

ANNUAL REPORT

2020-2021



**THE ORGANIC
MEAT COMPANY LIMITED**


Processors & **E**xporters
of **Q**uality **M**eat &
Offal **P**roducts

www.tomcl.net



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COMPANY PROFILE

For more than 10 years, **The Organic Meat Company Limited (TOMCL)** has been providing customers around the world with a wide variety of quality meat products. In 2010, TOMCL began as a private limited company in Karachi with a single mission: to provide the best possible service, selection and value to customers. Today, TOMCL is Pakistan's leading processor and exporter of Red Meat and Edible Offal. Our mission remains unchanged and our principles remain the same: we value honesty, integrity and sincerity. We are passionate about our work and we encourage our employees to take ownership of their daily tasks, knowing that quality in production is the key to success. Resultantly, we have the fastest growing portfolio of meat and offal products as well as export destinations around the world.

The key values of the Company revolve around producing quality products, maintaining a motivated workforce, a safe working environment and integrity, while making a positive contribution to the community. The Company's expertise is in producing products of high quality, tenderness and freshness from the healthiest, grass fed and free range animals from the green agricultural lands of Pakistan, and exporting these beef, mutton and edible offal products to a variety of destinations in Asia and the CIS region. The Company is certified and audited by various local and international governmental food safety and veterinary authorities on regular basis.

A state-of-the-art production facility which includes latest plant & machinery located in Gadap Town, Karachi boasts a hygienic manufacturing practice and sufficient capacity to produce various forms of meat and offal products. Our plant is able to process fresh, chilled, frozen, vacuum packed, cooked and processed (ready to cook/fry) products.

We believe Pakistani animals are of top quality and ensure that only healthy and well-bred animals which meet international veterinary and premium quality standards are procured for the production of mutton and beef. It is further ensured that animals are only purchased from disease free zones of Pakistan and regular updates of any epidemic outbreaks are monitored by the veterinary department at the Company. The Company enjoys being the pioneer of various innovations and achievements in the meat industry of Pakistan. Apart from being the first company to export frozen boneless beef meat to Saudi Arabia, TOMCL is also the first one to initiate export of vacuum packed boneless beef and fresh chilled bone-in beef via sea. Pioneering the export markets like Maldives and Vietnam, the Company enjoys the largest market access globally from Pakistan.



Hygienic meat products, animal welfare and safe working environment are the keys to our standard operating procedures. The production and hygiene procedures of the Company are ensured to be in compliance with all the international standards including that of ISO 9001-2015, HACCP for Food, GMP, Gulf Standards, SASO, DVS Malaysia, GOVS Egypt and various other international organizations. TOMCL highly values and executes the Halal principles for treatment and slaughtering of animals. The Company is certified and monitored by various Halal monitoring organizations including Jamia Markaz-e Uloom-e-Islamia Pakistan, Dar Ul Shia Institute Karachi and International Halal Center, Pakistan.



The Company strives to further improve and be an outstanding example for the meat industry globally. The vision is based on promoting extraordinary quality beef and mutton animals from Pakistan by adding value to the product to achieve better commercial gains for the country. Graciously, TOMCL is one of the largest meat producers of Pakistan with the massive potential to go further. From a family business to the fastest growing meat exporter in Pakistan, we stand dedicated to serve the desires of our customers and our nation.



VISION

To excel in delivering value to customers as an innovative and dynamic meat and edible offal company that gets to the future first. Enhancing the product lines and quality of products along with vertical and horizontal integration in the red meat industry of Pakistan.

MISSION

We are committed to leadership in the meat industry of Pakistan through competitive advantage in providing the highest quality meat and edible offal products to our customers around the globe. Furthermore, we aim to incorporate professionally trained, high quality, motivated workforce, working as a team in an environment, which recognizes and rewards performance, innovation and creativity, and provides for personal growth and development.

We aim to assure access to long-term and cost effective sources with our thorough innovations in raw material procurement, production processes and transport techniques in order to achieve sustained growth in earnings in real terms. Last but not the least our motive of business revolves around high ethical business values, safe and friendly environment along with socially responsible business practices.

Our Company's DNA is built on - ethics, trust, world-class quality meat and unparalleled commitment to our customers, which classify us as a leading processor and exporter of meat and offal products from Pakistan.

One inspiration, One goal- To sell
premium Pakistani meat products around the globe

VALUES

The Organic Meat Company Limited ensures that values and ethics of its business and operations in terms of each and every aspect of the Company shall revolve around the following attributes:



Excellence

We believe that excellence in our core activities emerges from a passion for satisfying our customers' needs in terms of total quality management. Our foremost goal is to retain our premium quality leadership.



Cohesiveness

We endeavor to achieve higher collective and individual goals through team. This is inculcated in the organization through effective communication.



Respect

We are an Equal Opportunity Employer attracting and recruiting the finest people from around the country. We value contribution of individuals and teams. Individual contributions are recognized through our in house promotion and recognition program.



Integrity

We uphold our values and business ethics principles in every action and decision. Professional and personal honesty, dedication and commitment are the landmarks of our success. Open and transparent business practices are based on ethical values and respect for employees, communities and the environment.



Innovation

We are committed to continuous improvement, both in new products and processes as well as those existing already. We encourage creative ideas from all stakeholders.



Corporate Responsibility

We promote halal, healthy and safe culture both internally and externally. We emphasize on community development and aspire to make society a better place to live in.

STRATEGIC OBJECTIVES

The Company's significant strategic objectives include contributing to the welfare of its customers by ensuring and executing the production of quality products and service that shall constantly fulfill all relevant international standards. Furthermore, increasing stakeholder value through continuous improvement of production processes and the variety of products that TOMCL offers, while ensuring optimum efficiency remains a key objective. In addition to this, the Company is also focused on the following objectives:

Compliance with Regulatory and Legal Requirements

TOMCL assures ethical operations in all spheres of business and thorough systems in order to comply with Regulatory and Legal Requirements.

Sustainable Supply of Raw Material

Beef and Mutton Livestock is the major component of the raw material at TOMCL and strong system at TOMCL results in sustainable raw material supply to achieve the revenue targets. Thus, optimizing and ensuring efficient supply chain and pursue long term supply arrangements remains our one of the top most strategic objectives of the company.

HSE Compliant

Effective steps at all levels and processes are taken to ensure full compliance for health, safety and Environment aspects.

Explore Opportunities for Growth

TOMCL continues to create upstream synergy and evaluate diversification of opportunities for growth.

Active Corporate Citizenship

The Company has thorough focus on responsible corporate citizenship with active CSR initiatives in health, education, community development and support for special persons.

Human Resource Development

Special and well-designed systems for Human Resource skill development and increased employee engagement are incorporated for an effective and motivated working team.

OUR PRODUCTS

We offer a versatile portfolio of meat and offal products. The continued growth of our business is a testament of our well-rooted product knowledge and development which has led to our far-reaching success. Majorly, TOMCL is an export oriented company focusing on the following products:

BEEF

Bone-in Carcasses

Beef Boneless Compensated

Beef Boneless Cuts

Beef Cubes Bone-in

Beef Meat Delicacies

Exported In **Fresh Chilled, Frozen Or Cooked** Categories. Packed In Vacuum Pouches, Food Graded Plastic Or Food Friendly Cloth.

MUTTON

Bone-in Carcasses

Mutton Boneless Cuts

Mutton Cubes Bone-in

Exported In **Fresh Chilled, Frozen Or Cooked** Categories. Packed In Vacuum Pouches, Food Graded Plastic Or Food Friendly Cloth.

RED AND WHITE BEEF AND MUTTON OFFALS

Red Offal includes Liver, Kidney, Heart and Lungs exported in fresh chilled or frozen form in packaging as per customers' requirements. **White Offal** includes **Tripe, Intestines, Omasum, Trachea, Pizzle** and **Aorta** exported in salted and dried form or cooked frozen form in packaging as per customers' requirements. **Beef and Mutton white Offal** is being used for the production of **Raw material for Pet Food**, adding a new product range to TOMCL Product Portfolio

PRIVATE LABELLING AND EID UL AZHA QURBANI SERVICES

TOMCL is producing meat products with **private labelling** for customers globally. TOMCL also provides Qurbani Services at **Eid Ul Azha** for the local customers majorly NGOs / charity organizations who prefer hygienic and hassle free Qurbani.

EXPORT DESTINATIONS

TOMCL enjoys the largest export network globally and has exported meat and offal products to the following countries:

United Arab Emirates



Saudi Arabia



Bahrain



Oman



Qatar



Maldives



Myanmar



CIS region



Vietnam



Kuwait



Hong Kong



United State



Since 2010, We Are Trusted to Produce Quality and Hygienic Meat and Offal Products

ACCOMPLISHMENTS:

First Company from Pakistan to **Export Fresh Chilled Mutton Meat** by Road in 2010



First Pakistani Company to **Export Frozen Boneless Beef Meat** to Saudi Arab via Sea in 2013



First Company From the region to Export **Vacuum Packed Fresh Boneless Beef Meat** to CIS states



First Company in Pakistan providing **Private Labeling** of Beef Products for International Clients

Pioneers of **Export of Fresh Beef Carcasses** via Sea to Gulf States



First Pakistani Company to export raw material for **Pet Food** to United States of America in 2021

Over PKR

3.92

Billion Turnover
(2020-2021)

Over PKR

303

Million Net Profit
(2020-2021)

12

Export
Destinations

11

Years of
Production

COMPANY INFORMATION

Board of Directors

Mr. Nihal Cassim
(Chairman/Independent Director)

Mr. Faisal Hussain
(Chief Executive Officer)

Mr. Ali Hussain
(Chief Operating Officer)

Mr. Rizwan Punjwani
(Independent Director)

Mr. Aneek Saleh Mohammad
(Independent Director)

Mr. Salman Hussain
(Executive Director)

Mr. Syed Owais Hasan Zaidi
(Independent Director)

Ms. Sehrish Hafeez
(Independent Director)

Audit Committee

Mr. Rizwan Punjwani
Chairman (Independent Director)

Mr. Nihal Cassim
Member (Independent Director)

Mr. Syed Owais Hasan Zaidi
Member (Independent Director)

External Auditor

Grant Thornton Anjum Rahman
Chartered Accountants

Company Secretary

Abdul Quadir

Human Resource and Remuneration Committee

Mr. Aneek Saleh Mohammad
Chairman (Independent Director)

Mr. Rizwan Punjwani
Member (Independent Director)

Mr. Salman Hussain
Member (Executive Director)

IT Committee

Mr. Syed Owais Hasan Zaidi
Chairman (Independent Director)

Mr. Nihal Cassim
Member (Independent Director)

Mr. Ali Hussain
Member (Executive Director)

Tax Advisor

Saleem and Co.

Legal Advisor

Pinjani & Vadria Lawyers

Share Registrar

F.D. Registrar Services (Pvt.) Limited

BANKERS

Al Baraka Bank Pakistan Limited



Habib Metropolitan Bank Limited



Bank Al Habib Limited



Faysal Bank Limited



Habib Bank Limited



Soneri Bank Limited



Dubai Islamic Bank



Samba Bank Limited



National Bank Of Pakistan



Website

www.tomcl.net

Registered Address

Office Address: Sector 24, Plot No. 257

Korangi Industrial Area,

Karachi - Pakistan

Tel: +92-21-35059969, +92-21-35079969

Plant Address: Survey Number 310-Deh Shah

Mureed, Gadap, Karachi, Pakistan.

Contact # 034688224601-30

OUR VALUABLE CUSTOMERS



**LASER MEAT
TRADING EST.**

مؤسسة قيم الجودة للتجارة

**QUALITY VALUES
TRADING EST.**

For Foods Stuff - Wholesale

شركة المحور الدولي للتجارة

**INTERNATIONAL HUB
FOR TRADING CO.**

مؤسسة الغذاء الرقي للتجارة

**Elegant Food For
Trading Est.**

**QUICK MEAT MIDDLE
EAST LLC**

Al Tayyeb Meat Est.

