ended 30 June 2021 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 30 June 2021.



**RIAZ AHMAD & COMPANY**  
**Chartered Accountants**

**Lahore**

**Date: September 23, 2021**

# Independent Auditor's Report to the Members of At-Tahur Limited

## 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 2021, 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 2021 and of the profit, other comprehensive income, the changes in equity and its cash flows for the year then ended.

### Basis for Opinion

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

### 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.	<p><b>Fair value recognition of biological assets</b></p> <p>As at 30 June 2021, 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 1,660.109 million, which approximates the fair value less costs to sell representing 42.14% of its total assets.</p> <p>During the year ended 30 June 2021, the Company has recognized fair value gain of Rupees 360.585 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.</p>	<p>Our audit procedures in relation to the determination of fair value of biological assets, amongst others, included the following:</p> <p>We obtained understanding and assessed the Company's internal controls over the determination of fair value of dairy livestock at each reporting date.</p> <p>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 accounting and reporting standards.</p>

## Independent Auditor's Report to the Members of At-Tahur Limited

### Report on the Audit of the Financial Statements

Sr. No.	Key audit matters	How the matters were addressed in our audit
	<p>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.</p> <p>For further information on biological assets, refer to the following:</p> <p>Summary of significant accounting policies, Biological assets note 2.7 to the financial statements.</p> <p>Biological assets note 17 to the financial statements.</p>	<p>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.</p> <p>We considered the objectivity, independence and expertise of the independent valuers.</p> <p>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.</p>
2.	<p><b>Revenue recognition</b></p> <p>The Company recognized net revenue from contracts with customers of Rupees 2,558.360 million for the year ended 30 June 2021.</p> <p>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.</p> <p>For further information, refer to the following:</p> <p>Summary of significant accounting policies, Revenue recognition note 2.24 to the financial statements.</p> <p>Revenue from contracts with customers note 28 to the financial statements.</p>	<p>Our procedures included, but were not limited to:</p> <p>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.</p> <p>We compared a sample of revenue transactions recorded during the year with sales orders, sales invoices, delivery documents and other relevant underlying documents.</p> <p>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.</p> <p>We tested the effectiveness of the Company's internal controls over the calculation and recognition of discounts.</p>

# Independent Auditor's Report to the Members of At-Tahur Limited

## Report on the Audit of the Financial Statements

Sr. No.	Key audit matters	How the matters were addressed in our audit
		<p>We assessed whether the accounting policies for revenue recognition complies with the requirements of IFRS 15 'Revenue from Contracts with Customers'.</p> <p>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.</p> <p>We also considered the appropriateness of disclosures in the financial statements.</p>

### 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



## Independent Auditor's Report to the Members of At-Tahur Limited Report on the Audit of the Financial Statements

accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

## Independent Auditor's Report to the Members of At-Tahur Limited Report on the Audit of the Financial Statements

### 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 Mubashar Mehmood.



**RIAZ AHMAD & COMPANY**

**Chartered Accountants**

**Lahore**

**Date: September 23, 2021**

# Statement of Financial Position

as at 30 JUNE 2021

	NOTE	2021 Rupees	2020 Rupees
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Authorized share capital</b>			
200,000,000 (2020: 165,000,000) ordinary shares of Rupees 10 each		2,000,000,000	1,650,000,000
Issued, subscribed and paid-up share capital	3	1,774,670,700	1,613,337,000
Reserves	4	885,680,269	791,629,896
<b>Total equity</b>		<b>2,660,350,969</b>	<b>2,404,966,896</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Employees' retirement benefit	5	87,923,340	65,130,626
Lease liabilities	6	99,697,421	44,433,861
Long term financing	7	317,970,905	89,364,542
Deferred income - Government grant	8	11,788,706	-
		<b>517,380,372</b>	<b>198,929,029</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	395,971,277	274,422,342
Short term borrowings	10	275,353,193	301,836,072
Accrued mark-up / profit	11	12,782,755	10,438,482
Current portion of non-current liabilities	12	77,741,268	55,652,752
Unclaimed dividend	13	43,152	72,483
		<b>761,891,645</b>	<b>642,422,131</b>
<b>Total liabilities</b>		<b>1,279,272,017</b>	<b>841,351,160</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	14	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,939,622,986</b>	<b>3,246,318,056</b>

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

	NOTE	2021 Rupees	2020 Rupees
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	15	1,389,142,377	1,007,330,330
Right-of-use assets	16	100,125,822	83,545,757
Biological assets	17	1,657,574,595	1,474,184,813
Long term security deposits	18	24,911,609	14,981,049
Deferred income tax asset - net	19	19,258,286	81,563,584
		<b>3,191,012,689</b>	<b>2,661,605,533</b>
<b>CURRENT ASSETS</b>			
Stores	20	36,306,621	15,714,571
Inventories	21	343,239,717	188,231,480
Biological assets	17	2,533,952	2,679,413
Trade debts	22	98,465,275	84,279,634
Short term investment	23	-	4,619,240
Short term advances and prepayments	24	43,200,188	67,794,404
Short term deposits and other receivables	25	64,751,860	69,037,479
Advance income tax - net of provision for taxation	26	45,880,670	79,116,124
Cash and bank balances	27	114,232,014	73,240,178
		<b>748,610,297</b>	<b>584,712,523</b>
<b>TOTAL ASSETS</b>		<b>3,939,622,986</b>	<b>3,246,318,056</b>



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER



# Statement of Profit or Loss

For the year ended 30 June 2021

	NOTE	2021 Rupees	2020 Rupees
REVENUE FROM CONTRACTS WITH CUSTOMERS	28	2,558,360,057	1,811,537,025
GAIN ARISING ON INITIAL RECOGNITION OF MILK AT FAIR VALUE LESS COSTS TO SELL AT THE TIME OF MILKING	29.1	1,542,066,484	903,032,176
GAINS ARISING FROM CHANGES IN FAIR VALUE LESS COSTS TO SELL OF DAIRY LIVESTOCK	17.1	360,585,057	392,755,960
OPERATING COSTS	29	4,461,011,598 (3,346,503,985)	3,107,325,161 (2,307,192,077)
		1,114,507,613	800,133,084
ADMINISTRATIVE AND GENERAL EXPENSES	30	(178,970,009)	(164,933,058)
SELLING AND MARKETING EXPENSES	31	(280,415,732)	(264,882,868)
OTHER EXPENSES	32	(242,136,094)	(205,683,617)
		(701,521,834)	(635,499,543)
		412,985,779	164,633,541
OTHER INCOME	33	8,550,275	7,621,796
PROFIT FROM OPERATIONS		421,536,054	172,255,337
FINANCE COST	34	(58,096,897)	(53,651,597)
PROFIT BEFORE TAXATION		363,439,157	118,603,740
TAXATION	35	(101,169,522)	(63,719,123)
PROFIT AFTER TAXATION		262,269,635	54,884,617
EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)	36	1.48	0.31

(Restated)

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



CHIEF EXECUTIVE



DIRECTOR



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# Statement of Comprehensive Income

For the year ended 30 June 2021

	2021 Rupees	2020 Rupees
PROFIT AFTER TAXATION	262,269,635	54,884,617
OTHER COMPREHENSIVE (LOSS) / INCOME		
Items that may be reclassified subsequently to profit or loss	-	-
Items that will not be reclassified to profit or loss:		
Remeasurement of defined benefit plan - net of tax	(6,885,562)	329,678
Other comprehensive (loss) / income for the year - net of tax	(6,885,562)	329,678
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	255,384,073	55,214,295

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 2021

	SHARE CAPITAL	RESERVES			TOTAL
		CAPITAL RESERVE	REVENUE RESERVE	TOTAL RESERVES	
		SHARE PREMIUM	UN-APPR- OPRIATED PROFIT		
Balance as at 30 June 2019	1,466,670,000	356,138,586	581,210,805	937,349,391	2,404,019,391
Transactions with owners:					
Issue of 01 bonus share for every 10 ordinary shares for the year ended 30 June 2019	146,667,000	(146,667,000)	-	(146,667,000)	-
Final dividend for the year ended 30 June 2019 @ Rupee 0.37 per share	-	-	(54,266,790)	(54,266,790)	(54,266,790)
	146,667,000	(146,667,000)	(54,266,790)	(200,933,790)	(54,266,790)
Profit for the year	-	-	54,884,617	54,884,617	54,884,617
Other comprehensive income for the year	-	-	329,678	329,678	329,678
Total comprehensive income for the year	-	-	55,214,295	55,214,295	55,214,295
Balance as at 30 June 2020	1,613,337,000	209,471,586	582,158,310	791,629,896	2,404,966,896
Transaction with owners					
Issue of 01 bonus share for every 10 ordinary shares for the year ended 30 June 2020	161,333,700	(161,333,700)	-	(161,333,700)	-
Profit for the year	-	-	262,269,635	262,269,635	262,269,635
Other comprehensive loss for the year	-	-	(6,885,562)	(6,885,562)	(6,885,562)
Total comprehensive income for the year	-	-	255,384,073	255,384,073	255,384,073
				-	-
Balance as at 30 June 2021	1,774,670,700	48,137,886	837,542,383	885,680,269	2,660,350,969

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 2021

	NOTE	2021 Rupees	2020 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Cash generated from operations</b>	<b>37</b>	<b>341,599,382</b>	78,650,551
Finance cost paid		(48,545,572)	(39,384,772)
Income tax paid		(5,628,770)	(26,688,531)
Net increase in security deposits		(9,930,560)	(1,364,700)
<b>Net cash generated from operating activities</b>		<b>277,494,480</b>	11,212,548
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Capital expenditure on property, plant and equipment		(478,910,970)	(113,519,116)
Initial direct cost incurred on right-of-use asset		(353,156)	(257,235)
Purchase of dairy livestock		(90,739,477)	(242,990,308)
Proceeds from sale of operating fixed assets		23,116,500	2,200,000
Short term investments made		-	(104,500,000)
Short term investments disposed of		4,619,240	100,000,000
Proceeds from sale of dairy livestock		51,170,637	24,667,179
Return on bank deposits		10,307	1,222,484
Interest on term deposit receipts		53,762	3,114,626
<b>Net cash used in investing activities</b>		<b>(491,033,157)</b>	(330,062,370)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Short term borrowings - net		(26,482,879)	151,836,072
Repayment of lease liabilities		(11,329,384)	(10,616,189)
Long term financing obtained		305,349,760	40,080,829
Long term financing repaid		(12,977,653)	(9,103,008)
Dividend paid		(29,331)	(54,194,307)
<b>Net cash from financing activities</b>		<b>254,530,513</b>	118,003,397
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>40,991,836</b>	(200,846,425)
<b>Cash and cash equivalents at the beginning of the year</b>		<b>73,240,178</b>	274,086,603
<b>Cash and cash equivalents at the end of the year</b>		<b>114,232,014</b>	73,240,178

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 2021

## 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. On 23 July 2018, the Company was listed on Pakistan Stock Exchange Limited. 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 Geographical location and addresses of all business units are as follows:

Dairy Farm, Distribution Centers and Offices	Addresses
<b>Dairy farm and plant</b>	Kotli Rai Abubakar, District Kasur
<b>Distribution Centers:</b>	
Lahore	The Enterprise Building, 1 K.M. Thokar Niaz Baig, Near Eden Value Homes, Multan Road, Lahore
Rawalpindi	Modern Flour Mills, Naseerabad, Peshawar Road, Rawalpindi
<b>Offices:</b>	
Head office	182, Abu Bakar Block, New Garden Town, Lahore
Sargodha office	Z block, New Satellite Town, Sargodha
Multan office	New Airport Road, Madina-tul-Aulia Bridge, Wasil Road, Multan
Faisalabad office	Susan Road, Faisalabad
Gujranwala office	Ikram Town, Bazar No. 1, Jinnah Road, Gujranwala
Peshawar office	Malik Shams Rehman Market, Ring Road, Peshawar

## 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 as otherwise stated in the respective accounting policies.

# Notes to the Financial Statements

For the year ended 30 June 2021

## 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 and other factors, including expectations 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, patterns of economic benefits and impairment

Estimates with respect to residual values and useful lives and pattern of flow of economic benefits are based on the analysis of the management of the Company. Further, the Company reviews the value of assets for possible impairment on an annual basis. Any change in the estimates in the future might affect the carrying amount of respective item 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 5.5.

### 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.

# Notes to the Financial Statements

For the year ended 30 June 2021

## Contingencies

The Company reviews the status of all pending litigations and claims against the Company. Based on the judgment and the advice of the legal advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the statement of financial position date.