Importers & Suppliers of all Fresh
& Frozen Meat



DIRECTORS' PROFILE

Mr. Nihal Cassim

Chairman Of Board Of Directors

Nihal Cassim is the sponsor and Chief Executive of Ubiquity Trading Limited (previously Safeway Fund Limited), a former Asset Management Company which managed two top performing equity funds listed on the PSX. Previously, he was engaged in his own corporate finance practice in Pakistan and concluded various assignments notably advisory services to the sale by shareholders of Crescent Leasing and PICIC. In Canada, Nihal was Vice-President and Head of small-cap Investment Banking for First Associates' (now Blackmont Capital, a CI Financial Company) where he conducted several transactions in M&A, equity financing and corporate finance advisory. Nihal has in depth knowledge of the precious metals mining business and was responsible for the corporate development of TVX Gold Inc. and was involved in its \$4 billion merger with Kinross Gold. He began his investment banking career at HSBC Securities, Canada.



Nihal is an MBA (Finance & MIS) from McGill University. He is currently a Director on the Boards of International Steels Limited, The Organic Meat Company Limited, Ubiquity Trading Limited, National Institutional Facilitation Technologies (Pvt) Limited (NIFT) and its subsidiary ISM (Pvt) Limited. He has served on the Boards of Pakistan Oilfields Limited (for 9 years) and Ferozsons Laboratories Limited (for 15 years). Nihal has served two terms as a Director on the Board of the Mutual Funds Association of Pakistan (MUFAP). He takes particular interest in facilitating the development of the capital market, governance of public companies and the protection of minority shareholders through improvements to the regulatory framework. His addition to the board has led to guidance in financial planning and compliance for TOMCL.

DIRECTORS' PROFILE

Mr. Faisal Hussain Executive Director

Mr. Faisal Hussain has over 21 years working experience in the sheep casings (meat offal processing) industry and 11 years of experience in the meat processing industry. He is the Founder Shareholder/Director & CEO of the Company.

He holds a "Master of Business Administration" Degree from respected Institute of Business Administration (IBA) and a "Master Of Finance" Degree from Cardiff Business School, University of Wales, UK. He decided to come into the meat industry in year 2010, knowing that he has an edge over all other players in the market due to his previous experience in the Meat Offal Industry. He is the pioneer of various contemporary trends of the meat industry of Pakistan.

He brought new concepts in the industry of further adding value by offering boneless Frozen and Vacuum packed Beef and Mutton meat along with tremendous increase in export of Offal to Far Eastern economies. It was under his leadership that TOMCL achieved honor of being the only company in South East Asia to have approvals of export for so many destinations including Iraq, Maldives and Malaysia. His idea of extending the shelf life of Pakistani Beef and Mutton meat resulted in opening of markets like CIS States for Pakistan. He has taken a single product meat industry of Pakistan which use to export only meat carcasses before the entry of TOMCL to a multi-product industry. His recent initiative of exporting Beef Offal as a raw material for producing Pet Food is getting good market response internationally.



Mr. Ali Hussain Executive Director

Mr. Ali Hussain is in charge for operations, productions and all aspects of compliances related to processing plant of the company. Various other departments and aspects like HR, Export, Halal Management Systems, Animal Welfare and CSR are also headed by him. He has been a vital part of the management team since beginning of TOMCL. Primarily, he was managing affairs of export development and export related licenses. Since 2015, he was assigned the affairs of the processing factory and was designated as Chief Operating Officer.

Mr. Ali holds a degree of BSc of Economics from Lahore University of Management Sciences (LUMS) and had been president of various student bodies in his university. Furthermore, he has done various diplomas from London School of Economics and Political Science in UK. He also has vast experience in food catering business along with handling and maintaining the workplace standards for HACCP, ISO 9001-2015 and GMP. His communal services in the field of sports are notable. Currently he is a member of BOG of Sindh Cricket Association and formerly he has been the Secretary for Karachi City Cricket Association. He also owned a catering business which was venturing food supplies to various multinational corporations and embassies.



DIRECTORS' PROFILE

Mr. Rizwan Punjwani

Independent Director

Mr. Rizwan Punjwani is a Chartered Accountant and holds more than 25 years of working experience. He is a shareholder/director of TOMCL and indulges in various consultations to the company's management. His experience in the field of finance and equity has helped TOMCL to grow and develop it into a financially sound organization.

Currently, he is also a Fund Manager at RAY Securities. Prior to it, he was Director and Chief Operating Officer at Sindh Gas where he was primarily responsible to implement projects. Mr. Punjwani has led the Investment Banking department of one of the largest bank of Pakistan - National Bank of Pakistan where he gained rich experience of handling debt and equity transaction of large ticket size.



Mr. Salman Hussain

Executive Director

Mr. Salman Hussain is currently heading the Animal Fattening venture of TOMCL. Formerly, he was the Director and CEO Lucky Foods (Pvt.) Ltd. Besides dairy farming, backward integration in agriculture and animal husbandry are a major focus areas of his expertise. He carries a strong vision on food related businesses in Pakistan, both for exports and to cater local markets.

Mr. Hussain has worked for Citibank N. A for 15 years and his last designation was Director and Country Head Global Transaction Services for Pakistan and Afghanistan. He started his career with the consumer bank as a relationship manager. He rose through the ranks and served as branch manager, area manager, product head and branch banking head for Citibank in Pakistan. Before moving to the corporate bank in 2011, Salman looked after consumer bank as a Retail Bank Head. He holds a "Master of Business Administration"

Degree from respected Institute of Business Administration (IBA) in Karachi. His presence on the board adds tremendous value to the company owing to his knowledge about the cattle and food industry of Pakistan along with his incredible background functioning for a world class bank.



DIRECTORS' PROFILE

Mr. Syed Owais Hasan Zaidi

Independent Director

Mr. Owais Zaidi is on board of TOMC as an independent director since year 2019. He holds a "Master of Business Administration" Degree from respected Institute of Business Administration (IBA) in Karachi. He has a diversified exposure to various industry verticals and business domains. He is Founder & CEO at Credit Fix – Pakistan's first credit market place, Co- Founder & Principal Consultant at Infinitum Innovations which manages the largest service offices chain in Pakistan called "The Hive". Prior to that Mr. Zaidi has been associated with several tech companies playing key management roles. His presence on the board adds to the value of the company's performances due to his dynamic ideas about innovations specially related to production and operations.



Mr. Aneek Saleh Mohammad

Independent Director

Mr. Aneek has joined the Board of Directors of the Company on 1st December 2020. He holds a "Master of Business Administration" Degree from the prestigious Institute of Business Administration (IBA) in Karachi. He is the founder and CEO of Revelation Group, with a portfolio of companies expanding from advertising, publications, digital platforms and media solutions. He has been instrumental in bringing innovative marketing solutions and the creation of strong collaborative platforms for Pakistan. He has been the sole representative for many international festivals and events including the most prominent Cannes Lions Festival for Pakistan for over a decade and has played a pivotal role in creating a space for Pakistan on many international platforms.

With extensive experience of over 23 years in the field of marketing, Aneek brings with him a strong understanding of the food industry as he has been involved with many major consumer food companies in the strategic advisory role. His innovative vision and outlook will add value to the organization's growth both in local and international markets.



DIRECTORS' PROFILE

Ms. Sehrish Hafeez

Independent Director

Ms. Hafeez holds a BSc in Philosophy and Economics from internationally acclaimed and prestigious London School of Economics in London, UK. She is currently doing her masters from Columbia University in USA. Young and dynamic with enormous exposure to the tech world, she has added splendid utility in IT, modern industrial operations and compliances for TOMCL. Her experience includes valuation of different companies through different valuation techniques like discounted cash flow techniques, comparable and other approaches. She has a good understanding of the business models and is also strategically involved in various roles for running the business successfully. She has an experience of drafting various researches on growth advisory and her expertise has added value to the Board Of directors at TOMCL.



At TOMCL, we believe that an individual commitment to a group effort is what makes a team work, a successful company and a prospering society. The key to working as one team is to break down factitious barriers between work areas, understanding and valuing each other's roles and promoting cross functional collaboration.

CHAIRMAN'S REVIEW

It is a pleasure and honor to present this report to the shareholders of The Organic Meat Company Limited relating to the complete performance of the Board of Directors and their effectiveness in guiding the Company towards achieving its aims and objectives.

The Board has advocated and the Company has applied a sturdy governance framework that provides an effective and prudent management of business matters, which is regarded as instrumental in achieving the long term success of the Company. During the course of the financial year the Board and its sub-committees provided guidance to the Company towards achieving its growth potential in the face of an ever changing environment. The Board as a whole has reviewed the annual report and financial statements, and is pleased to confirm that in its view these documents taken as a whole, are fair, balanced and comprehensive.

The Board has set up its own performance evaluation mechanism as required under the Code of Corporate Governance. This annual self-assessment is carried out to determine the effectiveness and performance of the Board of Directors, the integral components of which include, strategic planning, composition of the Board, policies and procedures, compensation procedures and completeness of information provision. The outcome of this assessment is that the Directors feel that the Board is engaged in strategic matters, continues to better required controls to get all the necessary information in a timely manner, and the independent directors have played a noteworthy role in encouraging good decisions.



Mr. Nihal Cassim
Chairman of Board of Directors

CHAIRMAN'S REVIEW

As for its composition, the Board of Directors reflects a mix of varied backgrounds and experience in the fields of food and industrial business, finance, marketing, IT, banking and regulations. The Board ensures compliance of all regulatory requirements through the management, internal audit as well as external audit. The Board is supported in its tasks by its competent committees. The audit committee reviews financial statements and ensures these fairly represent the financial position of the Company. It also ensures the effectiveness of internal controls through internal and external auditors. The human resources committee has worked to develop and formalize HR Policies and review compensation criteria of staff members. The IT committee has reviewed the IT infrastructure needs of the Company. I would like to thank the board members for their guidance and support throughout the year.

The financial year 2020-21 was an eventful year from the Company's perspective. The Company got listed on the Pakistan Stock Exchange allowing more investors to join and share in its growth. The addition of a factory in Korangi, the launch of an animal fattening farm to secure our raw material needs, sales of frozen beef by sea to Saudi Arabia's leading food processing brand, getting licensed to sell heat treated beef to China and supplying to the pet food industry in USA were the major notable firsts for the Company and for Pakistan's meat industry. The Company closed the year with record export sales despite the disruptions from COVID-19, increasing cattle and feed prices, currency volatility and changing shipping industry dynamics. The Board remains focused on improving shareholder value through good governance, strategic planning, overseeing risk management and enabling human resources.

I would like to acknowledge the efforts of the Company's CEO, Mr. Faisal Hussain, his management team and all other staff members who have worked diligently to help the Company achieve its targets. I pray to Allah that He enables us to succeed in future and bring prosperity and success to the Company, its staff, its shareholders and all other stakeholders.



Mr. Nihal Cassim

Chairman of Board of Directors
The Organic Meat Company Ltd.