## Provisions

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

## Recovery of deferred income tax assets

Deferred income tax assets are recognised for deductible temporary differences only if the Company considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

### d) **Amendments to published approved accounting standards that are effective in current year and are relevant to the Company**

Following amendments to published approved accounting standards are mandatory for the Company's accounting periods beginning on or after 01 July 2020:

IAS 1 (Amendments) 'Presentation of Financial Statements' and IAS 8 (Amendments) 'Accounting Policies, Changes in Accounting Estimates and Errors'

International Accounting Standards Board's revised Conceptual Framework -March 2018

IFRS 16 (Amendments) 'Leases'

Interest Rate Benchmark Reform which amended IFRS 9 'Financial Instruments', IAS 39 'Financial Instruments: Recognition and Measurement' and IFRS 7 'Financial Instruments: Disclosures'

The above-mentioned amendments to approved accounting standards did not have any impact on the amounts recognised in prior period and are not expected to significantly affect the current or future periods.

### e) **Amendments to published approved accounting standards that are effective in current year but not relevant to the Company**

There are amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2020 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.

### f) **Amendments to published approved accounting standards that are not yet effective but relevant to the Company**

Following amendments to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after 01 July 2021 or later periods:

# Notes to the Financial Statements

For the year ended 30 June 2021

Classification of liabilities as current or non-current (Amendments to IAS 1 'Presentation of Financial Statements') effective for the annual period beginning on or after 01 January 2023. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'.

Onerous Contracts-Cost of Fulfilling a Contract (Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets') effective for the annual period beginning on or after 01 January 2022 amends IAS 1 'Presentation of Financial Statements' by mainly adding paragraphs which clarify what comprise the cost of fulfilling a contract. Cost of fulfilling a contract is relevant when determining whether a contract is onerous. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16 'Property, Plant and Equipment') effective for the annual period beginning on or after 01 January 2022. Clarifies that sales proceeds and cost of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc, are recognized in profit or loss in accordance with applicable Standards. The entity measures the cost of those items applying the measurement requirements of IAS 2 'Inventories'. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

The following annual improvements to IFRS standards 2018-2020 are effective for annual reporting periods beginning on or after 01 January 2022:

- IFRS 9 'Financial Instruments' The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability.
- IFRS 16 'Leases' The amendment partially amends Illustrative Example 13 accompanying IFRS 16 'Leases' by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.
- IAS 41 'Agriculture' The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique

Disclosure of Accounting Policies (Amendments to IAS 1 'Presentation of Financial Statements' and



## Notes to the Financial Statements

For the year ended 30 June 2021

IFRS Practice Statement 2 'Making Materiality Judgement') effective for annual periods beginning on or after 01 January 2023. These amendments are intended to help preparers in deciding which accounting policies to disclose in their financial statements. Earlier, IAS 1 states that an entity shall disclose its 'significant accounting policies' in their financial statements. These amendments shall assist the entities to disclose their 'material accounting policies' in their financial statements.

Covid-19-Related Rent Concessions (Amendment to IFRS 16 'Leases') effective for annual reporting periods beginning on or after 01 April 2021. These amendments permit a lessee to apply the practical expedient regarding COVID-19-related rent concessions. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 'Income taxes') effective for annual periods beginning on or after 01 January 2023. These amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments are to be applied retrospectively; restatement of prior periods is not required.

Change in definition of Accounting Estimate (Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors') effective for annual periods beginning on or after 1 January 2023. This change replaced the definition of Accounting Estimate with a new definition, intended to help entities to distinguish between accounting policies and accounting estimates.

Interest Rate Benchmark Reform-Phase 2 which amended IFRS 9 'Financial Instruments', IAS 39 'Financial Instruments: Recognition and Measurement', IFRS 4 'Insurance Contracts' and IFRS 7 'Financial Instruments: Disclosures' is applicable for annual financial periods beginning on or after 01 January 2021. The changes made relate to the modification of financial assets, financial liabilities and lease liabilities, specific hedge accounting requirements, and disclosure requirements applying IFRS 7 to accompany the amendments regarding modifications and hedge accounting.

The above amendments and improvements are likely to have no significant impact on the financial statements.

**g) 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 2021 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 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.

# Notes to the Financial Statements

For the year ended 30 June 2021

## 2.3 Taxation

### a) Current

Pro vision 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

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 land and capital work-in-progress are stated at cost less any recognized 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

# Notes to the Financial Statements

For the year ended 30 June 2021

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 period in which they are incurred.

## Depreciation

Depreciation on property, plant and equipment is charged to the statement of profit or loss applying the reducing balance method so as to write off the cost / depreciable amount of the assets over their estimated useful lives except for leasehold land, which is depreciated over the lease period using straight-line method, rates given in note 15. Depreciations on additions is charged from the month in which the assets are available for use up to the month prior to disposal. The residual values and useful lives are reviewed by the management, at each financial period-end and adjusted if impact on depreciation is significant.

## 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 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 Right-of-use assets

A right-of-use asset is recognized at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is shorter. Where the Company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is charged over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

The Company has elected not to recognize a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are charged to income as incurred.

## 2.9 Lease liabilities

A lease liability is recognized at the commencement date of a lease. The lease liability is initially recognized at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable

# Notes to the Financial Statements

For the year ended 30 June 2021

lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are re-measured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is re-measured, an adjustment is made to the corresponding right-of-use asset, or to statement of profit or loss if the carrying amount of the right-of-use asset is fully written down.

## 2.10 Ijarah contracts

Under the Ijarah contracts, the Company obtains usufruct of an asset for an agreed period for an agreed consideration. The Company accounts for its Ijarah contracts in accordance with the requirements of IFAS 2 'Ijarah'. Accordingly, the Company as a Mustaj'ir (lessee) in the Ijarah contract recognises the Ujrah (lease) payments as an expense in the profit or loss on straight line basis over the Ijarah term.

## 2.11 Investments and other financial assets

### a) *Classification*

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.

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



# Notes to the Financial Statements

For the year ended 30 June 2021

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 (FVTPL)**

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 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.

## **2.12 Financial liabilities-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

# Notes to the Financial Statements

For the year ended 30 June 2021

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.

## 2.13 Impairment of financial assets

The Company recognizes loss allowances for Expected Credit Losses (ECLs) on:

- Financial assets measured at amortized cost;
- Debt investments measured at FVTOCI; and
- Contract assets.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

The Company has elected to measure loss allowances for trade debts using IFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Company has established a matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment including forward-looking information.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

# Notes to the Financial Statements

For the year ended 30 June 2021

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

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

## 2.14 De-recognition of financial assets and financial liabilities

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

## 2.15 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.

## 2.16 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.

## 2.17 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.

# Notes to the Financial Statements

For the year ended 30 June 2021

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 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.

## **2.18 Impairment of non-financial assets**

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.

## **2.19 Trade debts and other receivables**

Trade debts are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses.

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

## **2.20 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.

## **2.21 Borrowing costs**

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.

## **2.22 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.

## **2.23 Trade and other payables**

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

## **2.24 Revenue recognition**

### **a) 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.

# Notes to the Financial Statements

For the year ended 30 June 2021

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.

**b) 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.

**c) Other revenue**

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

**2.25 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.

**2.26 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.

**2.27 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.

**2.28 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.

**2.29 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.

**2.30 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



# Notes to the Financial Statements

For the year ended 30 June 2021

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.

## 2.31 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.

## 2.32 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.

## 2.33 Contingent liabilities

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

## 2.34 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.

## 2.35 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.

## 2.36 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of fixed assets are included in non-current liabilities as deferred income and are credited to profit or loss over the expected lives of the related assets.

## 2.37 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.

# Notes to the Financial Statements

For the year ended 30 June 2021

## 3 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

	2021 Number of shares	2020 Number of shares		2021 Rupees	2020 Rupees
	110,000,000	110,000,000	Ordinary shares of Rupees 10 each fully paid-up in cash	1,100,000,000	1,100,000,000
	67,467,070	51,333,700	Ordinary shares of Rupees 10 each issued as fully paid-up bonus shares	674,670,700	513,337,000
	177,467,070	161,333,700		1,774,670,700	1,613,337,000

### 3.1 Movement during the year:

	161,333,700	146,667,000	At the beginning of reporting period	1,613,337,000	1,466,670,000
	16,133,370	14,666,700	Issue of ordinary shares of Rupees 10 each as fully paid-up bonus shares	161,333,700	146,667,000
	177,467,070	161,333,700	At 30 June	1,774,670,700	1,613,337,000

**3.2** Chief executive and directors of the Company held 80,850,690 (2020: 73,500,626) and 1,522,879 (2020: 1,384,437) ordinary shares respectively of the Company as at 30 June 2021. 52,248,094 (2020: 47,498,268) ordinary shares are held by family members of the chief executive of the Company.

	2021 Rupees	2020 Rupees
<b>4 RESERVES</b>		
<b>Composition of reserves is as follows:</b>		
<b>Capital reserve</b>		
Share premium (Note 4.1)	48,137,886	209,471,586
<b>Revenue reserve</b>		
Un-appropriated profit	837,542,383	582,158,310
	885,680,269	791,629,896

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

# Notes to the Financial Statements

For the year ended 30 June 2021

## 5 EMPLOYEES' RETIREMENT BENEFIT

The latest actuarial valuation of the defined benefit obligation as at 30 June 2021 was carried out using the projected unit credit method. Details of the obligation as per actuarial valuation are as follows:

	2021 Rupees	2020 Rupees	
<b>5.1 The amount recognized in the statement of financial position is as follows:</b>			
Present value of defined benefit obligation (Note 5.2)	87,923,340	65,130,626	
<b>5.2 Movement in the liability recognized in the statement of financial position is as follows:</b>			
Opening balance	65,130,626	49,402,851	
Net charge for the year	20,868,655	21,100,580	
Benefits due but not paid	(4,961,503)	(4,908,470)	
Actuarial losses / (gains) from changes in financial assumptions	81,976	(218,052)	
Experience adjustments	6,803,586	(246,283)	
Closing balance	87,923,340	65,130,626	
<b>5.3 The amount recognized in the statement of profit or loss is as follows:</b>			
Current service cost	15,543,416	14,410,402	
Interest cost on defined benefit obligation	5,325,239	6,690,178	
	20,868,655	21,100,580	
<b>5.3.1 The charge for the year has been allocated as follows:</b>			
Operating costs (Note 29.2)	9,460,458	9,253,856	
Administrative and general expenses (Note 30.1)	4,054,482	4,068,120	
Selling and marketing expenses (Note 31.1)	7,353,715	7,778,604	
	20,868,655	21,100,580	
<b>5.4 Remeasurements recognized in statement of comprehensive income:</b>			
Actuarial losses / (gains) from changes in financial assumptions	81,976	(218,052)	
Experience adjustments	6,803,586	(246,283)	
	6,885,562	(464,335)	
	2021	2020	
<b>5.5 Principal actuarial assumptions used are as follows:</b>			
Expected rate of eligible salary increase in future	% per annum	9.00	7.50
Discount rate	% per annum	10.00	8.50

# Notes to the Financial Statements

For the year ended 30 June 2021

**5.6** Mortality was assumed to be based on SLIC 2001-2005 ultimate mortality rates with one year set back.

	2021 Rupees	2020 Rupees	2019 Rupees	2018 Rupees	2017 Rupees
<b>5.7 Historical information</b>					
Experience adjustment on defined benefit obligation for current and previous years	<b>6,803,586</b>	(246,283)	11,070,323	(1,915,820)	(3,717,464)
Actuarial losses from changes in demographic assumptions	-	-	-	-	326,474
Actuarial losses / (gains) from changes in financial assumptions	<b>81,976</b>	(218,052)	149,959	18,668	(14,026)
Present value of defined benefit obligation for current and previous years	<b>87,923,340</b>	65,130,626	49,402,851	28,077,763	21,104,991
Experience adjustment on defined benefit obligation	<b>13.77%</b>	(0.50%)	39.43%	(9.08%)	(20.65%)

**5.8** Estimated charge to statement of profit or loss for the year ending on 30 June 2022 will be Rupees 26.529 million.

## 5.9 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	82,425,173	94,233,181
Future salary increase	100	97,233,181	82,330,160

**5.9.1** 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.

**5.10** The average duration of the defined benefit obligation is 7 years.

	2021 Rupees	2020 Rupees
<b>6 LEASE LIABILITIES</b>		
Total lease liabilities	<b>114,614,303</b>	87,108,959
Less: Current portion shown under current liabilities (Note 12)	<b>(14,916,882)</b>	(42,675,098)
	<b>99,697,421</b>	44,433,861

# Notes to the Financial Statements

For the year ended 30 June 2021

	2021 Rupees	2020 Rupees
<b>6.1 Reconciliation of lease liabilities is as follows:</b>		
Opening balance	87,108,959	-
Add: Adjustment on adoption of IFRS 16 on 01 July 2019	-	86,724,617
Add: Additions during the year	78,634,728	11,323,200
Add: Interest accrued during the year (Note 34)	9,508,042	5,327,879
Less: Payments made during the year	(20,837,426)	(16,266,737)
Less: Termination of lease during the year	(39,800,000)	-
	<b>114,614,303</b>	<b>87,108,959</b>
Less: Current portion shown under current liabilities (Note 12)	<b>(14,916,882)</b>	<b>(42,675,098)</b>
	<b>99,697,421</b>	<b>44,433,861</b>
<b>6.2 Maturity analysis of lease liabilities is as follows:</b>		
Upto 6 months	11,677,103	41,463,455
6-12 months	11,896,720	4,462,897
1-2 year	24,815,703	12,173,574
More than 2 years	98,767,677	38,387,510
	<b>147,157,203</b>	<b>96,487,436</b>
Less: Future finance cost	<b>32,542,900</b>	<b>9,378,477</b>
Present value of lease liabilities	<b>114,614,303</b>	<b>87,108,959</b>
<b>6.3 Amounts recognized in the statement of profit or loss</b>		
Interest accrued during the year (Note 34)	9,508,042	5,327,879
Expense relating to leases of low-value assets (included in selling and marketing expenses)	2,772,070	1,550,952
Total amount recognized in statement of profit or loss	<b>12,280,112</b>	<b>6,878,831</b>
<b>6.4</b> The interest expense on lease liabilities for the year is Rupees 9.508 million (2020: 5.328 million). The total cash outflow for leases for the year ended 30 June 2021 amounted to Rupees 20.837 million (2020: 14.693 million).		
<b>6.5</b> Implicit rates against lease liabilities range from 9.96% to 10.35% (2020: 10.72% to 16.72%) per annum.		
<b>6.6</b> Leases from banking companies are secured against the leased assets, specific hypothecation charge over leased assets, personal guarantee of chief executive of the Company and security deposits of Rupees 13.722 million (2020: 12.827 million).		
	2021 Rupees	2020 Rupees
<b>7 LONG TERM FINANCING</b>		
<b>From banking companies - secured</b>		
Long term musharakah (Note 7.1)	262,834,252	62,261,367
Long term loans (Note 7.2)	115,053,971	40,080,829
	<b>377,888,223</b>	<b>102,342,196</b>
Less: Current portion shown under current liabilities (Note 12)	<b>(59,917,318)</b>	<b>(12,977,654)</b>
	<b>317,970,905</b>	<b>89,364,542</b>



# Notes to the Financial Statements

For the year ended 30 June 2021

LENDER	2021	2020	RATE OF PROFIT / INTEREST PER ANNUM	NUMBER OF INSTALMENTS	PROFIT / INTEREST REPRICING	PROFIT / INTEREST PAYABLE	SECURITY
7.1							
Long term musharakah							
MCB Islamic Bank Limited	2,011,500	2,179,125	1 year KIBOR + 2.25%	Sixteen equal quarterly instalments commenced on 4 September 2019 and ending on 4 June 2024.	Yearly	Quarterly	These are secured against first pari passu charge of Rupees 233,000 million by way of hypothecation on all present and future current assets of the Company, first pari passu charge of Rupees 233,000 million over Company's existing land and existing and future fixed assets (building and plant and machinery) and personal guarantee of chief executive of the Company. Repayment period includes deferment of repayment of principal loan amount by one year in accordance with State Bank of Pakistan BPRD Circular Letter No. 13 of 2020 dated 26 March 2020.
MCB Islamic Bank Limited	10,599,859	11,483,181	1 year KIBOR + 2.25%	Sixteen equal quarterly instalments commenced on 4 September 2019 and ending on 4 June 2024.	Yearly	Quarterly	
MCB Islamic Bank Limited	14,424,235	14,424,235	1 year KIBOR + 2.25%	Sixteen equal quarterly instalments commenced on 9 October 2019 and ending on 9 July 2024.	Yearly	Quarterly	
MCB Islamic Bank Limited	2,147,587	2,147,587	1 year KIBOR + 2.25%	Sixteen equal quarterly instalments commenced on 9 October 2019 and ending on 9 July 2024.	Yearly	Quarterly	
MCB Islamic Bank Limited	9,212,239	9,212,239	1 year KIBOR + 2.25%	Sixteen equal quarterly instalments commenced on 9 October 2019 and ending on 9 July 2024.	Yearly	Quarterly	
MCB Islamic Bank Limited	20,913,750	22,815,000	3 months KIBOR + 2.25%	Twenty four equal monthly instalments commenced on 11 August 2020 and ending on 11 April 2023.	Quarterly	Monthly	
Askari Bank Limited (Note 7.3)	101,626,432	-	1 year KIBOR + 2%	Twenty four equal quarterly instalments commencing on 19 August 2022 and ending on 19 May 2028	Yearly	Quarterly	This facility is secured against exclusive charge on imported plant and machinery and personal guarantee of chief executive of the Company.
MCB Islamic Bank Limited (Note 7.4)	56,686,650	-	SBP rate for ITERF + 4%	Thirty two equal quarterly instalments commencing on 30 June 2023 and ending on 17 June 2031.	Fixed	Quarterly	These are secured against exclusive charge over imported plant and machinery, ranking charge over present and future current assets of the Company, and future current assets of the Company, ranking charge over present and future fixed assets of the Company amounting to Rupees 248,000 million and personal guarantee of chief executive of the Company.
MCB Islamic Bank Limited (Note 7.3)	45,212,000	-	3 months KIBOR + 2.25%	One hundred twenty eight unequal instalments commencing on 21 August 2023 and ending on 17 June 2031.	Quarterly	Quarterly	
7.2							
Long term loans							
JS Bank Limited (Note 7.5)	29,225,451	40,080,829	SBP refinace rate + 3%	Eight equal quarterly instalments commenced on 01 January 2021 and ending on 01 October 2022.	Fixed	Quarterly	This loan is secured against ranking pari passu charge over present and future fixed assets of the Company amounting to Rupees 75,000 million, pledge of shares of chief executive of the Company with 50% margin and personal guarantee of chief executive of the Company.
Allied Bank Limited	85,828,520	-	3 months KIBOR + 1.50%	Ten equal quarterly instalments commencing on 04 February 2022 and ending on 23 June 2024	Quarterly	Quarterly	This loan is secured against first hypothecation charge amounting to Rupees 134,000 million over present and future biological assets, ranking charge amounting to Rupees 267,000 million over fixed assets, exclusive mortgage charge amounting to Rupees 400,000 million over agriculture land of Bahera (Private) Limited - associated company, personal
Total							
	115,053,971	40,080,829					
	377,888,223	102,342,196					

# Notes to the Financial Statements

For the year ended 30 June 2021

- 7.3** These long term musharakah did not carry rate of interest of State Bank of Pakistan (SBP) scheme of Islamic Temporary Economic Refinance Facility (ITERF). Hence, does not contain any element of government grant.
- 7.4** These loans aggregating to Rupees 70.330 million are obtained by the Company under SBP scheme of Islamic Temporary Economic Refinance Facility (ITERF) for import of new machinery to support industrial economic development and growth during the year ended 30 June 2021. This facility is utilized by the Company for the expansion of its plant and machinery based on capacity enhancement plan of the Company. This loan is recognized and measured in accordance with IFRS 9 'Financial Instruments'. Fair value adjustment has been recognized at discount rate ranging from 9.55% to 10.14% per annum
- 7.5** This loan is obtained by the Company under SBP Refinance Scheme for payment of wages and salaries to workers. It is recognized and measured in accordance with IFRS 9 'Financial Instruments'. Fair value adjustment is recognized at discount rate ranging from 9.06% to 9.12 % per annum

	2021 Rupees	2020 Rupees
<b>8 DEFERRED INCOME - GOVERNMENT GRANT</b>		
Deferred income - Government grant (Note 8.1)	<b>11,788,706</b>	-
<b>8.1 DEFERRED INCOME - GOVERNMENT GRANT</b>		
Opening Balance	-	-
Recognized during the year	<b>16,826,080</b>	-
Amortized during the year (Note 33)	<b>(2,130,306)</b>	-
	<b>14,695,774</b>	-
Current portion shown under current liabilities (Note 12)	<b>(2,907,068)</b>	-
	<b>11,788,706</b>	-

**8.1.1** The State Bank of Pakistan (SBP), through its Circular No. 06 of 2020 dated 10 April 2020 has introduced a temporary refinance scheme for payment of wages and salaries to the workers and employees of business concerns (the Refinance Scheme). The refinance scheme is funded by SBP. Borrowers can obtain loans from the banks and ease their cash flow constraints to avoid layoffs. One of the key feature of the refinance scheme is that borrowers can obtain loan at mark-up rates that are below normal lending rates. As per International Accounting Standard (IAS) 20 'Accounting for Government Grants and Disclosure of Government Assistance, the benefit of a Government loan at a below-market rate of interest is treated as a Government Grant. The Company has obtained this loan as disclosed in note 7 to the financial statements. In accordance with IFRS 9 'Financial Instruments' loan obtained under the refinance scheme was initially recognized at its fair value which is the present value of loan proceeds received, discounted using prevailing market rates of interest for a similar instrument. Hence, the benefit of the below-market rate of interest has been measured as the difference between the initial carrying value of the loan determined in accordance with IFRS 9 and the proceeds received. This benefit is accounted for and presented as deferred grant in accordance with IAS 20. The grant is being amortized in the statement of profit or loss, in line with the recognition of interest expense the grant is compensating.

**8.1.2** The State Bank of Pakistan (SBP), through its Circular No. 01 and 02 of 2020 dated 17 March 2020 has introduced a Temporary Economic Refinance Facility (TERF) and Islamic Temporary Economic Refinance Facility (ITERF) for setting of new industrial units. The refinance will be available through Banks / DFIs. One of the key feature of the refinance facility is that borrowers can obtain loan at mark-up rates that are below normal lending rates. As per International Accounting Standard (IAS) 20 'Accounting for Government Grants and Disclosure of Government Assistance', the benefit of a

# Notes to the Financial Statements

For the year ended 30 June 2021

Government loan at a below-market rate of interest is treated as a Government Grant. The Company has obtained this loan as disclosed in note 7 to the financial statements. In accordance with IFRS 9 'Financial Instruments' loan obtained under the refinance facility was initially recognized at fair value which is the present value of loan proceeds received, discounted using prevailing market rates of interest for a similar instrument. Hence, the benefit of the below-market rate of interest has been measured as the difference between the initial carrying value of the loan determined in accordance with IFRS 9 and the proceeds received. This benefit is accounted for and presented as deferred grant in accordance with IAS 20. The grant is being amortized in the statement of profit or loss, in line with the recognition of interest expense the grant is compensating.

	2021 Rupees	2020 Rupees
<b>9 TRADE AND OTHER PAYABLES</b>		
Creditors	245,448,301	174,623,740
Accrued liabilities	55,867,314	24,794,952
Payable to associated company (Note 9.1)	9,117,676	12,781,021
Payable to contractors	1,871,264	1,836,164
Income tax deducted at source	309,372	903,020
Workers' profit participation fund payable (Note 9.2)	76,451,892	57,062,960
Workers' welfare fund payable (Note 9.3)	6,905,458	2,420,485
	<b>395,971,277</b>	<b>274,422,342</b>
<b>9.1</b> 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.		
	2021 Rupees	2020 Rupees
<b>9.2 Workers' profit participation fund payable</b>		
Balance as on 01 July	57,062,960	43,645,642
Add: Provision for the year (Note 32)	12,181,880	6,722,077
Interest for the year (Note 34)	7,207,052	6,695,241
Balance as on 30 June	<b>76,451,892</b>	<b>57,062,960</b>
<b>9.2.1</b> 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 Profits (Workers' Participation) Act, 1968 on funds utilized by the Company till the date of allocation to workers.		
	2021 Rupees	2020 Rupees
<b>9.3 Workers' welfare fund payable</b>		
Balance as on 01 July	2,420,485	-
Add: Provision for the year (Note 32)	4,484,973	2,420,485
Balance as on 30 June	<b>6,905,458</b>	<b>2,420,485</b>
<b>10 SHORT TERM BORROWINGS</b>		
<b>From banking companies - secured</b>		
Short term murabahah (Note 10.1)	93,050,887	91,444,842
Running finances (Note 10.2)	182,302,306	210,391,230
	<b>275,353,193</b>	<b>301,836,072</b>

# Notes to the Financial Statements

For the year ended 30 June 2021

**10.1** These are secured against first pari passu charge by the way of hypothecation over Company's present and future current assets, ranking charge over current assets, pari passu charge over fixed assets (including land and plant and machinery) and personal guarantee of Company's chief executive. The rate of mark-up on short term borrowings ranges from 8.22% to 15.74% (2020: 9.94% to 15.90%) per annum. These form part of total credit facility of Rupees 150 million (2020: Rupees 150 million).

**10.2** These are secured against first pari passu charge over Company's present and future current assets, ranking 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. The rate of mark-up on short term borrowings ranges from 8.75% to 9.53% (2020: 10.33% to 15.81%) per annum. These form part of total credit facility of Rupees 230 million (2020: Rupees 230 million).