چیئرمین کے خیالات

یہ میرے لیے خوشی اور اعزاز کی بات ہے کہ میں دی آرگینک میٹ کمپنی لمیٹڈ کے شیئر ہولڈرز کے سامنے بورڈ آف ڈائریکٹرز کی مکمل کارکردگی اور کمپنی کو اس کے مقاصد اور مقاصد کے حصول میں ان کی تاثیر سے متعلق یہ رپورٹ پیش کر رہا ہوں۔

بورڈ کی قائد کے ساتھ کمپنی نے ایک مضبوط گورننس فریم ورک کا اطلاق کیا ہے جو کاروباری معاملات کا ایک موثر اور سمجھدار انتظام فراہم کرتا ہے ، جس سے کمپنی کی طویل مدت تک کامیابی حاصل کرنے میں اہم کردار ادا کیا ہے۔ اس مالی سال کے دوران بورڈ اور اس کی ذیلی کمیٹیوں نے کمپنی کو ہمیشہ بدلتے ہوئے ماحول کے پیش نظر اپنی ترقی کی صلاحیت کو حاصل کرنے کے لیے رہنمائی فراہم کی۔ بورڈ نے مجموعی طور پر سالانہ رپورٹ اور مالی بیانات کا جائزہ لیا ہے ، اور اس بات کی تصدیق کرتے ہوئے خوشی ہوئی ہے کہ اس کے خیال میں یہ دستاویزات مجموعی طور پر منصفانہ ، متوازن اور جامع ہیں۔

بورڈ نے کارپوریٹ گورننس کے ضابطے کے تحت ضرورت کے مطابق اپنی کارکردگی کی تشخیص کا طریقہ کار ترتیب دیا ہے۔ یہ سالانہ خود تشخیص بورڈ آف ڈائریکٹرز کی تاثیر اور کارکردگی کا تعین کرنے کے لیے کی جاتی ہے ، جس کے لازمی اجزاء میں شامل ہیں ، اسٹریٹجک پلاننگ ، بورڈ کی تشکیل ، پالیسیاں اور طریقہ کار ، معاوضہ کے طریقہ کار اور مکمل معلومات کی فراہمی ۔ اس تشخیص کا نتیجہ یہ ہے کہ ڈائریکٹرز محسوس کرتے ہیں کہ بورڈ اسٹریٹجک معاملات میں مصروف ہے ، تمام ضروری معلومات بروقت حاصل کرنے کے لیے بہتر مطلوبہ کنٹرول جاری رکھے ہوئے ہے ، اور آزاد ڈائریکٹرز نے اچھے فیصلوں کی حوصلہ افزائی میں قابل ذکر کردار ادا کیا ہے۔

جہاں تک اس کی تشکیل کا تعلق ہے ، بورڈ آف ڈائریکٹرز خوراک اور صنعتی کاروبار ، فنانس ، مارکیٹنگ ، آئی ٹی ، بینکنگ اور ضوابط کے شعبوں میں مختلف پس منظر اور تجربے کے امتزاج کی عکاسی کرتا ہے۔ بورڈ مینجمنٹ ، اندرونی آڈٹ کے ساتھ ساتھ بیرونی آڈٹ کے ذریعے تمام ریگولیٹری ضروریات کی تعمیل کو یقینی بناتا ہے۔ بورڈ کو اپنے ان کاموں میں مدد کے لیے مجاز کمیٹیوں کی مدد حاصل ہے۔ آڈٹ کمیٹی مالی بیانات کا جائزہ لیتی ہے اور اس بات کو یقینی بناتی ہے کہ یہ کمپنی کی مالی پوزیشن کی منصفانہ نمائندگی کریں۔ اس کے علاوہ یہ اندرونی اور بیرونی آڈیٹرز کے ذریعے اندرونی کنٹرول کی تاثیر کو بھی یقینی بناتا ہے۔ ہیومن ریسورس کمیٹی نے ایچ آر کی پالیسیوں کو تیار کرنے اور باضابطہ بنانے اور عملے کے ارکان کے معاوضے کے معیار کا جائزہ لینے کے لیے کام کیا ہے۔ آئی ٹی کمیٹی نے کمپنی کی

آئی ٹی انفراسٹرکچر کی ضروریات کا جائزہ لیا ہے۔ میں بورڈ کے ممبران کی رہنمائی اور سال بھر کی مدد کے لیے ان کا شکریہ ادا کرنا چاہتا ہوں۔

مالی سال 2020-21 کمپنی کے نقطہ نظر سے ایک اہم سال تھا۔ کمپنی پاکستان اسٹاک ایکسچینج میں درج ہو گئی ہے جس سے مزید سرمایہ کاروں کو اس کی ترقی میں شامل ہونے اور حصہ لینے کا موقع ملے گا۔ ہماری خام مال کی ضروریات کو پورا کرنے کے لیے کورنگی میں ایک فیکٹری کا اضافہ، جانوروں کی چربی بنانے والے فارم کا آغاز، سعودی عرب کے معروف فوڈ پروسیسنگ برانڈ کو سمندر کے ذریعے منجمد بیف کی فروخت، چین کو ہیٹ ٹریٹڈ بیف فروخت کرنے کا لائسنس حاصل کرنا اور امریکہ میں پالتو جانوروں کی خوراک پالتو جانوروں کی فوڈ انڈسٹری کو سپلائی کرنا کمپنی کے لیے اور پاکستان کی گوشت انڈسٹری کے لیے سب سے اہم قابل ذکر تھا۔ کمپنی نے کوویڈ 19 میں رکاوٹوں، مویشیوں اور خوراک کی قیمتوں میں اضافے، کرنسی کے اتار چڑھاؤ اور ترسیل کی صنعت کی حرکیات کے باوجود ریکارڈ برآمدی فروخت کے ساتھ سال کو بند کیا۔ بورڈ کی ساری توجہ اپنی شیئر ہولڈر ویلیو کو گڈ گورننس، اسٹریٹجک پلاننگ، رسک مینجمنٹ کی نگرانی اور انسانی وسائل کو فعال کرنے کے ذریعے بہتر بنانے پر مرکوز ہے۔

میں کمپنی کے سی ای او جناب فیصل حسین، ان کی انتظامی ٹیم اور دیگر تمام سٹاف ممبرز کی کوششوں کو تسلیم کرنا چاہوں گا جنہوں نے کمپنی کو اپنے اہداف کے حصول میں مدد کے لیے تندی سے کام کیا ہے۔ میں اللہ سے دعا کرتا ہوں کہ وہ ہمیں مستقبل میں کامیابی اور کمپنی، اس کے عملے، اس کے شیئر ہولڈرز اور دیگر تمام اسٹیک ہولڈرز کے لیے خوشحالی اور کامیابی لانے کی توفیق دے۔

نسرت لہنا

جناب نہال قاسم صاحب

چیئر مین

آرگینک میٹ کمپنی لمیٹڈ

DIRECTORS' REPORT

The Board of Directors are pleased to present the 11th annual report along with the audited accounts of the Company. The report covers your Company's activity for the year ended June 30, 2021 and describes its financial, social and environmental performances.

1. Operating Performance

The primary business activities of The Organic Meat Company Limited ("TOMCL") is exporting fresh chilled meat, frozen meat and frozen offals to the middle eastern, far eastern, CIS and South Asian markets. At present your Company has the ability to export to about a dozen countries. Our products are carefully packaged in cloth, vacuum packed or IWP (individually wrapped packing) food grade plastic, and are exported via land, sea and air. The meat slaughtering facility and the animal fattening farm are located in Gadap, Karachi and the work on offal processing, cooked meat and pet food processing plant is in-progress at Korangi, Karachi.

For the year ended June 30, 2021, TOMCL exported 6,589 MT of fresh chilled meat, frozen meat and frozen offals which is higher by 271 MT for the same period last year. Volumetric exports of frozen meat grew by 78% while those of fresh chilled meat fell by 36% due to insignificant sales to CIS, resulting in a net decline in meat volumes by 10%. Offal volumes increased many folds by 1016% due to exports of wider range of offal products.

Exports of fresh chilled meat products accounted for 49% and exports of frozen meat products accounted for 32% of total sales. Sales of both these product categories showed slight increase despite halting of exports to CIS markets, however, given advantages of being the pioneer in exports by sea and with the help of favourable pricing and currency dynamics, the Company was able to sustain sales of these products. The offal business delivered impressive volume growth which allowed total sales to increase. Local sales were accounted for primarily under Meat Master qurbani services and received an overwhelming response. The UAE remained our largest market with about 72% of sales.

The year ending June 30, 2021 was a period of many firsts for your Company and Pakistan's meat export industry. The Company raised approximately PKR 800 mn and listed on the Pakistan Stock Exchange under the symbol "TOMCL", the launch of Meat Master online offered qurbani services at a time when the country battled the COVID-19 pandemic and the city was paralyzed by torrential rains. Thereafter your Company became the first meat exporter in Pakistan to sign a multinational food processing company as against exports to retailers and wholesalers, with that we became the first to export frozen meat by sea to Saudi Arabia. The much awaited license from China to import heat treated beef from TOMCL was another feat for us and our industry, this followed our proprietary technology to eliminate foot and mouth disease (FMD) by heat treating meat. Next came our sample shipment of pet food ingredients to the US market following clearance by USFDA. During the year your Company has started construction of a new factory at Korangi to produce and export value added products such as cooked food, pet food, red and white offals, as well as purchased its first lot of animals for its animal fattening farm at GADAP which will soon house up to 3,000 animals, being the largest of its kind in Pakistan.

2. Financial Performance

For the year ended June 30, 2021, your Company recorded a sales of PKR 3.93 bn, up 16% from the same period last year. The increase is entirely due to price variance as volumetric sales showed no growth. Cost of sales increased from PKR 437/kg to PKR 498/kg in FY21 due to higher procurement costs and depreciation charges given the increase in fixed assets. As a result gross margin declined from 18.38% to 16.54% in the current year, while gross profit was increased by 4.4%. Administrative costs were in line with last year, selling expenses were increased due to higher freight and forwarding charges, savings from lower financial charges were offset by provisioning as per IFRS 39 and other income was higher on account of forward currency contracts. As a result, profit before tax stood at PKR 340.50 mn, an increase of 20% over last year, however, after income tax adjustments, profit after tax stood at PKR 303.47 mn vs PKR 266.35 mn representing an increase of 14% over FY20. Your Company has posted an EPS of PKR 2.71 for the year as compared PKR 2.38 for the previous year (based on current shares outstanding). Key figures are mentioned below:

	2021	2020
	----- (Rupees) -----	
Net sales	3,927,824,141	3,384,108,701
Gross profit	649,627,277	621,982,310
Profit before tax	340,499,968	283,477,295
Taxes	(37,027,931)	(17,124,784)
Profit after tax	303,472,037	266,352,511
Earnings per share – weighted average shares	2.78	3.71
Earnings per share – current number of shares	2.71	2.38

3. Declaration of Dividend

The Board is pleased to recommend a bonus issue of 10%.

4. Financial Reporting

The financial statements have been prepared in accordance with approved accounting and reporting standards as applicable in Pakistan. Approved accounting and reporting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017, and provisions of and directives issued under the Companies Act, 2017. In case requirements differ, the provisions or directives of the Companies Act, 2017 shall prevail.

5. Manufacturing and Operations

All our resources relating to manufacturing facilities performed well and achieved positive gains in efficiencies. The Company is continuously engaged in new products development, improving efficiencies, reducing wastage, improving lead times and lowering inventories. We are constantly modernizing and upgrading our manufacturing facilities to prepare for opportunities.

Manufacturing operations are further streamlined for efficiencies and controls through various trainings of production personnel through SGS. Your Company is committed to be the best in the industry through continuous developments in product lines and providing the safest and the best quality products to the international and the local markets with extended shelf life.

Your Company is on the forefront of offering value added meat products to the international market and with an extended shelf life through its enhanced technologies which allows us a competitive edge in adverse environments. We are continuing towards our goal to be a one stop shop for all kinds of meat requirements whether it is fresh chilled bone-in, fresh chilled boneless, fresh chilled boneless vacuum pack with extended shelf life, frozen bone-in and boneless products, cooked meat products, pet food products and all varieties of edible red and white offal.

6. Corporate Social Responsibility

Your Company realizes its responsibility to our environment, our countries success and the wellbeing of its citizens at large. In this respect we make donations as well as train our workforce to practice better civic duties at work and at home.

7. Health

We are committed to demonstrate sound environmental performance by controlling the impact of our operations and products on the environment and we further endeavor to comply with the applicable environmental legislation, regulations and standards laid down for pollution control in our Country. Your Company is determined to play a role in promoting a better and ecologically friendly future in Pakistan.

We have introduced various protocols for compliance in the factory premises to safeguard the health and hygiene of our workers at home and the work place. Given various spells of Covid 19, all workers have been vaccinated.

8. The Board and its Committees

The Organic Meat Company Limited has an independent and objective Board consisting of eight directors. There are three executive and five independent directors including one independent lady director. The roles of the chairman and chief executive are different with each being clearly defined. In addition, the audit, IT and HR committees are chaired by independent directors.

Out of eight directors of the Company, four directors have obtained certification under Directors Certification Training Program, while one is exempt. Therefore, over half of the Board is qualified under the criteria of DTP as per CCG.

The Directors of the Company are adequately trained to perform their duties and are aware of their powers and responsibilities under the Companies Act, 2017 and the Regulations of PSX Rule book.

The Board of Directors has developed a remuneration policy for non-executive and independent directors of the Company.

The Board has formed sub committees to assist the Board in effectively discharging its responsibilities. Details of these committees are below:

Board Audit Committee

The committee comprises of three members from the Board who are independent directors. The chairman of the committee is an independent director as required in the CCG Regulations 2019. The Board of Directors has set out terms of reference for the audit committee. The audit committee reviews the annual and quarterly financial statements, internal audit reports and holds its meeting prior to board meetings. The committee manages adequately the system of internal control through internal audit department and review effectiveness of operational and financial control. Members of the committee are:

Mr. Rizwan Abbas – Chairman
Mr. Nihal Cassim
Syed Owais Hasan Zaidi

Human Resource & Remuneration Committee

The committee consists of three members from the Board; two are independent directors and one is an executive director. The chairman of the committee is an independent director. The committee reviews and formulates the human resource management policies of the Company. The committee is also responsible for the remuneration of employees and ensures that it is aligned with the business strategy and long-term success. Members of the committee are:

Mr. Aneek Saleh Mohammad - Chairman
Mr. Rizwan Abbas
Mr. Salman Hussain

Information Technology Committee

The committee consists of three members from the Board; two are Independent directors and one is an executive director. The chairman of the committee is an independent director. The committee's role is to assist the Board in fulfilling its duty to review the strength of the existing systems and the staff providing IT services. The committee is responsible for oversight of the quality and integrity of system reporting and internal controls of the Company. Members of the committee are:

Syed Owais Hasan Zaidi - Chairman
Mr. Nihal Cassim
Mr. Ali Hussain

With regards to meetings held during the year, five (05) meetings of the Board of Directors (BOD), four (04) of the Audit Committee (BAC), one (01) of the Human Resource & Remuneration Committee (HRRC) and one (01) of the Information Technology Committee (ITC) meetings were held. Attendance by each director are as under:

Name of Director	Number of Meeting Attended			
	BOD	BAC	HRRC	ITC
Mr. Zulqiurnain Ali Khan	1/2	-	-	-
Mr. Faisal Hussain	5/5	-	-	-
Mr. Ali Hussain	5/5	-	-	1/1
Mr. Nihal Cassim	5/5	4/4	-	1/1
Mr. Rizwan Abbas	5/5	4/4	1/1	-
Mr. Salman Hussain	4/5	2/2	1/1	-
Syed Owais Hasan Zaidi	5/5	2/2	-	1/1
Mr. Aneek Saleh Mohammad	3/3	-	1/1	
Ms. Sehrish Hafeez Mastoor	4/5	-	-	-

Mr. Zulqiurnain Ali Khan resigned on December 1, 2020 and Mr. Aneek Saleh Mohammad was appointed in his place for the remainder period.

The Directors who could not attend board or committee meetings and requested for leave were duly granted leave of absence in accordance with the law.

Regarding corporate and financial reporting framework, we are pleased to report that:

- Your Company has taken necessary steps to comply with the provisions of the Code of Corporate Governance.
- The financial statements prepared by the management of the Company, represent fairly its state of affairs, the result of the operations, cash flows and changes in equity.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- Proper books of accounts have been maintained by the Company.
- In preparation of financial statements, International Accounting Standards, as applicable in Pakistan, have been followed.
- There is no significant doubt about the Company's ability to continue as a going concern.
- The system of internal control is sound in design and is being monitored by internal and external audit. The process of monitoring internal controls will continue as an ongoing process with the objective to further strengthen controls and bring improvements in the system.
- Details about taxes are given in the notes to the accounts.

9. Risk Management – Assessment and Mitigation

As part of its responsibilities, the Board have kept a close watch on socioeconomic environment and consequential internal and external risks that might impact the safe and smooth operations of the Company, and remained vigilant in identifying potential risks, assessing their impact on the Company's business and formulated strategies to mitigate such risks. These exercises were enforced through the audit committee overseeing the upkeep of the risk register and individual committees forming and revisiting company policies to keep them aligned with the environment.

Key identified risks include availability and rising cost of raw materials, appreciation of the Pak Rupee affecting the proceeds from exports, changing shipping dynamics and the consequential increase in freight charges, continuation of duty drawback schemes and delays in receiving payments, increase in the interest rate on loans, expected credit losses arising from unsecured customers, devaluation in the currency of competitive nations, spread of disease in local animals, Where possible, the Company has tried to hedge against the adverse movements in price of its raw materials, foreign currency translation and shipping risks and securing its trade receivables. Management lobbies with the government for support to help grow meat exports through uniform pricing and consistent policies. Industry associations are encouraged to engage in uniform trade practices.

10. Material Changes

There have been no material changes and the Company has not consciously entered into any commitment that will affect its financial position.

11. Code of Business Principles

As a leading meat exporter, reputation for high ethical standards is central to our business success. A code of business principles has been developed, communicated and acknowledged by each director and employee of the Company.

12. Future Prospects

The fiscal year 2021 has been one of investments to help your Company achieve better operational results in future. The backward integration through the animal fattening farm to accommodate up to 3,000 animals or up to 25% of our own requirement is expected to yield stable supply of animals with better product costing, thereby stabilizing margins which fluctuate due to abrupt movements in animal markets throughout the country.

Our facility in Korangi Industrial Area will help meet the rising demand for red and white offals in far eastern markets. Renovations and installation of production and processing equipment are underway and operations are expected in 2QFY22. We have faced delays due to shipping disruptions in importing equipment and travel disruptions for foreign consultants. This facility will enhance our production capacity by up to 300 tons a month in heat treated, cooked, dehydrated, and frozen food products, and will help us serve the much anticipated Chinese market and discover the pet food market. Our plan is to process an entire animal through value addition through deboning, heat treating, cooking, dehydrating and processing all such animal parts which are of little or no value in Pakistan. Subsequent to AQSIQ, CNCA, customs approval codes from China, we are awaiting official government to government protocols between China and Pakistan to allow us to begin exports.

We continue to work with authorities to help us to establish a presence in the EPZ which will allow us to process and export imported offals.

13. Operating and Financial Data

Operating and financial data and key ratios of the Company for last six years are annexed.

14. Auditors

The Board recommended appointment of M/s. Grant Thornton Anjum Rahman as auditors for the next financial year. The present auditors, M/s. Grant Thornton Anjum Rahman, Chartered Accountants, retire and being eligible, they have offered themselves for reappointment.

15. Pattern of shareholding

Pattern of shareholding is annexed with this report

16. Acknowledgements

The Company's directors are grateful to our valued customers for their continued support, we also appreciate the support received from bankers, shareholders and other stakeholders who continue to repose trust in your Company. The Company would like to appreciate the cooperation received from the regulators, namely, the Securities & Exchange Commission of Pakistan and the Pakistan Stock Exchange. Most importantly we would like to acknowledge our employees, their efforts, teamwork and performance are evident in the Company's results.

On behalf of the Board of Directors



NIHAL CASSIM
Chairman



FAISAL HUSSAIN
Chief Executive Officer

Date: September 30, 2021

ڈائریکٹرز رپورٹ

بورڈ آف ڈائریکٹرز گیارہویں سالانہ رپورٹ کے ساتھ کمپنی کے آڈٹ شدہ اکاؤنٹس پیش کرنے پر خوش ہیں۔ رپورٹ میں 30 جون 2021 کو ختم ہونے والے سال کے لیے آپ کی کمپنی کی سرگرمیوں کا احاطہ کیا گیا ہے اور اس کی مالی، سماجی اور ماحولیاتی کارکردگی کو بیان کیا گیا ہے۔

آپریٹنگ کارکردگی

دی آرگینک میرٹ کمپنی لمیٹڈ کی بنیادی کاروباری سرگرمیاں تازہ ٹھنڈا گوشت، منجمد گوشت اور منجمد آفلز مشرق وسطیٰ، مشرق بعید سی آئی ایس اور جنوبی ایشیائی منڈیوں میں برآمد کرنا ہیں۔ اس وقت آپ کی کمپنی تقریباً ایک درجن ممالک کو برآمد کرنے کی صلاحیت رکھتی ہے۔ ہماری مصنوعات کو احتیاط سے کپڑے میں پیک کیا جاتا ہے، ویکيوم پیک یا آئی ڈبلیو پی (انفینسری طور پر لپیٹ پیکنگ) فوڈ گریڈ پلاسٹک، اور ان سب کو زمین، سمندر اور ہوا کے ذریعے برآمد کیا جاتا ہے۔ گوشت ذبح کرنے کی سہولت اور جانوروں کی چربی کا فارم گڈاپ، کراچی میں واقع ہے اور آفسل پروسیسنگ، پکا ہوا اور پالتو جانوروں کی فوڈ پروسیسنگ کی تعمیرات کورنگی کراچی میں جاری ہے۔

30 جون 2021 کو ختم ہونے والے سال کے لیے دی آرگینک میرٹ کمپنی لمیٹڈ نے 6,589 ٹن ایم ٹی تازہ ٹھنڈا گوشت، منجمد گوشت اور منجمد آفلز برآمد کیے جو کہ گزشتہ سال کی اسی مدت کے لیے 271 ایم ٹی زیادہ ہیں۔ منجمد گوشت کی حجم کی برآمدات میں 78 فیصد اضافہ ہوا جبکہ تازہ ٹھنڈا

گوشت 36 فیصد کم ہوا جس کی وجہ سے آئی ایس کو معمولی منروخت تھی، جس کے نتیجے میں گوشت کی مقدار میں 14 فیصد کمی واقع ہوئی۔ مصنوعات کی وسیع رینج کی وجہ سے آفل کے حجم میں 1016 فیصد اضافہ ہوا۔

تازہ ٹھنڈے گوشت کی برآمدات 49 فیصد اور منجمد گوشت کی برآمدات مجموعی منروخت کا 32 فیصد ہیں۔ سی آئی ایس مارکیٹوں میں رکنے کے باوجود ان دونوں پروڈکٹ کیٹگریز کی منروخت میں معمولی اضافہ دیکھنے میں آیا، تاہم، سمندر کے ذریعے برآمدات میں سرخیل ہونے کے فوائد اور سازگار قیمتوں اور سازگار کرنسی ڈائنکس کی مدد سے کمپنی ان مصنوعات کی منروخت کو برقرار رکھنے میں کامیاب رہی۔ آفل کاروبار نے متاثر کن حجم میں اضافہ کیا جس کی وجہ سے مجموعی منروخت میں اضافہ ہوا۔ مقامی منروخت کو بنیادی طور پر میٹ ماسٹر متربانی خدمات کے تحت شمار کیا گیا اور اسے زبردست رد عمل ملا۔ متحدہ عرب امارات تقریباً 72 فیصد منروخت کے ساتھ ہماری سب سے بڑی مارکیٹ رہی۔ 30 جون، 2021 کو ختم ہونے والا سال آپ کی کمپنی اور پاکستان کی گوشت برآمد کرنے والی صنعت کے دوروں کا دور بھتا۔ کمپنی نے تقریباً 800 ملین اکٹھا کیا اور پاکستان اسٹاک ایکسچینج میں اپنے آپ کو TOMCL کے سبیل کے ساتھ اندراج کیا۔

میٹ ماسٹر آن لائن کے آغاز نے متربانی کی خدمات پیش کیں جب ملک کو ویڈ 19 وبائی بیماری سے لڑ رہا تھا اور شہر شدید بارشوں سے مفلوج ہو گیا تھا۔ اس کے بعد آپ کی کمپنی پاکستان کی پہلی گوشت برآمد کنندہ بن گئی جس نے خوردہ منروشتوں اور تھوک منروشتوں کو برآمدات کے مقابلے میں ایک کشیر القومی فوڈ پروسیسنگ کمپنی پر دستخط کیے، اس کے ساتھ ہم سعودی عرب کو سمندر کے ذریعے منجمد گوشت برآمد کرنے والے پہلے بن گئے۔