	2021 Rupees	2020 Rupees
<b>11 ACCRUED MARK-UP / PROFIT</b>		
Lease liabilities	227,349	246,610
Long term financing	8,032,757	1,389,367
Short term borrowings	4,522,649	8,802,505
	<b>12,782,755</b>	<b>10,438,482</b>
<b>12 CURRENT PORTION OF NON-CURRENT LIABILITIES</b>		
Lease liabilities (Note 6)	14,916,882	42,675,098
Long term financing (Note 7)	59,917,318	12,977,654
Deferred income - Government grant (Note 8.1)	2,907,068	-
	<b>77,741,268</b>	<b>55,652,752</b>
<b>13 UNCLAIMED DIVIDEND</b>	<b>43,152</b>	<b>72,483</b>
<b>14 CONTINGENCIES AND COMMITMENTS</b>		

## 14.1 Contingencies

**14.1.1** 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. On 30 June 2021, Inland Revenue Officer has passed appeal effect order under sections 124 and 129 of the Income Tax Ordinance, 2001 in accordance with the directions of CIR(A) and reduced the demand to Rupees 0.081 million. The management of the Company, based on advice of the legal counsel, is confident of favorable outcome of its appeal, hence no provision has been made in these financial statements.

**14.1.2** 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

## Notes to the Financial Statements

For the year ended 30 June 2021

Company filed an appeal before CIR(A) who gave partial relief to the Company, confirming addition of Rupees 12.494 million and remanded back some of the matters. The Company has filed an appeal before ATIR against the order of CIR(A) which is yet to be heard. On 24 April 2020, Assistant Commissioner Inland Revenue (ACIR) passed an appeal effect order under sections 124 and 129 of the Income Tax Ordinance, 2001 wherein demand of Rupees 38.264 million has been reduced to Rupees 4.874 million. Being aggrieved with the appeal effect order, the Company filed appeal before CIR(A) who decided the appeal against the Company. The Company has already filed appeal before ATIR on the same issues. On 01 June 2021, ACIR has passed another order under section 122(5A) of the Income Tax Ordinance, 2001 for tax year 2015 by making additions / disallowances of Rupees 2.822 million. Being aggrieved with the order of ACIR, the Company has filed appeal before CIR(A) which is yet to be heard. Further, the Company filed rectification application against the appeal effect order passed by ACIR. ACIR has rectified appeal effect order on 30 June 2021 and as a result of this rectification, no tax demand exists against the Company for the tax year 2015. 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 recognized in these financial statements.

- 14.1.3** Additional Commissioner Inland Revenue (ACIR) passed an order under section 122(1) read with section 122(5A) of the Income Tax Ordinance, 2001 for the tax year 2014. The ACIR has disallowed brought forward tax credit under section 65B of the Income Tax Ordinance, 2001 amounting to Rupees 0.344 million and Rupees 1.719 million pertaining to the tax years 2012 and 2013 respectively, which was claimed by the Company against tax liability for the tax year 2014. The Company filed appeal before CIR(A) against the order of ACIR. On 23 June 2021, CIR(A) decided the case in favor of the Company. Subsequent to the reporting date, tax department has filed appeal before ATIR which is yet to be heard. Based on the advice of legal counsel, the management is confident that outcome of the appeal would be in favour of the Company. Hence, no provision against the aforesaid has been recognized in these financial statements.
- 14.1.4** On 08 December 2020, Assistant Commissioner Inland Revenue (ACIR) has passed an order under section 122(5A) of the Income Tax Ordinance, 2001 for the tax year 2019 and made additions / disallowances of Rupees 329.840 million. Being aggrieved, the Company filed appeal before CIR(A). Subsequent to reporting date, CIR(A) has deleted additions / disallowances amounting to Rupees 328.698 million and confirmed the disallowance of Rupees 1.142 million on account of tax depreciation and initial allowance. Being aggrieved with the order of CIR(A), the Company is in the process of filing appeal before ATIR. Based on the advice of legal counsel, the management is confident that outcome of the appeal would be in favour of the Company. Hence, no provision against the aforesaid has been recognized in these financial statements.
- 14.1.5** On 01 February 2021, Assistant Commissioner Inland Revenue (ACIR) has passed an order under section 122(5A) of the Income Tax Ordinance, 2001 for the tax year 2018 and made additions / disallowances of Rupees 273.823 million. Being aggrieved, the Company filed appeal before CIR(A). Subsequent to reporting date, CIR(A) has deleted additions / disallowances of Rupees 270.879 million and confirmed the disallowance of Rupees 2.944 million on account of tax depreciation and initial allowance and charge of minimum tax of Rupees 0.472 million. Being aggrieved with the order of CIR(A), the Company is in the process of filing appeal before ATIR. Based on the advice of legal counsel, the management is confident that outcome of the appeal would be in favour of the Company. Hence, no provision against the aforesaid has been recognized in these financial statements.
- 14.1.6** 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



## Notes to the Financial Statements

For the year ended 30 June 2021

670(I)/2013 dated 18 July 2013. As a result, the Company filed an appeal before 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. On 30 April 2020, DCIR issued show cause notice whereby an intention was shown to reject the sales tax refunds of Rupees 69.828 million for the tax periods from July 2008 to June 2016 including the sales tax refunds allowed by CIR(A) as mentioned above. The Company submitted various replies to DCIR against the show cause notice issued. However, on 09 September 2020, DCIR passed an adverse order disallowing these sales tax refunds claimed by the Company and proceeded to impose penalty under section 33 of the Sales Tax Act, 1990. The Company, being aggrieved by the order of DCIR, preferred an appeal before CIR(A) which is pending adjudication. On 20 October 2020, DCIR raised a demand of Rupees 1.294 million on account of penalty mentioned in the order of DCIR. Being aggrieved, the Company filed appeal before ATIR for grant of stay on the aforementioned penalty imposed by DCIR. On 02 December 2020, ATIR granted stay on the amount of penalty till the disposal of appeal pending before CIR(A). Management of the Company, based on advice of the legal counsel, is confident of favorable outcome of its appeal, hence no provision against the aforesaid rejections has been made in these financial statements.

- 14.1.7** The Competition Commission of Pakistan ("CCP") 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 was 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 submitted a detail reply before the CCP through their advocates, rejecting the contents of filed complaint. On 27 December 2019, CCP has passed an order against the Company and imposed a penalty of Rupees 35 million. The Company has filed writ petition against the order of CCP before the Honorable Lahore High Court, Lahore and Competition Appellate Tribunal ("CAT") against the CCP order. On 02 March 2020, the Honorable Lahore High Court, Lahore through its order suspended the penalty. During the year ended 30 June 2021, Full bench of Honorable Lahore High Court, Lahore held, inter-alia that the CCP was validly constituted. However, it also held that the CAT was not validly constituted in accordance of law, and suspended it from functioning. The proceedings before the CAT are still pending as the same has not been validly constituted yet. The legal counsel of the Company is confident that there are meritorious grounds to defend the case. Hence, the provision for penalty has not been recognized in these financial statements.

### 14.2 Commitments

		2021 Rupees	2020 Rupees
<b>14.2.1</b>	For capital expenditures	<b>82,809,116</b>	-
<b>14.2.2</b>	Letters of credit other than for capital expenditures	<b>51,954,620</b>	14,161,000
<b>14.2.3</b>	The Company obtained vehicles under Ijarah arrangements from Bank Islami Pakistan Limited for a period of three years and ijarah rentals are payable on monthly basis. Future Ujrah payments under ijarah are as follows:		
		<b>2021 Rupees</b>	<b>2020 Rupees</b>
	Not later than one year	<b>2,382,969</b>	-
	Later than one year but not later than five years	<b>8,728,255</b>	-
		<b>11,111,224</b>	-

# Notes to the Financial Statements

For the year ended 30 June 2021

				2021 Rupees	2020 Rupees	
<b>15 PROPERTY, PLANT AND EQUIPMENT</b>						
Operating fixed assets:						
- Owned (Note 15.1)				<b>1,312,073,285</b>	999,929,988	
Capital work-in-progress (Note 15.3)				<b>77,069,092</b>	7,400,342	
				<b>1,389,142,377</b>	1,007,330,330	
<b>15.1 Operating fixed assets</b>				<b>OWNED</b>		
	<b>Freehold Land</b>	<b>Buildings on freehold land</b>	<b>Plant and machinery</b>	<b>Electric installations</b>	<b>Office equipment</b>	<b>Tools and equipment</b>
----- RUPEES -----						
<b>At 30 June 2019</b>						
Cost	132,330,143	548,566,337	342,317,848	24,402,032	5,651,790	25,179,034
Accumulated depreciation	-	(95,066,188)	(119,428,185)	(9,382,918)	(1,685,969)	(7,942,482)
Net book value	132,330,143	453,500,149	222,889,663	15,019,114	3,965,821	17,236,552
<b>Year ended 30 June 2020</b>						
Opening net book value	132,330,143	453,500,149	222,889,663	15,019,114	3,965,821	17,236,552
Transferred to right-of-use assets on adoption of IFRS 16	-	-	-	-	-	-
Additions	-	125,880,314	45,891,183	6,617,205	796,732	-
Disposals:						
Cost	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-
	-	-	-	-	-	-
Transferred from right-of-use assets:						
Cost	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-
	-	-	-	-	-	-
Depreciation charge	-	(25,501,097)	(26,160,128)	(2,022,881)	(444,530)	(1,723,655)
Closing net book value	132,330,143	553,879,366	242,620,718	19,613,438	4,318,023	15,512,897
<b>At 30 June 2020</b>						
Cost	132,330,143	674,446,651	388,209,031	31,019,237	6,448,522	25,179,034
Accumulated depreciation	-	(120,567,285)	(145,588,313)	(11,405,799)	(2,130,499)	(9,666,137)
Net book value	132,330,143	553,879,366	242,620,718	19,613,438	4,318,023	15,512,897
<b>Year ended 30 June 2021</b>						
Opening net book value	132,330,143	553,879,366	242,620,718	19,613,438	4,318,023	15,512,897
Additions	84,283,085	115,869,231	193,195,912	12,963,844	84,200	-
Disposals:						
Cost	-	-	(31,374,294)	-	-	-
Accumulated depreciation	-	-	5,019,887	-	-	-
	-	-	(26,354,407)	-	-	-
Transferred from right-of-use assets:						
Cost	-	-	505,000	-	-	-
Accumulated depreciation	-	-	(173,804)	-	-	-
	-	-	331,196	-	-	-
Depreciation charge	-	(29,232,320)	(32,208,496)	(2,609,152)	(436,393)	(1,551,290)
Closing net book value	216,613,228	640,516,277	377,584,923	29,968,130	3,965,830	13,961,607
<b>At 30 June 2021</b>						
Cost	216,613,228	790,315,882	550,535,649	43,983,081	6,532,722	25,179,034
Accumulated depreciation	-	(149,799,605)	(172,950,726)	(14,014,951)	(2,566,892)	(11,217,427)
Net book value	216,613,228	640,516,277	377,584,923	29,968,130	3,965,830	13,961,607
Annual rate of depreciation (%)	-	5	10	10	10	10

					LEASED ASSETS		
Vehicles	Furniture	Computers	Arms and ammunition	Total	Plant and machinery	Vehicles	Total
----- RUPEES -----							
68,792,274 (41,241,713)	1,917,418 (622,751)	2,559,222 (2,030,482)	323,350 (130,079)	1,152,039,448 (277,530,767)	62,642,671 (7,070,534)	46,993,140 (11,219,110)	109,635,811 (18,289,644)
27,550,561	1,294,667	528,740	193,271	874,508,681	55,572,137	35,774,030	91,346,167
27,550,561	1,294,667	528,740	193,271	874,508,681	55,572,137	35,774,030	91,346,167
-	-	-	-	-	(55,572,137)	(35,774,030)	(91,346,167)
5,593,270	69,875	697,500	-	185,546,079	-	-	-
(2,538,963)	-	-	-	(2,538,963)	-	-	-
2,014,797	-	-	-	2,014,797	-	-	-
(524,166)	-	-	-	(524,166)	-	-	-
6,735,500 (3,650,639)	- -	- -	- -	6,735,500 (3,650,639)	- -	- -	- -
3,084,861 (6,431,542)	- (133,235)	- (249,072)	- (19,327)	3,084,861 (62,685,467)	- -	- -	- -
29,272,984	1,231,307	977,168	173,944	999,929,988	-	-	-
78,582,081 (49,309,097)	1,987,293 (755,986)	3,256,722 (2,279,554)	323,350 (149,406)	1,341,782,064 (341,852,076)	- -	- -	- -
29,272,984	1,231,307	977,168	173,944	999,929,988	-	-	-
29,272,984	1,231,307	977,168	173,944	999,929,988	-	-	-
1,505,998	697,650	642,300	-	409,242,220	-	-	-
(239,500)	-	-	-	(31,613,794)	-	-	-
161,147	-	-	-	5,181,034	-	-	-
(78,353)	-	-	-	(26,432,760)	-	-	-
7,005,670 (5,250,379)	- -	- -	- -	7,510,670 (5,424,183)	- -	- -	- -
1,755,291 (6,112,541)	- (169,641)	- (415,423)	- (17,394)	2,086,487 (72,752,650)	- -	- -	- -
26,343,379	1,759,316	1,204,045	156,550	1,312,073,285	-	-	-
86,854,249 (60,510,870)	2,684,943 (925,627)	3,899,022 (2,694,977)	323,350 (166,800)	1,726,921,160 (414,847,875)	- -	- -	- -
26,343,379	1,759,316	1,204,045	156,550	1,312,073,285	-	-	-
20	10	30	10		10	20	