دی آرگینک میٹ کمپنی لمیٹڈ سے ہیٹ ٹریٹڈ ہیٹ درآمد کرنے کے لیے چین سے بہت زیادہ
 انتظار کے بعد لائسنس حاصل کرنا ہمارے اور ہماری انڈسٹری کے لیے ایک اور کارنامہ تھا، اس
 نے ہیٹ ٹریٹنگ میٹ کے علاج سے پاؤں اور منہ کی بیماری (ایف ایم ڈی) کو ختم کرنے کے
 لیے ہماری ملکییتی ٹیکنالوجی کی پیروی کی۔ اگلا یو ایس ایف ڈی اے کی منظوری کے بعد امریکی مارکیٹ
 میں پالتو جانوروں کے کھانے کے اجزاء کا نمونہ کھپ آیا۔ سال کے دوران آپ کی کمپنی نے
 کورنگی میں ایک نئی فیکٹری کا اضافہ کیا اور ویلیو ایڈڈ مصنوعات مشاپکا ہوا کھانا، پالتو جانوروں
 کا کھانا، سرخ اور سفید رنگوں کے آفلز اس کے ساتھ ساتھ (جی اے ڈی ای پی) میں اپنے جانوروں
 کی فٹنگ فارم کے لیے جانوروں کی پہلی لائٹ خریدی جو جلد ہی 3,000 جانوروں کو گھر منراہم
 کرے گی، جو پاکستان میں اپنی نوعیت کا سب سے بڑا ادارہ ہوگا۔

مالیاتی کارکردگی

30 جون 2021 کو ختم ہونے والے سال کے لیے، آپ کی کمپنی 3.93 بلین کی منروخت ریکارڈ کی، جو پچھلے
 سال کی اسی مدت کے مقابلے میں 16 فیصد زیادہ ہے۔ اضافہ مکمل طور پر قیمتوں کے منرق کی
 وجہ سے ہے کیونکہ حجم کی منروخت میں کوئی اضافہ نہیں ہوا۔ خریداری کے زیادہ
 اخراجات اور مقررہ اثاثوں میں اضافے کے باعث منروختی چارجز کی وجہ سے مالی
 سال 21 میں منروخت کی لاگت 437 / کلوگرام سے بڑھ کر 498 / کلوگرام ہو گئی۔ نتیجے کے طور پر موجودہ
 سال میں مجموعی مارجن 18.38 فیصد سے کم ہو کر 16.54 فیصد ہو گیا، جبکہ مجموعی منافع میں
 4.4 فیصد اضافہ ہوا۔ انتظامی اخراجات پچھلے سال کے مطابق تھے، منروخت کے

احسبہات زیادہ مندرجہ چار سببوں کی وجہ سے بڑھے تھے، کم مالیاتی چار سببوں سے بچت آئی ایف آر ایس 39 کے مطابق مندرجہ کی گئی تھی اور دیگر آمدنی فارورڈ کر ٹی معاہدوں کی وجہ سے زیادہ تھی۔ نتیجے کے طور پر، ٹیکس سے پہلے کا منافع 340.50 ملین روپے رہا جو کہ پچھلے سال کے مقابلے میں 20 فیصد اضافہ ہے، تاہم، قبل از وقت ٹیکس ایڈجسٹمنٹ اور موثر ٹیکس کی واپسی کو دیکھتے ہوئے، ٹیکس کے بعد منافع 303.47 ملین، بمقابلہ 266.35 ملین روپے بھتا جو اضافہ کی مستندگی کرتا ہے مالی سال 20 کے دوران 14 فیصد آپ کی کمپنی نے سال کے لیے 2.71 روپے کا ای پی ایس پوسٹ کیا ہے جبکہ اس سال کے مقابلے میں پچھلے سال 2.38 بھتا (بقایا موجودہ شیئرز کی بنیاد پر)۔ اہم اعداد کا ذکر ذیل میں کیا گیا ہے:

	2021	2020
	----- (Rupees) -----	
Net sales	3,927,824,141	3,384,108,701
Gross profit	649,627,277	621,982,310
Profit before tax	340,499,968	283,477,295
Taxes	(37,027,931)	(17,124,784)
Profit after tax	303,472,037	266,352,511
Earnings per share – weighted average shares	2.78	3.71
Earnings per share – current number of shares	2.71	2.38

منافع کا اعلان۔

بورڈ 10% کے بونس کے احسبہ کی سفارش کر کے خوش ہے۔

مالی رپورٹنگ

مالیاتی گوشوارے پاکستان میں لاگو ہونے والے منظور شدہ اکاؤنٹنگ اور رپورٹنگ معیارات کے مطابق تیار کیے گئے ہیں۔ منظور شدہ اکاؤنٹنگ اور رپورٹنگ کے معیارات بین الاقوامی اکاؤنٹنگ اسٹینڈرڈز بورڈ (آئی اے ایس بی) کی جانب سے جاری کردہ ایسے بین الاقوامی مالیاتی رپورٹنگ معیارات (آئی ایف آر ایس) پر مشتمل ہیں جو کمپنیز ایکٹ

2017 کے تحت مطلع کیے گئے ہیں اور کمپنیز ایکٹ 2017 کے تحت جاری کردہ دفعات اور ہدایات شامل ہیں۔ اگر تقاضے مختلف ہوں تو کمپنی ایکٹ 2017 کی دفعات یا ہدایات غالب ہوں گی۔

مینوفیکچرنگ اور آپریشنز

مینوفیکچرنگ سہولیات سے متعلق ہمارے تمام وسائل نے اچھی کارکردگی کا مظاہرہ کیا اور کارکردگی میں مثبت فوائد حاصل کیے۔ کمپنی مسلسل نئی مصنوعات کی ترقی، افادیت کو بہتر بنانے، ضائع کرنے کو کم کرنے، لیڈ ٹائم کو بہتر بنانے اور انویسنٹری کو کم کرنے میں مسلسل مصروف ہے۔ ہم مواقع کی تیاری کے لیے اپنی مینوفیکچرنگ سہولیات کو مسلسل جدید اور اپ گریڈ کر رہے ہیں۔

مینوفیکچرنگ آپریشنز (ایس جی ایس) کے ذریعے پیداواری اہکاروں کی مختلف تربیتوں کے ذریعے افادیت اور کنٹرول کے لیے مزید ہموار ہیں۔ آپ کی کمپنی پروڈکٹ لائنز میں مسلسل پیش رفت کے ذریعے انڈسٹری میں بہترین بننے کے لیے پرعزم ہے اور شیلیف لائف کے ساتھ بین الاقوامی اور مقامی مارکیٹوں کو محفوظ اور بہترین معیار کی مصنوعات فراہم کرتی ہے۔

آپ کی کمپنی بین الاقوامی مارکیٹ میں ویلیو ایڈڈ گوشت کی مصنوعات پیش کرنے میں سب سے آگے ہے اور اس کی بہترین ٹیکنالوجیز کے ذریعے شیلیف لائف کے ساتھ جو ہمیں منفی ماحول میں برابر کی برتری فراہم کرتی ہے۔ ہم ہر قسم کے گوشت کی ضروریات کے لیے ایک سٹاپ شاپ بننے کے اپنے مقصد کی طرف گامزن ہیں، چاہے وہ تازہ ٹھنڈا ہون ان ہو، تازہ ٹھنڈا ہون لس ہو، تازہ ٹھنڈا ہون لس ویکووم پیک جس میں تو سچ شدہ شیلیف زندگی، منجمد ہون اور ہون لس مصنوعات، پکا ہوا گوشت کی مصنوعات، پالتو جانوروں کی خوراک کی مصنوعات اور سرخ اور سفید رنگ آفلز کی تمام اقسام۔

کارپوریٹ سماجی ذمہ داری

آپ کی کمپنی کو ہمارے ماحول، ہمارے ممالک کی کامیابی اور اپنے شہریوں کی منسلح و بہبود کے لیے اپنی ذمہ داری کا احساس ہے۔ اس سلسلے میں ہم عطیات دیتے ہیں اور اپنی انسدادی قوت کو تربیت دیتے ہیں کہ وہ کام اور گھر پر بہتر شہری مندرائش پر عمل کریں۔

صحت

ہم ماحول پر اپنی کاروائیوں اور مصنوعات کے اثرات کو کنٹرول کرتے ہوئے ماحولیاتی کارکردگی کا مظاہرہ کرنے کے لیے پرعزم ہیں اور ہم اپنے ملک میں آلودگی پر متاثر ہونے کے لیے متاثرہ ماحولیاتی قانون سازی، قواعد و ضوابط اور معیارات کی تعمیل کرنے کی مسزید کوشش کرتے ہیں۔ آپ کی کمپنی پاکستان میں بہتر اور ماحولیاتی دوستانہ مستقبل کو فروغ دینے میں کردار ادا کرنے کے لیے پرعزم ہے۔

ہم نے گھر اور کام کی جگہ پر اپنے کارکنوں کی صحت اور حفظان صحت کے تحفظ کے لیے فیکٹری کے احاطے میں تعمیل کے لیے مختلف پروٹوکول متعارف کروائے ہیں۔ کوویڈ 19 کے مختلف منٹروں کو دیکھتے ہوئے، تمام کارکنوں کو ویکسین دی گئی ہے۔

بورڈ اور اس کی کمیٹیاں

دی آرگینک میٹ کمپنی لمیٹڈ ایک آزاد اور بامقصد بورڈ ہے جو آٹھ ڈائریکٹرز پر مشتمل ہے۔ یہاں تین ایگزیکٹو اور پانچ آزاد ڈائریکٹرز ہیں جن میں ایک آزاد خانہ تون ڈائریکٹر بھی شامل ہے۔

چیرمین اور چیف ایگزیکٹو کے کردار مختلف ہیں جن میں سے ہر ایک کی واضح وضاحت کی گئی ہے۔ اس کے علاوہ، آڈٹ، آئی ٹی اور ایچ آر کمیٹیوں کی سربراہی آزاد ڈائریکٹرز کرتے ہیں۔

کمپنی کے آٹھ ڈائریکٹرز میں سے چار ڈائریکٹرز نے ڈائریکٹرز سٹریٹجک ٹریننگ پروگرام کے تحت سند حاصل کی ہے، جبکہ ایک ڈائریکٹر کو مستند حاصل ہے۔ لہذا بورڈ کا نصف سے زیادہ حصہ سی سی جی کے مطابق ڈی ٹی پی کے معیار کے تحت اہل ہے۔

کمپنی کے ڈائریکٹر اپنے مندرائض کی انجمادہی کے لیے مناسب تربیت یافتہ ہیں اور کمپنیز ایکٹ 2017 اور پی ایس ایکس رول بک کے ریگولیشنز کے تحت اپنے اختیارات اور ذمہ داریوں سے آگاہ ہیں۔ بورڈ آف ڈائریکٹرز نے کمپنی کے نان ایگزیکٹو اور آزاد ڈائریکٹرز کے لیے احسرت کی پالیسی تیار کی ہے۔

بورڈ نے اپنی ذمہ داریوں کو مؤثر طریقے سے نبھانے میں بورڈ کی مدد کے لیے سب کمیٹیاں تشکیل دی ہیں۔ ان کمیٹیوں کی تفصیلات درج ذیل ہیں۔

بورڈ آڈٹ کمیٹی

میٹی میں بورڈ کے تین ارکان شامل ہیں جو آزاد ڈائریکٹر ہیں۔ کمیٹی کا چیرمین ایک آزاد ڈائریکٹر

ہے جیسا کہ سی سی جی ریگولیشنز 2019 میں درکار ہے۔ بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی کے لیے ٹرمز آف ریفرنس مقرر کیا ہے۔ آڈٹ کمیٹی سالانہ اور سہ ماہی مالیاتی بیانات، اندرونی آڈٹ رپورٹس کا جائزہ لیتی ہے اور بورڈ میٹنگ سے پہلے اس کا احسالت منعقد کرتی ہے۔