# Notes to the Financial Statements

For the year ended 30 June 2021

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

Description	Address	Area of land	Covered area of buildings
		Area	Square feet
Land	Texila, District Rawalpindi	1.00	-
Dairy farm and milking parlor	Kotli Rai Abubakar, District Kasur	79.73	521,033
Plant	Kotli Rai Abubakar, District Kasur	4.88	29,858

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

Description	Cost	Accumulated depreciation	Net book value	Sale proceeds	Gain / (loss)	Mode of disposal	Particulars of purchaser
RUPEES							
Ecolean Machine	31,374,294	5,019,887	26,354,407	23,000,000	(3,354,407)	Negotiation	Ecolean Pakistan (Private) Limited
Aggregate of items of property, plant and equipment with individual book values not exceeding Rupees 500,000	239,500	161,147	78,353	116,500	38,147	Negotiation	
	31,613,794	5,181,034	26,432,760	23,116,500	(3,316,260)		

## 15.2 Depreciation charge for the year has been allocated as follows:

	2021	2020
	Rupees	Rupees
Operating costs (Note 29)	42,665,675	41,372,406
Administrative and general expenses (Note 30)	26,205,922	17,551,932
Selling and marketing expenses (Note 31)	3,881,053	3,761,129
	72,752,650	62,685,467

## 15.3

### Capital work-in-progress

Building on freehold land	27,234,005	4,972,389
Plant and machinery	11,834,717	-
Advance against plant and machinery	34,429,997	835,212
Advance to contractors against civil work	1,891,166	1,592,741
Advance against electric installations	1,679,207	-
	77,069,092	7,400,342

## 15.3.1 Movement in capital work in progress is as follows:

	Building on freehold land	Plant and machinery	Advance against plant and machinery	Advance to contractors against civil work	Advance against electric installation	Advance for purchase of land	Total
Rupees							
At 30 June 2019	6,024,031	31,374,294	-	-	-	-	37,398,325
Add: Additions during the year	97,435,978	4,552,555	1,245,247	26,206,880	-	35,000,000	164,440,660
Add / (Less): Adjustments made during the year	24,614,139	-	(410,035)	(24,614,139)	-	(35,000,000)	(35,410,035)
Less: Transferred to operating fixed assets during the year	(123,101,759)	(35,926,849)	-	-	-	-	(159,028,608)
At 30 June 2020	4,972,389	-	835,212	1,592,741	-	-	7,400,342
Add: Additions during the year	119,842,698	15,323,422	34,429,997	18,586,575	1,679,207	-	189,861,899
Add / (Less): Adjustments made during the year	18,288,150	835,212	(835,212)	(18,288,150)	-	-	-
Less: Transferred to operating fixed assets during the year	(115,869,232)	(4,323,917)	-	-	-	-	(120,193,149)
At 30 June 2021	27,234,005	11,834,717	34,429,997	1,891,166	1,679,207	-	77,069,092

# Notes to the Financial Statements

For the year ended 30 June 2021

## 16 RIGHT-OF-USE ASSETS

	Building	Plant and machinery	Vehicles	Total
	----- Rupees -----			
At 01 July 2019	-	55,572,137	35,774,030	91,346,167
Add: Additions during the year	-	5,454,250	6,126,185	11,580,435
Less: Book value of assets transferred to fixed assets - owned during the year	-	-	3,084,861	3,084,861
Less: Depreciation expense for the year	-	6,453,043	9,842,941	16,295,984
At 01 July 2020	-	54,573,344	28,972,413	83,545,757
Add: Additions during the year	62,731,128	-	16,256,756	78,987,884
Less: Book value of assets transferred to fixed assets - owned during the year	-	331,196	1,755,291	2,086,487
Less: Depreciation expense for the year	8,094,339	-	16,171,859	24,266,198
Less: Disposal due to termination of lease	-	36,055,134	-	36,055,134
At 30 June 2021	54,636,789	18,187,014	27,302,019	100,125,822

### 16.1 Lease of Building

The Company obtained building on lease for its head office. Lease period is eight years.

### 16.2 Lease of plant and machinery

The Company obtained plant and machinery on lease for its plant operations. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Leases are typically made for an average period of six years.

### 16.3 Lease of vehicles

The Company obtained vehicles on lease for supply of goods and for its employees. The average contract duration is six years.

	2021 Rupees	2020 Rupees
<b>16.4 Depreciation charge for the year has been allocated as follows:</b>		
Operating costs (Note 29)	16,015,691	10,755,350
Administrative and general expenses (Note 30)	6,794,535	4,562,875
Selling and marketing expenses (Note 31)	1,455,972	977,759
	<b>24,266,198</b>	16,295,984

**16.5** There is no impairment against right-of-use assets.

**16.6** The Company is restricted from assigning and sub-leasing the leased assets.



# Notes to the Financial Statements

For the year ended 30 June 2021

	2021 Rupees	2020 Rupees
<b>17 BIOLOGICAL ASSETS</b>		
Dairy livestock:		
Mature	1,098,430,809	924,015,939
Immature	561,677,738	552,848,287
	1,660,108,547	1,476,864,226
Non-current	1,657,574,595	1,474,184,813
Current	2,533,952	2,679,413
	1,660,108,547	1,476,864,226
<b>17.1 Reconciliation of carrying amount of dairy livestock:</b>		
Carrying amount at the beginning of the year	1,476,864,226	1,055,356,368
Purchases made during the year	90,739,477	242,990,308
Fair value gain due to new births	26,125,281	28,077,667
Gain arising from changes in fair value less costs to sell attributable to physical and price change	334,459,776	364,678,293
	360,585,057	392,755,960
Loss due to deaths of dairy livestock (Note 32)	(89,300,880)	(81,783,969)
Decrease due to sales of dairy livestock	(178,779,333)	(132,454,441)
Carrying amount at the end of the year, which approximates the fair value less costs to sell	1,660,108,547	1,476,864,226
<b>17.2</b> As at 30 June 2021, the Company held 2,282 (2020: 1,822) mature assets able to produce milk and 1,834 (2020: 1,765) immature assets that are being raised to produce milk in the future. During the year, the Company produced approximately 19,105,007 (2020: 12,700,341) gross liters of milk from these biological assets. As at 30 June 2021, the Company also held 75 (2020: 61) immature male calves.		
<b>17.3</b> The valuation of dairy livestock as at 30 June 2021, 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 2021. 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.		
	2021 Rupees	2020 Rupees
<b>18 LONG TERM SECURITY DEPOSITS</b>		
Security deposits against leased assets	13,721,600	12,826,740
Security deposits against Ijarah	5,564,900	-
Security deposits - others	5,625,109	3,579,809
	24,911,609	16,406,549
Less: Current portion shown under current assets (Note 25)	-	1,425,500
	24,911,609	14,981,049

# Notes to the Financial Statements

For the year ended 30 June 2021

	2021 Rupees	2020 Rupees
<b>19 DEFERRED INCOME TAX ASSET</b>		
The net deferred income tax asset originated due to timing differences relating to:		
<b>Taxable temporary differences:</b>		
Accelerated tax depreciation	(104,730,415)	(98,702,989)
Right-of-use assets	(29,036,488)	(24,228,270)
	(133,766,903)	(122,931,259)
<b>Deductible temporary differences:</b>		
Provision for workers' profit participation fund	22,171,049	16,548,258
Turnover tax carried forward	63,303,641	43,173,706
Available unused tax losses	97,615,992	172,644,384
Lease liabilities	33,238,148	25,261,599
	216,328,830	257,627,947
<b>Deferred income tax asset</b>	<b>82,561,927</b>	<b>134,696,688</b>
<b>Deferred income tax asset not recognised in these financial statements</b>	<b>(63,303,641)</b>	<b>(53,133,104)</b>
<b>Deferred income tax asset recognised in these financial statements</b>	<b>19,258,286</b>	<b>81,563,584</b>

**19.1** The gross movement in deferred income tax asset recognised in these financial statements during the year is as follows:

	2021 Rupees	2020 Rupees
Opening deferred income tax asset	81,563,584	124,562,968
Charged to statement of profit or loss (Note 35)	(62,305,298)	(42,999,384)
Closing deferred income tax asset	19,258,286	81,563,584

**19.2** Deferred income tax asset has been recognised to the extent that the realization of related tax benefits is probable from future taxable profits. It is probable that sufficient taxable profits will be available for utilization of recognised deferred income tax asset. Detail of recognised deferred income tax asset on available unused tax losses and unrecognised deferred income tax asset on turnover tax carried forward is given as follows:

	Accounting year to which the tax credit relates	Amount	Accounting year in which tax credit will expire
		----- Rupees -----	
Turnover tax carried forward	2017	7,210,574	2022
	2018	11,171,013	2023
	2019	8,878,624	2024
	2020	21,756,320	2025
	2021	14,287,110	2026
		63,303,641	
Available unused tax losses - unabsorbed tax depreciation	upto 2015	104,207,431	Unlimited
	2016	28,002,574	Unlimited
	2019	123,991,702	Unlimited
	2020	80,405,162	Unlimited
		336,606,869	

# Notes to the Financial Statements

For the year ended 30 June 2021

	2021 Rupees	2020 Rupees
<b>20 STORES</b>		
Plastic trays	6,591,283	4,813,550
Diesel	2,041,949	2,052,820
Artificial insemination supplies	823,105	725,269
Medicines (Note 20.1)	26,850,284	8,122,932
	<b>36,306,621</b>	<b>15,714,571</b>

**20.1** This includes medicine in transit amounting to Rupees Nil (2020: Rupees 0.867 million).

	2021 Rupees	2020 Rupees
<b>21 INVENTORIES</b>		
Forage and other consumables	259,958,522	125,497,952
Packing materials	52,274,503	47,885,020
Flavours (Note 21.1)	14,321,072	6,589,572
Raw milk	2,249,858	976,355
Finished / manufactured goods	14,435,762	7,282,581
	<b>343,239,717</b>	<b>188,231,480</b>

**21.1** These include stock of flavours held with third party amounting to Rupees 0.464 million (2020: Rupees 1.284 million).

	2021 Rupees	2020 Rupees
<b>22 TRADE DEBTS</b>		
<b>Considered good:</b>		
Trade debts	125,250,131	112,524,268
Less: Allowance for expected credit losses (Note 22.1)	(26,784,856)	(28,244,634)
	<b>98,465,275</b>	<b>84,279,634</b>
<b>22.1 Allowance for expected credit losses</b>		
Opening balance	28,244,634	24,102,593
Add: Recognized during the year (Note 32)	-	4,142,041
Less: Reversed during the year (Note 33)	(1,459,778)	-
Closing Balance	<b>26,784,856</b>	<b>28,244,634</b>
<b>23 SHORT TERM INVESTMENT</b>		
Term deposit receipt	-	4,500,000
Add: Interest accrued thereon	-	119,240
	<b>-</b>	<b>4,619,240</b>

**23.1** Term deposit receipt issued by JS Bank Limited having maturity period of six months and carry interest ranging from 4.57% to 11.25% (2020: 6.60% to 11.25%) per annum.

# Notes to the Financial Statements

For the year ended 30 June 2021

	2021 Rupees	2020 Rupees
<b>24 SHORT TERM ADVANCES AND PREPAYMENTS</b>		
<b>Considered good, unsecured:</b>		
Advances to suppliers (Note 24.1)	36,660,165	54,224,135
Advances to employees against salary	1,804,732	1,172,374
Advances to staff for expenses	187,425	2,349,402
Advances against letters of credit	2,949,537	9,139,800
Prepaid insurance	1,598,329	908,693
	<b>43,200,188</b>	<b>67,794,404</b>
<b>24.1 Advances to suppliers</b>		
Considered good	36,660,165	54,224,135
Considered doubtful	4,631,849	-
	<b>41,292,014</b>	<b>54,224,135</b>
Less: Provision for doubtful advances to suppliers (Note 24.1.1)	4,631,849	-
	<b>36,660,165</b>	<b>54,224,135</b>
<b>24.1.1 Provision for doubtful advances to suppliers</b>		
Opening balance	-	-
Add: Recognized during the year (Note 32)	4,631,849	-
Closing balance	<b>4,631,849</b>	<b>-</b>
<b>25 SHORT TERM DEPOSITS AND OTHER RECEIVABLES</b>		
Current portion of long term security deposits (Note 18)	-	1,425,500
Short term security deposits	297,000	138,000
Sales tax recoverable	64,440,380	67,473,979
Insurance claim receivable	14,480	-
	<b>64,751,860</b>	<b>69,037,479</b>
<b>26 ADVANCE INCOME TAX - NET OF PROVISION FOR TAXATION</b>		
Advance income tax	84,744,893	101,168,450
Less: Provision for taxation	(38,864,223)	(22,052,326)
	<b>45,880,670</b>	<b>79,116,124</b>
<b>27 CASH AND BANK BALANCES</b>		
Cash in hand	4,501,548	16,394,798
Cash with banks:		
Current accounts	109,615,714	56,738,742
Saving accounts (Note 27.1)	114,752	106,638
	<b>114,232,014</b>	<b>73,240,178</b>

**27.1** Profit on balances in saving accounts ranged from 4.11% to 6.60% (2020: 2.26% to 6.06%) per annum.

# Notes to the Financial Statements

For the year ended 30 June 2021

	2021 Rupees	2020 Rupees
<b>28 REVENUE FROM CONTRACTS WITH CUSTOMERS</b>		
Raw milk	449,231,976	63,888,057
Finished / manufactured goods	2,244,606,159	1,850,661,432
	<b>2,693,838,135</b>	1,914,549,489
Less: Sales tax	63,735,713	46,992,700
Discounts	71,742,365	56,019,764
	<b>2,558,360,057</b>	1,811,537,025
<b>29 OPERATING COSTS</b>		
Raw milk consumed (Note 29.1)	1,556,222,595	966,477,051
Forage consumed	1,032,912,031	689,730,285
Packing materials consumed	234,741,675	223,678,721
Stores consumed	3,578,312	3,389,535
Salaries, wages and other benefits (Note 29.2)	114,322,134	87,136,306
Oil and lubricants	105,137,072	113,037,323
Utilities	50,558,186	34,441,502
Insurance	1,527,664	1,094,773
Repair and maintenance	56,285,033	28,919,598
Artificial insemination supplies consumed	7,722,268	7,021,379
Dairy livestock medication consumed	40,251,280	35,956,566
Dairy supplies consumed	47,969,905	35,653,703
Chemicals consumed	706,078	820,475
Vehicles' running	9,909,846	6,223,636
Depreciation on operating fixed assets (Note 15.2)	42,665,675	41,372,406
Depreciation on right-of-use assets (Note 16.4)	16,015,691	10,755,350
Rent, rates and taxes	6,105,741	9,989,971
Miscellaneous	27,025,980	13,641,804
	<b>3,353,657,166</b>	2,309,340,384
<b>Finished / manufactured goods</b>		
Opening inventory	7,282,581	5,134,274
Closing inventory	(14,435,762)	(7,282,581)
	<b>(7,153,181)</b>	(2,148,307)
	<b>3,346,503,985</b>	2,307,192,077
<b>29.1 Raw milk consumed</b>		
Inventory at the beginning of the year	976,355	257,972
Milk purchased during the year	15,429,614	64,163,258
Gain arising on initial recognition of milk at fair value less costs to sell at the time of milking	1,542,066,484	903,032,176
Inventory at the end of the year	(2,249,858)	(976,355)
	<b>1,556,222,595</b>	966,477,051

**29.2** Salaries, wages and other benefits include an amount of Rupees 9.460 million (2020: Rupees 9.254 million) in respect of employees' retirement benefit.



# Notes to the Financial Statements

For the year ended 30 June 2021

	2021 Rupees	2020 Rupees
<b>30 ADMINISTRATIVE AND GENERAL EXPENSES</b>		
Salaries and other benefits (Note 30.1)	95,210,144	82,532,333
Travelling and conveyance	616,238	872,388
Communication	3,345,309	3,171,333
Printing and stationery	2,809,766	2,330,446
Ujrah payments	812,316	1,378,368
Utilities	4,122,136	4,797,205
Vehicles' running	9,614,306	16,198,173
Postage and courier	352,872	90,645
Fee and subscription	7,510,038	7,457,663
News papers and periodicals	16,173	26,893
Insurance	2,272,440	2,198,524
Entertainment	4,082,522	4,129,324
Office rent	-	7,441,500
Legal and professional	4,440,155	2,507,016
Auditor's remuneration (Note 30.2)	2,789,500	2,495,000
Depreciation on operating fixed assets (Note 15.2)	26,205,922	17,551,932
Depreciation on right-of-use assets (Note 16.4)	6,794,535	4,562,875
Donations (Note 30.3)	1,745,910	947,330
Miscellaneous	6,229,726	4,244,110
	<b>178,970,009</b>	<b>164,933,058</b>
<b>30.1</b> Salaries and other benefits include an amount of Rupees 4.054 million (2020: Rupees 4.068 million) in respect of employees' retirement benefit.		
<b>30.2 Auditor's remuneration</b>		
Audit fee	1,864,500	1,695,000
Half yearly review fee	760,000	650,000
Reimbursable expenses	165,000	150,000
	<b>2,789,500</b>	<b>2,495,000</b>
<b>30.3</b> There is no interest of any director or his spouse in donees' fund.		
<b>31 SELLING AND MARKETING EXPENSES</b>		
Salaries and other benefits (Note 31.1)	92,402,783	87,654,656
Travelling	1,162,993	1,041,574
Sales promotion expenses	16,718,583	14,829,295
Vehicles' running	140,875,143	138,060,568
Distribution office rent	1,405,400	458,561
Product handling	11,906,499	9,490,858
Chillers' rent	1,366,670	1,092,391
Entertainment	2,950,085	1,012,473
Depreciation on operating fixed assets (Note 15.2)	3,881,053	3,761,129
Depreciation on right-of-use assets (Note 16.4)	1,455,972	977,759
Miscellaneous	6,290,551	6,503,604
	<b>280,415,732</b>	<b>264,882,868</b>

# Notes to the Financial Statements

For the year ended 30 June 2021

**31.1** Salaries and other benefits include an amount of Rupees 7.354 million (2020: Rupees 7.779 million) in respect of employees' retirement benefit.

	2021 Rupees	2020 Rupees
<b>32 OTHER EXPENSES</b>		
Loss due to death of dairy livestock (Note 17.1)	89,300,880	81,783,969
Loss on sale of dairy livestock - net	127,608,696	107,787,262
Loss on sale of operating fixed assets (Note 15.1.2)	3,316,260	-
Exchange loss	-	527,543
Allowance for expected credit losses (Note 22.1)	-	4,142,041
Provision for expired / damaged stock	611,556	1,456,095
Workers' profit participation fund (Note 9.2)	12,181,880	6,722,077
Workers' welfare fund (Note 9.3)	4,484,973	2,420,485
Advances to suppliers written off	-	844,145
Provision for doubtful advances to suppliers (Note 24.1.1)	4,631,849	-
	<b>242,136,094</b>	<b>205,683,617</b>
<b>33 OTHER INCOME</b>		
<b>Income from financial assets:</b>		
Profit on bank deposits	10,307	1,222,484
Interest on term deposit receipts	53,762	3,233,866
Reversal of allowance for expected credit losses (Note 22.1)	1,459,778	-
<b>Income from non-financial assets:</b>		
Amortization of deferred income - Government grant (Note 8.1)	2,130,306	-
Sales of scrap	1,151,256	1,489,612
Gain on sale of operating fixed assets	-	1,675,834
Gain on termination of lease	3,744,866	-
	<b>8,550,275</b>	<b>7,621,796</b>
<b>34 FINANCE COST</b>		
Mark-up on short term borrowings	23,092,024	29,808,405
Profit / interest on long term financing	16,594,457	10,513,369
Interest on workers' profit participation fund (Note 9.2)	7,207,052	6,695,241
Bank and other charges	1,695,322	1,306,703
Mark-up on lease liabilities (Note 6.3)	9,508,042	5,327,879
	<b>58,096,897</b>	<b>53,651,597</b>
<b>35 TAXATION</b>		
For the year:		
- Current tax	39,160,229	22,052,326
- Deferred tax	62,305,298	42,864,727
Prior year adjustment	(296,005)	(1,197,930)
	<b>101,169,522</b>	<b>63,719,123</b>

# Notes to the Financial Statements

For the year ended 30 June 2021

**35.1** 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 applicable tax rate has not been presented, being impracticable.

		2021	2020
<b>36 EARNINGS PER SHARE – BASIC AND DILUTED</b>			
There is no dilutive effect on the basic earnings per share which is based on:			
Profit after taxation attributable to ordinary shareholders	Rupees	<b>262,269,635</b>	54,884,617
			<b>(Restated)</b>
Weighted average number of ordinary shares	Number	<b>177,467,070</b>	161,333,700
			<b>(Restated)</b>
Earnings per share	Rupees	<b>1.48</b>	0.31
		<b>2021 Rupees</b>	<b>2020 Rupees</b>
<b>37 CASH GENERATED FROM OPERATIONS</b>			
<b>Profit before taxation</b>		<b>363,439,157</b>	118,603,740
<b>Adjustments for non-cash charges and other items:</b>			
Depreciation on operating fixed assets		<b>72,752,650</b>	62,685,467
Depreciation on right-of-use assets		<b>24,266,198</b>	16,295,984
Gains arising from changes in fair value less costs to sell of dairy livestock		<b>(360,585,057)</b>	(392,755,960)
Loss / (gain) on sale of operating fixed asset		<b>3,316,260</b>	(1,675,834)
Amortization of deferred income - Government grant		<b>(2,130,306)</b>	-
Loss on sale of dairy livestock - net		<b>127,608,696</b>	107,787,262
Loss due to death of dairy livestock		<b>89,300,880</b>	81,783,969
(Reversal of allowance) / allowance for expected credit losses		<b>(1,459,778)</b>	4,142,041
Gain on termination of lease		<b>(3,744,866)</b>	-
Provision for Workers' Profit Participation Fund		<b>12,181,880</b>	6,722,077
Provision for Workers' Welfare Fund		<b>4,484,973</b>	2,420,485
Provision for expired / damaged stock		<b>611,556</b>	1,456,095
Unrealized exchange loss		<b>-</b>	522,430
Return on bank deposits		<b>(10,307)</b>	(1,222,484)
Interest on term deposit receipts		<b>(53,762)</b>	(3,233,866)
Advances to suppliers written off		<b>-</b>	844,145
Provision for doubtful advances to suppliers (Note 24.1.1)		<b>4,631,849</b>	-
Provision for employees' retirement benefit		<b>20,868,655</b>	21,100,580
Finance cost		<b>58,096,897</b>	53,651,597
Working capital changes (Note 37.1)		<b>(71,976,193)</b>	(477,177)
		<b>341,599,382</b>	78,650,551

# Notes to the Financial Statements

For the year ended 30 June 2021

	2021 Rupees	2020 Rupees
<b>37.1 Working capital changes</b>		
(Increase) / decrease in current assets:		
- Stores	(20,592,050)	(239,916)
- Inventories	(155,008,237)	(61,951,904)
- Trade debts	(12,725,863)	(14,648,609)
- Short term advances and prepayments	19,962,367	(19,142,650)
- Short term deposits and other receivables	4,285,619	3,341,374
	(164,078,164)	(92,641,705)
Increase in trade and other payables	92,101,971	92,164,528
	(71,976,193)	(477,177)

## 37.2 Reconciliation of movement of liabilities to cash flows arising from financing activities

	2021				
	Long term financing	Lease liabilities	Short term borrowings	Unclaimed dividend	Total
	----- Rupees -----				
Balance as at 01 July 2020	102,342,196	87,108,959	301,836,072	72,483	491,359,710
Financing obtained	305,349,760	-	-	-	305,349,760
Repayment of financing	(12,977,653)	-	-	-	(12,977,653)
Acquisitions - finance leases	-	78,634,728	-	-	78,634,728
Repayment of lease liabilities	-	(11,329,384)	-	-	(11,329,384)
Short term borrowings - net	-	-	(26,482,879)	-	(26,482,879)
Dividend declared	-	-	-	-	-
Dividend paid	-	-	-	(29,331)	(29,331)
Other Change - non cash movement	(16,826,080)	(39,800,000)	-	-	(56,626,080)
Balance as at 30 June 2021	377,888,223	114,614,303	275,353,193	43,152	767,898,871

	2020					
	Long term financing	Assets subject to finance lease	Lease liabilities	Short term Borrowings	Unclaimed dividend	Total
	----- Rupees -----					
Balance as at 01 July 2019	71,364,375	86,401,948	-	150,000,000	-	307,766,323
Transferred to lease liabilities on adoption of IFRS 16 'Leases'	-	(86,401,948)	86,401,948	-	-	-
Financing obtained	40,080,829	-	-	-	-	40,080,829
Repayment of financing	(9,103,008)	-	-	-	-	(9,103,008)
Acquisitions - finance leases	-	-	11,323,200	-	-	11,323,200
Repayment of lease liabilities	-	-	(10,616,189)	-	-	(10,616,189)
Short term borrowings - net	-	-	-	151,836,072	-	151,836,072
Dividend declared	-	-	-	-	54,266,790	54,266,790
Dividend paid	-	-	-	-	(54,194,307)	(54,194,307)
Balance as at 30 June 2020	102,342,196	-	87,108,959	301,836,072	72,483	491,359,710

# Notes to the Financial Statements

For the year ended 30 June 2021

	2021 Rupees	2020 Rupees
<b>37.3 Non-cash financing activities</b>		
Acquisition of right-of-use assets	<b>78,634,728</b>	11,323,200

## 38 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	
	2021	2020	2021	2020
	Rupees	Rupees	Rupees	Rupees
Managerial remuneration	<b>16,000,000</b>	16,363,636	<b>25,535,204</b>	17,191,601
Medical allowance	-	1,636,364	<b>2,553,520</b>	1,719,160
House Rent	<b>6,400,000</b>	-	-	-
Utilities	<b>1,600,000</b>	-	-	-
Others	<b>17,021,228</b>	7,516,803	-	-
<b>Total</b>	<b>41,021,228</b>	25,516,803	<b>28,088,724</b>	18,910,761
Number of persons	<b>1</b>	<b>1</b>	<b>13</b>	<b>7</b>

**38.1** 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, mobile phone facility and retirement benefit as per Company's policy.