کمیٹی اندرونی آڈٹ ڈیپارٹمنٹ کے ذریعے اندرونی کنٹرول کے نظام کا مناسب انتظام کرتی ہے اور آپریشنل اور مالیاتی کنٹرول کے اثرات کا جائزہ

لیتی ہے۔ کمیٹی کے ارکان ہیں:

جناب رضوان عباس - چیئر مین۔

مٹربال قاسم۔

سید اویس حسن زیدی

ہومن ریورس اور معاوضہ کمیٹی

کمیٹی بورڈ کے تین ارکان پر مشتمل ہے۔ دو آزاد ڈائریکٹر ہیں اور ایک ایگزیکٹو ڈائریکٹر ہے۔ کمیٹی کا چیئر مین ایک آزاد ڈائریکٹر ہوتا ہے۔ کمیٹی کمپنی کی ہومن ریورس مینجمنٹ پالیسیوں کا جائزہ لیتی ہے اور مندرمولے بناتی ہے۔ یہ کمیٹی ملازمین کے معاوضے کی بھی ذمہ دار ہے اور اس بات کو یقینی بناتی ہے کہ یہ کاروباری حکمت عملی اور طویل مدتی کامیابی سے ہم آہنگ ہو۔

کمیٹی کے ارکان ہیں:

جناب انیک صالح محمد - چیئر مین۔

جناب رضوان عباس۔

جناب سلمان حسین۔

انفارمیشن ٹیکنالوجی کمیٹی

کمیٹی بورڈ کے تین ارکان پر مشتمل ہے۔ دو آزاد ڈائریکٹر ہیں اور ایک ایگزیکٹو ڈائریکٹر ہے۔ کمیٹی کا چیئرمین ایک آزاد ڈائریکٹر ہوتا ہے۔ کمیٹی کا کردار بورڈ کو موجودہ نظاموں اور آئی ٹی خدمات فراہم کرنے والے عملے کی طاقت کا جائزہ لینے کے اپنے مندرجہ کو پورا کرنے میں مدد کرنا ہے۔ کمیٹی نظام کی رپورٹنگ کے معیار اور سالمیت اور کمپنی کے اندرونی کنٹرول کی نگرانی کی ذمہ دار ہے۔

کمیٹی کے ارکان ہیں:

سید اویس حسن زیدی - چیئرمین۔

مسٹر نہال قاسم۔

جناب علی حسین۔

سال کے دوران ہونے والی میٹنگز کے حوالے سے، بورڈ آف ڈائریکٹرز کی پانچ میٹنگز، آڈٹ کمیٹی کی چار میٹنگز، ہیومن ریسورس اینڈ ریمونزیشن کمیٹی کی ایک اور انفارمیشن ٹیکنالوجی کمیٹی کی ایک میٹنگ منعقد ہوئی۔

ہر ڈائریکٹر کی حاضری حسب ذیل ہے:

Name of Director	Number of Meetings attended			
	BOD	BAC	HRRC	ITC
Mr. Zulqurnain Ali Khan	1/2	-	-	-
Mr. Faisal Hussain	5/5	-	-	-
Mr. Ali Hussain	5/5	-	-	1/1
Mr. Nihal Cassim	5/5	4/4	-	1/1
Mr. Rizwan Abbas	5/5	4/4	1/1	-
Mr. Salman Hussain	4/5	2/2	1/1	-
Syed Owais Hasan Zaidi	5/5	2/2	-	1/1
Mr. Aneek Saleh Mohammad	3/3	-	1/1	-
Ms. Sehrish Hafeez Mastoor	4/5	-	-	-

جناب ذوالقصر نین علی خان نے یکم دسمبر 2021 کو استعفیٰ دے دیا اور بقیہ مدت کے لیے ان کی جگہ پر انیک صالح محمد کو مقرر کیا گیا۔

وہ ڈائریکٹر جو بورڈ یا کمیٹی کے اجلاسوں میں شرکت نہیں کر سکتے تھے اور چھٹی کی درخواست کرتے تھے انہیں قانون کے مطابق غیر حاضری کی چھٹی دے دی گئی۔

کارپوریٹ اور مالیاتی رپورٹنگ مندرجہ ذیل کے بارے میں، ہمیں یہ بتاتے ہوئے خوشی ہے کہ: آپ کی کمپنی نے کوڈ آف کارپوریٹ گورننس کی دفعات کی تعمیل کے لیے ضروری اقدامات کیے ہیں۔

کمپنی کے انتظام کے ذریعہ تیار کردہ مالی بیانات، اس کے معاملات کی منصفانہ حالت، آپریشن کے نتیجے، نقد بہاؤ اور ایکویٹی میں تبدیلیوں کی نمائندگی کرتے ہیں۔

مناسب حساب کتاب کی پالیسیوں کو مالی بیانات کی تیاری میں مستقل طور پر لاگو کیا گیا ہے اور اکاؤنٹنگ کا تخمینہ معقول اور سمجھدار فیصلے پر مبنی ہے۔ اکاؤنٹس کی مناسب کتابیں کمپنی نے برقرار رکھی ہیں۔

مالیاتی بیانات کی تیاری میں، بین الاقوامی اکاؤنٹنگ معیارات، جیسا کہ پاکستان میں لاگو ہوتا ہے، کی پیروی کی گئی ہے۔

ایک تشریح کے طور پر حباری رکھنے کی کمپنی کی صالیہ کے بارے میں کوئی خاص شک نہیں ہے۔

اندرونی کنٹرول کا نظام ڈیزائن میں درست ہے اور اندرونی اور بیرونی آڈٹ کے ذریعے اس کی نگرانی کی جا رہی ہے۔ اندرونی کنٹرول کی نگرانی کا عمل موجودہ عمل کے طور پر جاری رہے گا جس کا مقصد کنٹرول کو مزید مضبوط کرنا اور نظام میں بہتری لانا ہے۔

اکاؤٹس کو نوٹس کی حالت میں ٹیس کے بارے میں تفصیلات دی گئی ہیں۔

رہسک مینجمنٹ - تشخیص اور تخفیف

اپنی ذمہ داریوں کے ایک حصے کے طور پر، بورڈ نے سماجی اقتصادی ماحول اور اس کے نتیجے میں اندرونی اور بیرونی

خطرات پر گہری نظر رکھی ہے جو کمپنی کے محفوظ اور ہموار کاموں کو متاثر کر سکتے ہیں، اور ممکنہ خطرات کی نشاندہی کرنے میں چوکس رہے، کمپنی کے کاروبار پر ان کے اثرات کا اندازہ کیا اور ایسے خطرات کو کم کرنے کے لیے حکمت عملی مرتب کی۔ ان مشقوں کو آڈٹ کمیٹی کے ذریعے نافذ کیا گیا تھا جو کہ رہسک رجسٹر کی دیکھ بھال اور انفرادی کمیٹیاں بناتی تھیں اور کمپنی کی پالیسیوں کا جائزہ لیتی تھیں تاکہ انہیں ماحول سے ہم آہنگ رکھا جاسکے۔

اہم شناخت شدہ خطرات میں حنام مال کی دستیابی اور بڑھتی ہوئی قیمت، پاک روپے کی قدر برآمدات سے حاصل ہونے والی آمدنی کو متاثر کرتی ہے، شپنگ کی حساسیات کو تبدیل کرتی ہے اور مندرجہ چارجز کے نتیجے میں اضافہ، ڈیوٹی ڈرایبیک سکیمنوں کا قسمل اور ادائیگیوں میں تاخیر، شرح سود میں اضافہ متروضوں پر، غیر محفوظ گاہکوں سے پیدا ہونے والے متوقع کریڈٹ نقصانات، معتابلہ کرنے والے مالک کی کرنسی کی قدر میں کمی، مقامی جانوروں میں بیماری کا پھیلاؤ، جہاں ممکن ہو کمپنی نے اپنے حنام مال، کرنسی اور شپنگ کے خطرات کو بچایا ہے، اور اپنی وصولیوں اور پیش قدمی کو محفوظ بنایا ہے۔ یکساں قیمتوں اور مستقل پالیسیوں کے ذریعے گوشت کی برآمدات بڑھانے میں مدد کے لیے حکومت کے ساتھ انتظامی لابیوں۔ انڈسٹری ایسوسی ایشنز کو یکساں تجارتی طریقوں میں شامل ہونے کی ترغیب دی جاتی ہے۔

مادی تبدیلیاں

کوئی مادی تبدیلیاں نہیں ہوئی ہیں اور کمپنی نے شعوری طور پر کوئی ایسا عزم نہیں کیا ہے جو اس کی مالی پوزیشن کو متاثر کرے۔

کوڈ آف بزنس اصول

ایک اہم گوشت برآمد کنندہ کے طور پر، اصلی اخلاقی معیارات کی سادگی ہماری کاروباری کامیابی کے لیے مرکزی حیثیت رکھتی ہے۔ کاروباری اصولوں کا ایک کوڈ تیار کیا گیا ہے، بات چیت کی گئی ہے اور کمپنی کے ہر ڈائریکٹر اور ملازم کی طرف سے تسلیم کیا گیا ہے۔

مستقبل کے امکانات

مالی سال ۲۰۲۱ آپ کی کمپنی کو مستقبل میں بہتر آپریشنل نتائج حاصل کرنے میں مدد کرنے کے لئے سرمایہ کاری میں سے ایک رہا ہے۔

جانوروں کی فٹنگ فارم کے ذریعے پسماندہ انضمام کے لیے 3000 جانوروں یا ہماری اپنی ضرورت کے مطابق 25% تک رہنے کی توقع ہے کہ بہتر مصنوعات کی لاگت کے ساتھ جانوروں کی مستحکم فراہمی ہوگی، اس طرح مارجن کو مستحکم کیا جائے گا جو ملک میں جانوروں کی منڈیوں میں اچانک نقل و حرکت کی وجہ سے بدلتا ہے۔

کورنگی انڈسٹریل ایریا میں ہماری سہولت دور مشرقی مارکیٹوں میں سرخ اور سفید جانوروں کے آلات میں بڑھتی ہوئی مانگ کو پورا کرنے میں مدد دے گی۔ پیداوار اور پروسیسنگ آلات کی تزئین و آرائش اور تنصیب جاری ہے۔ اور آپریشن 2QFY22 میں متوقع ہے۔ ہم نے سامان کی درآمد میں شپنگ میں رکاوٹوں اور غیر ملکی کنسلٹنٹس کے لیے سفری رکاوٹوں کی وجہ سے تاخیر کا سامنا کیا ہے۔ یہ

سہولت ہیٹ ٹریڈ، پکا ہوا، ڈی ہائی ڈریسٹڈ اور منجھد کھانے کی مصنوعات میں ہماری پسندیدہ اوری
 صلاحیت کو 300 ٹن تک مہینہ بڑھا دے گی، اور ہمیں چین کی بہت زیادہ متوقع مارکیٹ کی
 خدمت اور پالتو جانوروں کے کھانے کی مارکیٹ کو دریافت کرنے میں مدد دے گی۔ ہمارا منصوبہ
 یہ ہے کہ پورے جانور کو ویلیو ایڈیشن کے ذریعے ڈیوٹنگ، ہیٹ ٹریڈنگ، کھانا پکانے، ڈی ہائی
 ڈریسٹڈ اور پروسیسنگ کے ذریعے ایسے تمام جانوروں کے حصوں پر عملدرآمد کیا جائے جن کی پاکستان
 میں کوئی قدر نہیں۔ چین سے، CNCA، AQSIQ، کسٹمز منظوری کوڈز کے بعد ہم چین اور پاکستان
 کے درمیان سرکاری پروٹوکول کے لیے، سرکاری حکومت کے منتظر ہیں تاکہ ہمیں برآمدات
 شروع کرنے کی اجازت دی جاسکے۔

ہم ای پی زیڈ میں موجودگی قائم کرنے میں ہماری مدد کے لیے حکام کے ساتھ کام جاری رکھتے ہیں جو ہمیں
 درآمد شدہ آفلز پر کارروائی اور برآمد کرنے کی اجازت دے گا۔

آپریٹنگ اور مالیاتی ڈیٹا

آپریٹنگ اور مالیاتی اعداد و شمار اور گزشتہ چھ سالوں سے کمپنی کے اہم تناسب منسلک ہیں۔

آڈیٹرز

بورڈ نے سفارش کی ہے کہ گرانٹ تھورنٹن انجیم رحمان کو اگلے مالی سال کے لیے بطور آڈیٹر تقرر کی
 جائے۔ موجودہ آڈیٹرز، گرانٹ تھورنٹن انجیم رحمان، چارٹرڈ اکاؤنٹنٹس، ریسٹن ہو چکے ہیں اور اہل
 ہونے کے بعد، انہوں نے اپنے آپ کو دوبارہ تقرری کے لیے پیش کیا ہے۔

شیئر ہولڈنگ کا نمونہ

شیئر ہولڈنگ کا پیٹرن اس رپورٹ کے ساتھ منسلک ہے۔

اعترافات

کمپنی کے ڈائریکٹرز ہمارے مقابل فتدر گاہوں کے مسلسل تعاون پر ان کے مشکور ہیں، ہم میسکوز، شیئر ہولڈرز اور دیگر اسٹیک ہولڈرز کی جانب سے ملنے والی سپورٹ کو بھی سراہتے ہیں جو آپ کی کمپنی پر اعتماد کو برقرار رکھتے ہیں۔ کمپنی ریگولیشنز یعنی سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اسٹاک ایکسچینج کی جانب سے ملنے والے تعاون کو سراہنا چاہتی ہے۔ سب سے اہم بات یہ ہے کہ ہم اپنے ملازمین کو تسلیم کرنا چاہیں گے، ان کی کوششیں، ٹیم ورک اور کارکردگی کمپنی کے نتائج میں واضح ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے

فیصل حسین

چیف ایگزیکٹو آفیسر

نہال قاسم

چیئر مین

تاریخ: ستمبر ۳۰، ۲۰۲۱

REVIEW REPORT ON THE STATEMENT OF COMPLIANCE



Review report on the statement of compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019

**Grant Thornton Anjum
Rahman**

1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

T +92 21 35672951-56

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) as prepared by the Board of Directors (the Board) of The Organic Meat Company Limited (the Company) for the year ended June 30, 2021 in accordance with the requirement 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 Director's 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 requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of approval of related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to assess and determine whether the related party transactions were undertaken at arm's length price or not.

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



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

Paragraph Reference	Description
2	The Chairman of the board does not meet the independence criteria as laid down in section 166 of the Companies Act, 2017.

Grant Thornton Anjum Rahman
Grant Thornton Anjum Rahman
 Chartered Accountants

Karachi

Dated: 07 OCT 2021

Statement of Compliance with the Code of Corporate Governance

Statement of Compliance

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

For the year ended June 30, 2021

The Organic Meat Company Limited ("the Company") has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Regulations") in the following manner:

1. The total number of directors are 8 (eight) as per following:

- a) Male: Seven
- b) Female: One

2. The composition of the Board of Directors ("the Board") is as follows:

Category	Names
Independent Directors	Mr. Nihal Cassim* Mr. Rizwan Abbas Syed Owais Hasan Zaidi Mr. Aneek Saleh Mohammad Ms. Sehrish Hafeez Mastoor
Executive Directors	Mr. Faisal Hussain Mr. Ali Hussain Mr. Salman Hussain
Female Director	Ms. Sehrish Hafeez Mastoor

* The subject director does not appear to meet the criteria of independence as laid down under Section 166 (2) (c) of the Companies Act, 2017. The subject director was appointed as an "independent director" in the previous election of the directors, before the formal listing of the Company. The information was also disclosed in the documents placed for approval before the Securities and Exchange Commission of Pakistan (SECP) as well as other regulators as part of the listing process, and any objection so raised by the regulators, in light of such other information contradicting the provisions of Section 166 of the Companies Act, 2017 in respect of qualification criteria prescribed for an independent director, were explained and resolved before the necessary approvals were accorded for formal listing of the Company, wherein such information was disclosed as part of public documents to the issue.

The above does not however lead to a non-compliance of the Regulations in respect of the composition of the Board and its mandatory committees wherein such director is a member.

During the year, the subject director was also appointed as the Chairman of the Board to fill a casual vacancy due to the resignation of the previous Chairman of the Board.

3. The Chairman is appointed as per the provisions contained in section 192 of the Companies Act, 2017.

4. The company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
5. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the date of approval or updating is maintained by the company.
6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by the Board/shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the Board were presided over by the Chairman and in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. The directors are well aware of their duties and responsibilities under the Code. Five directors have obtained certification under Directors' Certification Training Program in 2018. Therefore, over half of the Board is qualified under the criteria of DTP and exemption criteria as per Code.
10. The Board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. Chief Executive Officer and Chief Financial Officer duly endorsed the financial statements before approval of the Board.
12. The Board has formed committees comprising of members given below:
 - a) **Board Audit Committee**
Mr. Rizwan Abbas – Chairman
Mr. Nihal Cassim
Syed Owais Hasan Zaidi
 - b) **Human Resource & Remuneration Committee**
Aneek Saleh Mohammad - Chairman
Mr. Rizwan Abbas
Mr. Salman Hussain
 - c) **Information Technology Committee**
Syed Owais Hasan Zaidi - Chairman
Mr. Nihal Cassim
Mr. Ali Hussain
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 of the committees were as per following:

Board Audit Committee	Quarterly
Human Resource & Remuneration Committee	Yearly
Information Technology Committee	Yearly

15. The Board has set up an effective internal audit function supervised by a qualified Head of Internal Audit who is considered suitably experienced for the purpose and is conversant with the policies and procedures of the company.

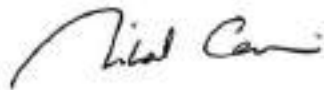
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan (ICAP) and registered with Audit Oversight Board of Pakistan, that they and all of their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP 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 the requirements of the regulations have been complied with.

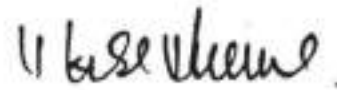
For the purpose of Clause 8 (1), the Company has rounded up the fraction as three, since the Company required adequate executive directors i.e., three out of eight Directors. We have duly complied with the minimum requirement of Executive & Independent Directors.

On behalf of the Board of Directors



NIHAAL CASSIM
Chairman

Karachi
October 07, 2021



FAISAL HUSSAIN
Chief Executive Officer

KEY FINANCIAL DATA



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ORGANIC MEAT COMPANY LIMITED

Report on the audit of the financial statements

**Grant Thornton Anjum
Rahman**

1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

T +92 21 35672951-56

Opinion

We have audited the annexed financial statements of **The Organic Meat Company Limited** (the Company), which comprise the statement of financial position as at **June 30, 2021**, and the statement of profit or loss account, the statement of comprehensive income, the statement of cash flows, the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss account, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2021 and of the profit, 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* (the Code) as adopted by the Institute of Chartered Accountants of Pakistan 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:

Key audit matters	How our audit addressed the key audit matters
<p>Carrying value of Stock-in-trade</p> <p>Refer Note 7 to the financial statements.</p> <p>Stock-in-trade which includes finished goods, raw material and livestock, animal feed and packing material which are stored in factory premises.</p> <p>Due to the significance of the stock balances and related estimations involved, this is considered a key audit matter.</p>	<p>Our audit procedures to assess the existence and valuation of inventories, amongst others, included the following:</p> <ul style="list-style-type: none"> • Attended the physical stock-in-trade count performed by the Company; • Compared on sample basis specific purchases with underlying supporting documents; • Evaluated the appropriateness of the basis and processes used by management in determining the net realizable value of stock in trade; • Assessed the appropriateness of Company's accounting policy for valuation of stock in trade and compliance of the policy with applicable accounting and reporting standards; and • Performed testing on a sample of items to assess the NRV of the stock-in-trade held and evaluated the adequacy of provision for slow moving and obsolete stock (if any); and • Reviewed the adequacy of disclosures on stock-in-trade in the financial statements.
<p>Revenue</p> <p>Refer Note 24 to the financial statements.</p> <p>We focused on the risk of material misstatement in recognition of revenue, because revenue is material and is an important determinant of the Company's profitability which has a consequential impact on its share price.</p> <p>We considered revenue as a key audit matter as revenue is one of the key performance indicators of the Company which gives rise to an inherent risk of fraud and error that it could be subject to misstatement to meet expectations or targets.</p>	<p>Our audit procedures to assess the recognition of revenue, amongst others, included the following:</p> <ul style="list-style-type: none"> • Obtained understanding of the design and implementation of controls in relation to revenue recognition; • Assessing the compliance of the Company's revenue recognition policies with applicable accounting standards; • Assessing the revenue recognition process and practices; • Obtaining a sample of revenue and compare whether the method of recognition of revenue was in accordance with the requirement of applicable accounting and reporting standards; • Testing the accuracy of cut off with substantive procedures; and • Assessing the adequacy of the Company's disclosure related to revenue recognition.

Property, plant and equipment

Refer **Note 5** to the financial statements.

During the year, the Company incurred substantial amounts on addition of property, plant and equipment (PPE). PPE comprises of operating fixed assets and capital work in progress.

We considered the valuation-gross of PPE as key audit matter due to management judgment related to capitalization.

Our audit procedures in respect of PPE included the following:

- Testing on a sample basis, the costs incurred on projects with relevant supporting documentation and contracts.
- Considering on sample basis whether the items of cost capitalized meet the recognition criteria of an asset in accordance with the applicable financial reporting standards.
- Engaging valuation expert to assess the value of the capitalized asset in relation to cost.
- Obtaining completion certification for the commencement of depreciation and cessation of incurring on the further cost on the completed project.
- We further assessed the adequacy of financial statements disclosures in accordance with the applicable financial reporting framework.

Information other than the financial statements and the Auditor's report thereon

Management is responsible for the other information. The other information comprises the information included in the annual report for the year ended June 30, 2021, 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 in the 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 is responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other



matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on other legal and regulatory requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss account, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) No Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

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


Grant Thornton Anjum Rahman
Karachi

Date: 07 OCT 2021

KEY FINANCIAL DATA

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THE ORGANIC MEAT COMPANY LIMITED STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2021

		2021	2020
		Rupees	
ASSETS	Note		
NON-CURRENT ASSETS			
Property, plant and equipment	5	1,826,719,293	1,419,997,608
Intangible asset	6	350,000	450,000
Total non-current assets		1,827,069,293	1,420,447,608
CURRENT ASSETS			
Stock-in-trade	7	188,264,543	238,939,232
Biological assets other than bearer plants	8	24,725,136	-
Trade debts - unsecured	9	911,677,539	701,862,880
Loans and advances	10	336,290,680	190,345,934
Deposits and prepayments	11	29,289,576	392,421
Other receivables	12	201,375,673	171,393,335
Cash and bank balances	13	124,624,729	7,456,022
Total current assets		1,816,247,876	1,310,389,824
TOTAL ASSETS		3,643,317,169	2,730,837,432
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 135,000,000 (2020: 135,000,000) ordinary share of Rs. 10 each		1,350,000,000	1,350,000,000
Issued, subscribed and paid-up share capital	14	1,118,177,770	718,177,770
Reserves	15	1,151,324,675	631,216,486
Revaluation surplus on property, plant and equipment	16	474,031,059	538,072,068
Total shareholders' equity		2,743,533,504	1,887,466,324
NON - CURRENT LIABILITIES			
Long term finances- Secured	17	29,653,010	-
CURRENT LIABILITIES			
Current maturity of long term finances - secured	17	8,472,289	12,408,089
Trade and other payables	18	88,665,487	75,692,608
Accrued expenses and other liabilities		53,706,831	70,062,916
Accrued mark-up	19	15,769,192	25,454,521
Short term loan from related parties - unsecured	20	133,987,592	145,606,873
Short term borrowings - secured	21	568,166,129	513,488,211
Unclaimed dividend	22	1,271,827	-
Taxation - net		91,308	657,890
Total current liabilities		870,130,655	843,371,108
Total liabilities		899,783,665	843,371,108
TOTAL EQUITY AND LIABILITIES		3,643,317,169	2,730,837,432
CONTINGENCIES AND COMMITMENTS	23		