**38.2** Aggregate amount charged in the financial statements for meeting fee to five directors (2020: six directors) was Rupees 0.990 million (2020: Rupees 0.480 million).

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

## 39 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:

Nature of relationship	Nature of transactions	2021 Rupees	2020 Rupees
<b>Associated company</b>			
Bahera (Private) Limited	Purchase of goods	<b>27,393,709</b>	41,915,953
City Schools (Private) Limited	Purchase of fixed assets	-	581,000
<b>Key management personnel</b>			
Directors	Bonus shares issued	<b>138,442</b>	1,167,660
	Dividend paid	-	432,038
Chief Executive	Bonus shares issued	<b>7,350,064</b>	66,818,751
	Dividend paid	-	24,722,938
<b>Other related parties</b>			
Family member of Chief Executive	Bonus shares issued	<b>4,749,826</b>	43,180,244
	Dividend paid	-	15,976,690



# Notes to the Financial Statements

For the year ended 30 June 2021

**39.1** 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
		2021	2020	
Bahera (Private) Limited	Common directorship	Yes	Yes	None
United Bank Limited	Common directorship	No	No	None
Eco Pak Limited	Common directorship	No	No	None
The Kidney Center	Common trusteeship of directors	No	No	None
City Schools (Private) Limited	Common directorship	No	No	None
Educational System (Private) Limited	Common directorship	No	No	None
Smart Education System (Private) Limited	Common directorship	No	No	None
The Smart Schools (Private) Limited	Common directorship	No	No	None
City Asia Pacific Institute of Information Technology (Private) Limited	Common directorship	No	No	None
Universal Assessments Pakistan (Private) Limited	Common directorship	No	No	None
Engen (Private) Limited	Common directorship	No	No	None
Premier Realities (Private) Limited	Common directorship	No	No	None
Remington Realities (Private) Limited	Common directorship	No	No	None
Pakgen Power Limited	Common directorship	No	No	None
Lalpir Power Limited	Common directorship	No	No	None
City Agro (Private) Limited	Common directorship	No	No	None
Hayat Khan (Private) Limited	Common shareholder	No	No	None
CB Capital Limited	Common key management personnel	No	No	None
Siddiqsons Energy Limited	Common directorship	No	No	None
Karachi Supports Foundation	Common trusteeship of directors	No	No	None
Public Private Partnership Support Facility	Common trusteeship of directors	No	No	None
City and Rijas (Private) Limited	Common directorship	No	No	None

**39.2** Detail of compensation to key management personnel comprising of chief executive and executives is disclosed in note 38.

# Notes to the Financial Statements

For the year ended 30 June 2021

## 40 UNUTILIZED CREDIT FACILITIES

	Non-Funded		Funded	
	2021	2020	2021	2020
	Rupees	Rupees	Rupees	Rupees
Total facilities	115,000,000	345,000,000	1,195,430,000	540,590,000
Utilized at the end of the year	20,813,236	205,461,384	776,800,564	398,901,580
Unutilized at the end of the year	94,186,764	139,538,616	418,629,436	141,688,420

	2021	2020
<b>41 NUMBER OF EMPLOYEES</b>		
Number of employees as on 30 June	570	505
Average number of employees during the year	538	490

## 42 PLANT CAPACITY AND ACTUAL PRODUCTION

### Pasteurized milk

-Total capacity	Litres	19,200,000	19,200,000
-Actual production	Litres	11,251,167	10,658,491

### Yogurt

-Total capacity	Litres	3,660,000	2,660,000
-Actual production	Litres	1,610,315	1,434,432

### Raita

-Total capacity	Litres	700,000	700,000
-Actual production	Litres	51,055	39,014

### Chunky yogurt

-Total capacity	Litres	220,000	90,000
-Actual production	Litres	74,038	68,161

### Butter

-Total capacity	Kilogram	360,000	360,000
-Actual production	Kilogram	24,747	104,246

### Cream cheese

-Total capacity	Kilogram	240,000	100,000
-Actual production	Kilogram	57,325	3,390

**42.1** Under utilization of available capacity is mainly due to low market demand.

# Notes to the Financial Statements

For the year ended 30 June 2021

## 43. 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.

## 44. 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.

At 30 June 2021	Level 1	Level 2	Level 3	Total
----- Rupees -----				
Biological assets	-	1,660,108,547	-	1,660,108,547
<b>Total non-financial assets</b>	-	1,660,108,547	-	1,660,108,547

At 30 June 2020	Level 1	Level 2	Level 3	Total
----- Rupees -----				
Biological assets	-	1,476,864,226	-	1,476,864,226
<b>Total non-financial assets</b>	-	1,476,864,226	-	1,476,864,226

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.

# Notes to the Financial Statements

For the year ended 30 June 2021

## (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 2021, the fair value of the biological assets was determined by M/s Happy Cattle Dairy Farm (Private) 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.

## 45 FINANCIAL RISK MANAGEMENT

### 45.1 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.

### (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 date. Previously, the Company's foreign exchange risk exposure was restricted to the amounts payable to the foreign entities with respect to United States Dollar (USD). The Company's exposure to currency risk was as follows:

	2021	2020
<b>Trade and other payables</b>		
- USD	-	132,034
The following significant exchange rates were applied during the year:		
<b>Rupees per US Dollar</b>		
Average rate	159.81	158.82
Reporting date rate	157.80	168.75

### Sensitivity analysis

If the functional currency, at reporting date, had weakened / strengthened by 5% against the USD with all other variables held constant, the impact on profit after taxation for the year would have been Rupees Nil (2020: Rupees 1.036 million) lower / higher, mainly as a result of exchange losses / gains on translation of foreign exchange denominated financial instruments. Currency risk sensitivity to

# Notes to the Financial Statements

For the year ended 30 June 2021

foreign exchange movements has been calculated on a symmetric basis. In management's opinion, the sensitivity analysis is unrepresentative of inherent currency risk as the year end exposure does not reflect the exposure during the year.

## (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, 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:

	2021 Rupees	2020 Rupees
<b>Fixed rate instruments</b>		
<b>Financial liabilities</b>		
Lease liabilities	59,821,741	-
Long term financing	100,385,673	102,342,196
<b>Floating rate instruments</b>		
<b>Financial assets</b>		
Bank balances - saving accounts	114,752	106,638
Term deposit receipt	-	4,619,240
	114,752	4,725,878
<b>Financial liabilities</b>		
Long term financing	291,976,089	102,342,196
Short term borrowings	275,353,193	301,836,072
Lease liabilities	54,792,562	87,108,959
	622,121,844	491,287,227

# Notes to the Financial Statements

For the year ended 30 June 2021

## 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 5.785 million (2020: Rupees 4.525 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:

	2021 Rupees	2020 Rupees
Long term security deposits	24,911,609	14,981,049
Trade debts	98,465,275	84,279,634
Short term investment	-	4,619,240
Short term advances	1,804,732	1,172,374
Short term deposits and other receivables	311,480	1,563,500
Bank balances	109,730,466	56,845,380
	<b>235,223,562</b>	<b>163,461,177</b>

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 counterparty default rate:

	Rating			2021	2020
	Short term	Long term	Agency	----- Rupees -----	
<b>Banks</b>					
Allied Bank Limited	A1+	AAA	PACRA	35,421,032	15,296,901
MCB Bank Limited	A1+	AAA	PACRA	1,031,865	605,452
Silkbank Limited	A-2	A-	JCR-VIS	8,856,869	1,087,214
AlBaraka Bank (Pakistan) Limited	A1	A	PACRA	23	64
MCB Islamic Bank Limited	A1	A	PACRA	32,341,243	22,104,453
Dubai Islamic Bank Pakistan Limited	A-1+	AA	JCR-VIS	31,108,891	13,446,604
National Bank of Pakistan	A1+	AAA	PACRA	1,177	2,820
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	176,039	200,113
Bank Islami Pakistan Limited	A1	A+	PACRA	7,854	7,853
Askari Bank Limited	A1+	AA+	PACRA	785,473	4,093,906
				<b>109,730,466</b>	<b>56,845,380</b>



## Notes to the Financial Statements

For the year ended 30 June 2021

The Company's exposure to credit risk and allowance for expected credit losses related to trade debts is disclosed in Note 22.

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.

The Company applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade debts.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. These trade receivables are netted off with the collateral obtained from these customers to calculate the net exposure towards these customers.

The expected loss rates are based on the payment profiles of sales over a period of 5 years before 30 June 2021 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the Gross Domestic Product, Unemployment, Interest, and the inflation Index of the country in which it majorly sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

On that basis, the loss allowance as at 30 June 2021 and 30 June 2020 was determined as follows:

### At 30 June 2021

	Sales		
	Expected loss rate	Trade debts	Loss allowance
	%	----- Rupees -----	
Not past due	0%	3,421,547	-
Up to 30 days	1.61%	52,957,710	850,878
31 to 60 days	1.66%	18,907,795	313,434
61 to 90 days	7.58%	9,736,233	738,220
91 to 180 days	34.60%	8,044,246	2,783,443
181 to 360 days	60.79%	2,909,669	1,768,658
Above 360 days	100%	20,330,223	20,330,223
		116,307,423	26,784,856
Trade debts which are not subject to risk of default		8,942,708	-
		125,250,131	26,784,856

### At 30 June 2020

Not past due	0%	867,606	-
Up to 30 days	0.54%	35,130,882	189,708
31 to 60 days	0.54%	13,436,418	72,557
61 to 90 days	3.31%	7,723,836	255,626
91 to 180 days	26.19%	15,070,607	3,946,620
181 to 360 days	62.14%	15,874,473	9,864,662
Above 360 days	100%	13,915,461	13,915,461
		102,019,283	28,244,634
Trade debts which are not subject to risk of default		10,504,985	-
		112,524,268	28,244,634

# Notes to the Financial Statements

For the year ended 30 June 2021

## (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 2021, the Company had Rupees 104.647 million (2020: Rupees 78.164 million) available short term borrowing limits from financial institutions and Rupees 114.232 million (2020: Rupees 73.240 million) cash and bank balances. 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 2021

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2year	more than 2 year
----- Rupees -----						
<b>Non-derivative financial liabilities:</b>						
Long term financing	377,888,223	467,367,073	32,559,379	50,308,712	103,214,747	281,284,235
Trade and other payables	312,304,555	312,304,555	312,304,555	-	-	-
Short term borrowings	275,353,193	299,421,498	17,364,153	282,057,345	-	-
Accrued mark-up / profit	12,782,755	12,782,755	12,782,755	-	-	-
Lease liabilities	114,614,303	110,559,476	10,584,803	10,584,805	21,511,067	67,878,801
Unclaimed dividend	43,152	43,152	43,152	-	-	-
	1,092,986,181	1,202,478,509	385,638,797	342,950,862	124,725,814	349,163,036

Contractual maturities of financial liabilities as at 30 June 2020

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2year	more than 2 year
----- Rupees -----						
<b>Non-derivative financial liabilities:</b>						
Long term financing	102,342,196	130,275,464	5,838,269	19,429,013	53,243,071	51,765,111
Trade and other payables	214,035,877	214,035,877	214,035,877	-	-	-
Short term borrowings	301,836,072	312,846,007	312,846,007	-	-	-
Accrued mark-up / profit	10,438,482	10,438,482	10,438,482	-	-	-
Lease liabilities	87,108,959	96,487,436	41,463,455	4,462,897	12,173,574	38,387,510
Unclaimed dividend	72,483	72,483	72,483	-	-	-
	715,834,069	764,155,749	584,694,573	23,891,910	65,416,645	90,152,621

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 6, 7, and 10 to these financial statements.

		<b>At Amortized Cost</b>	
		<b>2021</b>	<b>2020</b>
		<b>Rupees</b>	<b>Rupees</b>
<b>45.2 Financial instruments by categories</b>			
<b>Financial assets</b>			
Long term security deposits		24,911,609	14,981,049
Trade debts		98,465,275	84,279,634
Short term investment		-	4,619,240
Short term advances		1,804,732	1,172,374
Short term deposits and other receivables		311,480	1,563,500
Cash and bank balances		114,232,014	73,240,178
		<b>239,725,110</b>	<b>179,855,975</b>

# Notes to the Financial Statements

For the year ended 30 June 2021

	At Amortized Cost	
	2021 Rupees	2020 Rupees
<b>Financial liabilities</b>		
Long term financing	377,888,223	102,342,196
Accrued mark-up / profit	12,782,755	10,438,482
Short term borrowings	275,353,193	301,836,072
Trade and other payables	312,304,555	214,035,877
Lease liabilities	114,614,303	87,108,959
Unclaimed dividend	43,152	72,483
	<b>1,092,986,181</b>	<b>715,834,069</b>

**45.3** Reconciliation of financial assets and financial liabilities to the line items presented in the statement of financial position is as follows:

	2021		
	Financial assets	Non-financial assets	Assets as per statement of financial position
	----- Rupees -----		
<b>Assets</b>			
Long term security deposits	24,911,609	-	24,911,609
Trade debts	98,465,275	-	98,465,275
Short term advances and prepayments	1,804,732	41,395,456	43,200,188
Short term deposits and other receivables	311,480	64,440,380	64,751,860
Cash and bank balances	114,232,014	-	114,232,014
	<b>239,725,110</b>	<b>105,835,836</b>	<b>345,560,946</b>

	2021		
	Financial liabilities	Non-financial liabilities	Liabilities as per statement of financial position
	----- Rupees -----		
<b>Liabilities</b>			
Long term financing	377,888,223	-	377,888,223
Trade and other payables	312,304,555	83,666,722	395,971,277
Accrued mark-up	12,782,755	-	12,782,755
Short term borrowings	275,353,193	-	275,353,193
Unclaimed dividend	43,152	-	43,152
Lease liabilities	114,614,303	-	114,614,303
	<b>1,092,986,181</b>	<b>83,666,722</b>	<b>1,176,652,903</b>

# Notes to the Financial Statements

For the year ended 30 June 2021

2020			
	Financial assets	Non-financial assets	Assets as per statement of financial position
	----- Rupees -----		
<b>Assets</b>			
Long term security deposits	14,981,049	-	14,981,049
Trade debts	84,279,634	-	84,279,634
Short term investment	4,619,240	-	4,619,240
Short term advances and Prepayments	1,172,374	66,622,030	67,794,404
Short term deposits and other receivables	1,563,500	67,473,979	69,037,479
Cash and bank balances	73,240,178	-	73,240,178
	179,855,975	134,096,009	313,951,984

2020			
	Financial liabilities	Non-financial liabilities	Liabilities as per statement of financial position
	----- Rupees -----		
<b>Liabilities</b>			
Long term financing	102,342,196	-	102,342,196
Trade and other payables	214,035,877	60,386,465	274,422,342
Accrued mark-up	10,438,482	-	10,438,482
Short term borrowings	301,836,072	-	301,836,072
Lease liabilities	87,108,959	-	87,108,959
Unclaimed dividend	72,483	-	72,483
	715,834,069	60,386,465	776,220,534

## 45.4 Offsetting of 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.

## 45.5 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 7 and lease liabilities note 6. Total capital employed includes 'total equity' as shown in the statement of financial position plus 'borrowings'.

# Notes to the Financial Statements

For the year ended 30 June 2021

		2021	2020
Borrowings	Rupees	722,507,217	491,287,227
Total equity	Rupees	2,660,350,969	2,404,966,896
Total capital employed	Rupees	3,382,858,186	2,896,254,123
Gearing ratio	Percentage	21.36%	16.96%

The increase in the gearing ratio is mainly due to increase in long term borrowings and lease liabilities of the Company.

	Note	2021 Rupees	2020 Rupees
<b>46 DISCLOSURES BY COMPANY LISTED ON ISLAMIC INDEX</b>			
<b>Description</b>			
<b>Loan / advances obtained as per Islamic mode:</b>			
Loans	7 & 10	369,529,056	153,706,209
Advances		-	-
<b>Shariah compliant bank deposits / bank balances</b>			
Bank balances		63,458,011	35,558,974
<b>Profit earned from shariah compliant bank deposits / bank balances</b>			
Profit on deposits with banks		4,479	1,215,287
<b>Revenue earned from shariah compliant business</b>	28	2,558,360,057	1,811,537,025
<b>Gain / (loss) or dividend earned from shariah complaint investments</b>		-	-
<b>Exchange loss</b>		-	527,543
<b>Mark-up paid on Islamic mode of financing</b>		16,173,488	15,020,108
<b>Profits earned or interest paid on any conventional loan / advance</b>			
Interest paid on loans		24,171,205	19,111,092
Mark-up on lease liabilities	34	4,231,778	5,403,939
Profit earned on deposits with banks		5,828	7,197
<b>Relationship with shariah compliant banks</b>			
<b>Name</b>	<b>Relationship</b>		
Bank Islami Pakistan Limited	Bank balance		
Dubai Islamic Bank Pakistan Limited	Bank balance		
MCB Islamic Bank Limited	Bank balance, long term and short term financing		
Al Baraka Bank (Pakistan) Limited	Bank balance		

# Notes to the Financial Statements

For the year ended 30 June 2021

## 47 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.

## 48 IMPACT OF COVID-19 (CORONA VIRUS)

The pandemic of COVID-19 that has rapidly spread all across the world has not only endangered human lives but has also adversely impacted the global economy. During the year, the Government of the Punjab from time to time announced temporary smart lock downs as a measure to reduce the spread of the COVID -19. However, after implementing all the necessary Standard Operating Procedures (SOPs) to ensure safety of employees, the Company continued to carry out its operations and has taken all necessary steps to ensure smooth and adequate continuation of its business. Management is actively monitoring the impact of the pandemic on its financial condition, liquidity, operations, supply chain, and workforce, which at this point is not considered to be significant. During the year, the Company has availed SBP's refinance scheme for payment of wages and salaries as explained in note 7 to these financial statements. Further, management believes that the Company has sufficient liquidity available to continue to meet its financial commitments for the foreseeable future when they become due. From the very outset of COVID-19, the management has adopted various policies and practices to minimize adverse impact of COVID-19 on the business and is continuously monitoring the situation in order to proactively address any challenges which may arise from COVID-19.

## 49 EVENTS AFTER THE REPORTING PERIOD

The Board of Directors of the Company has proposed a cash dividend for the year ended 30 June 2021 of Rupees Nil per share (2020: Nil) and 1.2 bonus shares for every 10 ordinary shares (2020: 01 bonus share for every 10 ordinary shares) at their meeting held on 23 September 2021. 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.

## 50 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified where necessary for the purpose of comparison. However, no significant re-arrangements of corresponding figures have been made in these financial statements.

## 51 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on 23-09-2021 by the Board of Directors of the Company.

## 52 GENERAL

Figures have been rounded off to the nearest Rupee, unless otherwise stated.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER



## Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN THAT** the 14 Annual General Meeting of the shareholders (4<sup>th</sup> after listing on PSX) of **At-Tahur Limited** will be held on **Wednesday, October 27, 2021 at 11:00 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 2021 together with the Directors' and Auditors' reports thereon.
2. To approve and declare bonus shares @ 12% i.e. 1.2 share of every 10 shares as recommended by the Board of Directors for the year ended June 30, 2021.
3. 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.
4. To transact any other business with the permission of the Chair.

By Order of the Board

October 02, 2021

Company Secretary

Lahore

### **BOOK CLOSURE:**

The Members' Register will remain closed from October 21, 2021 to October 27, 2021 (both day inclusive).

### **NOTES:**

1. Transfer received in order at the Registered Office by the close of business hours on Wednesday, October 20, 2021 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:**

1. 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.

## Notice of Annual General 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 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.

## نوٹس | سالانہ اجلاس عام

نوٹس ہذا سے مطلع کیا جاتا ہے کہ لطہو ر لمیٹڈ کا چودھواں سالانہ اجلاس عام 27 اکتوبر، 2021ء بروز بدھ بوقت 11:00 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 2021ء 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 2021ء کو اختتام پذیر سال کے لئے ڈائریکٹرز کی سفارشات پر 12 فی صد کی شرح سے یعنی ہر 10 حصص کے لیے 1.2 حصص بونس حصص جاری کرنے کی منظوری دینا۔
3. 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۔

### خصوصی امور

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

بجلم بورڈ  
کمپنی سیکریٹری

لاہور

اکتوبر 02، 2021ء

کتاب کی بندش:

اراکین کا رجسٹر 21 اکتوبر 2021ء سے 27 اکتوبر 2021ء تک (بشمول دونوں ایام) بند رہے گا۔

## نوٹس | سالانہ اجلاس عام

### مندرجات:

1. بدھ 20 اکتوبر 2021ء 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 پراکسی مقرر کر سکتا/سکتی ہے۔
  3. پراکسی 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۔
- پراکسی 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 پراکسی فارم جمع کرنا ہوگا۔
- ii. جائز شناختی کارڈ یا بینی فیشل اونر کا پاسپورٹ اور پراکسی، پراکسی فارم کے ساتھ جمع کروائے جائیں گے۔
- iii. پراکسی 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۔

## نوٹس | سالانہ اجلاس عام

### 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 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۔



## 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](mailto:corplink786@gmail.com), [shares@corplink.com.pk](mailto: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-Tahir 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-Tahir Limited  
182 Abu Bakar Block, New Garden Town, Lahore

**Chief Executive,**

M/s Corplink (Private) Limited  
Independent Share Registrar of At-Tahir Limited  
Wings Arcade, I-K, Commercial, Model Town, Lahore  
Email: [corplink786@gmail.com](mailto:corplink786@gmail.com), [shares@corplink.com.pk](mailto: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](mailto:corplink786@gmail.com), [shares@corplink.com.pk](mailto: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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- 📈 Stock trading simulator  
(based on live feed from KSE)
- 📖 Knowledge center
- 👤 Risk profiler\*
- 📊 Financial calculator
- 📱 Subscription to Alerts (event  
notifications, corporate and  
regulatory actions)
- 📱 Jamapunji application for  
mobile device
- 🖥️ Online Quizzes



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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 Wednesday, October 27, 2021 at  
 11:00 a.m. and at any adjournment thereof.  
 As witness my/our hand seal this \_\_\_\_\_ day of \_\_\_\_\_, 2021

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

### سالانہ جنرل اجلاس

میں / ہم \_\_\_\_\_  
 ساکن \_\_\_\_\_ ضلع \_\_\_\_\_ کا / کے رہائشی ہوں / ہیں اظہور لمیٹڈ کا ممبر ہونے کے ناطے  
 میں / ہم \_\_\_\_\_ 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 / ہمارے لئے اور میری / ہماری طرف سے 27 اکتوبر 2021 بروز بدھ دن صبح 11:00 بجے ہونیوالے کمپنی کے سالانہ جنرل اجلاس میں میری  
 / ہمارے طرف سے بحیثیت پراکسی ووٹ دینے کا مجاز ہوگا۔

آج مورخہ \_\_\_\_\_ 2021

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 \_\_\_\_\_  
 نام \_\_\_\_\_  
 شناختی کارڈ نمبر \_\_\_\_\_  
 پاسپورٹ نمبر \_\_\_\_\_  
 پتہ \_\_\_\_\_  
 دستخط \_\_\_\_\_  
 نام \_\_\_\_\_  
 شناختی کارڈ نمبر \_\_\_\_\_  
 پاسپورٹ نمبر \_\_\_\_\_  
 پتہ \_\_\_\_\_

نوٹ:

- 1۔ اجلاس شروع ہونے سے 48 گھنٹے پہلے 182 ابوبکر بلاک گارڈن ٹاؤن 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

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

- 1۔ پراکسی فارم دو افراد سے دستخط شدہ ہو 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 نقول 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 / پاور آف اٹارنی (مختار نامہ) پراکسی فارم کیساتھ کمپنی کو جمع کرانا ہوگا۔



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