The annexed note 1 to 44 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

THE ORGANIC MEAT COMPANY LIMITED
STATEMENT OF PROFIT OR LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021 Rupees	2020
Sales - net	24	3,927,824,141	3,384,108,701
Cost of sales	25	(3,278,196,914)	(2,762,126,391)
Gross profit		649,627,227	621,982,310
Administrative expenses	26	(59,143,969)	(59,240,694)
Selling expenses	27	(161,551,475)	(120,473,462)
Allowance for doubtful debt	9.1	(12,672,729)	(69,744,228)
		(233,368,173)	(249,458,384)
Operating profit		416,259,054	372,523,926
Finance costs	28	(89,375,878)	(90,079,782)
Other income	29	37,475,552	18,063,134
Other charges	30	(23,858,760)	(17,029,983)
		(75,759,086)	(89,046,631)
Profit for the year before taxation		340,499,968	283,477,295
Taxation	31	(37,027,931)	(17,124,784)
Profit for the year after taxation		303,472,037	266,352,511
Earnings per share - basic and diluted	32	2.78	3.71

The annexed note 1 to 44 form an integral part of these financial statements. *Sign*

[Signature]
CHIEF EXECUTIVE OFFICER

[Signature]
DIRECTOR

[Signature]
CHIEF FINANCIAL OFFICER

THE ORGANIC MEAT COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2021

	2021	2020
	Rupees	
Profit for the year after taxation	303,472,037	266,352,511
Other comprehensive income:		
Items that will not be reclassified to statement of profit or loss account in subsequent periods	-	-
Items that will be reclassified to statement of profit or loss account in subsequent periods	-	-
Total comprehensive income for the year	303,472,037	266,352,511

The annexed note 1 to 44 form an integral part of these financial statements. *Sir*

V. S. S. S.
CHIEF EXECUTIVE OFFICER

Dr. S. S. S.
DIRECTOR

Dr. S. S. S.
CHIEF FINANCIAL OFFICER

THE ORGANIC MEAT COMPANY LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2021

	Issued, subscribed and paid-up share capital	Reserves			Revaluation surplus on property, plant and equipment	Total shareholders' equity
		Capital	Revenue			
		Share premium	Unappropriated profit	Total Reserves		
Rupees						
Balance as at July 01, 2019	718,177,770	922,216	308,056,429	109,880,645	503,055,308	1,631,113,813
Total comprehensive income for the year						
Profit for the year	-	-	266,352,511	266,352,511	-	266,352,511
Other comprehensive income	-	-	-	-	-	-
Revaluation surplus on property, plant and equipment realized on account of incremental depreciation - net of tax	-	-	54,983,330	54,983,330	(54,983,330)	-
Balance as at July 01, 2020	718,177,770	922,216	630,294,270	631,218,486	538,072,068	1,887,486,324
Total comprehensive income for the year						
Profit for the year	-	-	393,472,037	393,472,037	-	393,472,037
Other comprehensive income	-	-	-	-	-	-
Transactions with owners in their capacity as owners recognized directly in equity						
Shares issued during the year	400,000,000	400,000,000	-	400,000,000	-	800,000,000
Final cash dividend 2020 @ Rs. 2.00 per share	-	-	(223,635,554)	(223,635,554)	-	(223,635,554)
	400,000,000	400,000,000	(223,635,554)	176,364,446	-	576,364,446
Share issuance cost	-	(23,769,303)	-	(23,769,303)	-	(23,769,303)
Revaluation surplus on property, plant and equipment realized on account of incremental depreciation - net of tax	-	-	64,041,009	64,041,009	(64,041,009)	-
Balance as at June 30, 2021	1,118,177,770	377,152,913	774,171,762	1,151,324,675	474,031,059	2,743,533,504

The annexed note 1 to 44 form an integral part of these financial statements. *CTM*

Umesh Kumar
CHIEF EXECUTIVE OFFICER

Dr. S. S. S. S.
DIRECTOR

Dr. S. S. S. S.
CHIEF FINANCIAL OFFICER

THE ORGANIC MEAT COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

		2021	2020
	Note	Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year before taxation		340,499,968	283,477,295
Adjustment for non-cash items:			
Depreciation on property, plant and equipment	5.1	125,783,320	113,652,433
Allowance for doubtful debts	9.1	12,672,729	69,744,228
Amortization of intangible asset	6	100,000	50,000
Finance costs	28	89,375,878	90,079,782
Loss on disposal of property, plant and equipment	29	171,183	513,903
Gain on biological assets	29	(3,282,373)	-
Unrealized exchange gain on trade debtors	29.1	(14,992,588)	(19,048,848)
Provision for Worker's Profit Participation Fund	30	17,001,169	9,480,973
Provision for Worker's Welfare Fund	30	2,847,991	2,645,960
		570,177,277	550,595,726
Working capital changes			
Decrease in Stock-in-trade		50,674,689	(37,892,004)
(Increase) in biological assets		(21,442,763)	-
(Increase) in trade debts		(237,479,976)	71,304,137
(Increase) in loans and advances		(168,799,632)	(68,663,015)
(Increase) in deposit and prepayments		(28,897,155)	-
(Increase) in other receivables		(29,982,338)	-
(Decrease) Trade and other payables		(6,876,281)	(5,452,594)
(Decrease) Accrued expenses and other liabilities		(16,356,085)	-
Due to related parties (repaid) - net		(15,755,312)	(13,356,366)
		(474,914,853)	(54,059,842)
Cash generated from operating activities		95,262,424	496,535,884
Income taxes paid		(40,625,259)	(32,880,592)
Finance costs paid		(92,740,701)	(86,480,646)
Net cash (used in) / generated from operating activities		(38,103,536)	377,174,646
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	5.1	(138,483,890)	(70,711,220)
Addition to capital work in process	5.2	(396,683,882)	(219,311,289)
Sale proceeds from disposal of property, plant and equipment		1,500,000	759,258
Net cash used in investing activities		(533,667,772)	(289,263,251)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of shares- net		776,230,697	-
Dividend paid	22.1	(222,363,727)	-
Long term loan obtained		25,717,210	-
Borrowings from financial institutions - obtained / (repaid)		54,677,918	(39,116,856)
Net cash generated from / (used in) financing activities		634,262,098	(39,116,856)
Net increase in cash and cash equivalent		62,490,790	48,794,539
Cash and cash equivalent at beginning of the year		(506,032,189)	(554,826,728)
Cash and cash equivalent at end of the year	33	(443,541,399)	(506,032,189)

The annexed note 1 to 44 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

THE ORGANIC MEAT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** The Organic Meat Company Limited (the "Company") was incorporated in Pakistan on July 14, 2010 as a private limited company under the repealed Companies Ordinance 1984 (now Companies Act, 2017) and subsequently it was converted into public limited company on November 08, 2018. The Company's ordinary shares are listed in the Pakistan Stock Exchange Limited.

The Board of Directors in its meeting held on September 08, 2018 had decided to initiate the proceedings for enlisting of the Company on the Pakistan Stock Exchange Limited. Hence, the Company issued the prospectus for Initial Public Offer (IPO) of 40 million ordinary shares of Rs.10/- each at a floor price of Rs.18/- per share including share premium of Rs.8/- per share. 30 million ordinary shares were offered and successfully subscribed through book building process by Institutional Investors and High Net Worth Individuals (HNWI) at a strike price of Rs.20/- per share. The remaining 10 million ordinary shares were offered to general public for subscription at strike price of Rs.20 per share. Ordinary shares offered to general public were fully subscribed and shares had been duly allotted to all shareholders. On August 03, 2020, Pakistan Stock Exchange had approved the Company's application for formal listing and quotation of the shares on the Pakistan Stock Exchange.

- 1.2** The registered address of the Company was situated at Suite No. 902, Portway trade center, Plot 189/A, S.M.C.H.S, Karachi and factory premises at Survey No. 310, Deh Shah Mureed, Gadap, Karachi, Pakistan. However, subsequent to the year end the registered address of the Company changed to Plot No. 257, sector 24, Korangi Industrial Area, Karachi. The Company's principal activities are processing and sale of halal meat and allied products.

2. BASIS OF PREPERATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting and reporting standards as applicable in Pakistan. Approved accounting and reporting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017, and provisions of and directives issued under the Companies Act, 2017. In case requirements differ, the provisions or directives of the Companies Act, 2017 shall prevail.

2.2 Standards, Amendments and Interpretations to Approved Accounting Standards

2.2.1 Promulgation of Companies Act, 2017 (the Act)

The fourth schedule to the Act became applicable to the Company for the first time for the preparation of these financial statements. The Companies Act, 2017 (including its third and fourth schedule) forms an integral part of the statutory financial reporting framework applicable to and amongst others, prescribes the nature and content of disclosures in relation to various elements of these financial statements.

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

The Company has adopted the following new standards, amendments to published standards and interpretations of IFRSs which became effective during the current year.

New or Revised Standard or Interpretation	Effective Date (Annual periods beginning on or after)
Amendments to References to the Conceptual Framework in IFRS Standards	January 1, 2020
Definition of a Business (Amendments to IFRS 3)	January 1, 2020
Definition of Material (Amendments to IAS 1 and IAS 8)	January 1, 2020
Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)	January 1, 2020
Covid-19-Related Rent Concessions (Amendment to IFRS 16)	January 1, 2020

THE ORGANIC MEAT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

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

The following new standards, amendments to published standards and interpretations would be effective from the dates mentioned below against the respective standard or interpretation.

Standard or Interpretation	Effective Date (Annual periods beginning on or after)
Annual improvements to IFRS standards 2018 - 2020 Cycle	January 1, 2022
IFRS 3 - References to Conceptual Framework	January 1, 2022
IAS 16 - Proceeds before intended use	January 1, 2022
IAS 37 - Onerous Contracts - Cost of Fulfilling a contract	January 1, 2022
IAS 1 - Classification of Liabilities as Current or Non-current	January 1, 2023
IFRS 16 - Covid-19-Related Rent Concessions beyond June 30, 2021	April 1, 2021
IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction	January 1, 2023
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	January 1, 2023
IAS 8 - 'Definition of Accounting Estimates	January 1, 2023
Interest Rate Benchmark Reform — Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	January 1, 2021

The Company is in the process of assessing the impact of these Standards, amendments and interpretations to the published standards on the financial statements of the Company.

2.2.4 Standards, amendments and interpretations to the published standards that are not yet notified by the Securities and Exchange Commission of Pakistan (SECP)

Following new standards have been issued by the International Accounting Standards Board (IASB) which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standard or Interpretation	IASB effective date (Annual periods beginning on or after)
IFRS 17 - Insurance Contracts	January 1, 2023

3. BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention using accrual basis of accounting, except for the cash flows information and the following:

- a) Certain items of property, plant and equipment that are stated at revalued amount; and
- b) Biological assets other than bearer plants which are carried at fair value of live stock.
- c) Derivative financial instruments carried at fair value.

3.1 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pakistani Rupee which is the Company's functional and presentation currency.

THE ORGANIC MEAT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

3.2 Significant accounting estimates and judgments

The preparation of financial statements is in conformity with approved accounting standards which requires management to make critical judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised.

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

	Notes
Useful life of property, plant and equipment	4.1
Revaluation of property, plant and equipment	4.1
Useful life of intangible assets	4.2
Valuation of biological assets other than bearer plants	4.4
Provision for taxation	4.15
Provision against trade debts and other receivables	4.5
Impairment of financial asset	4.8.1.4
Impairment of non financial asset	4.3
Provision	4.12
Contingent liabilities	4.13

3.3 GENERAL

The figures have been rounded off to nearest Rupee.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the presentation of these financial statements are set out below. These policies have been consistently applied throughout the years presented, unless stated otherwise.

4.1 Property, plant and equipment

4.1.1 Owned assets

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any, except for leasehold land, building and plant and machinery which are stated at revalued amounts less any subsequent accumulated depreciation and subsequent accumulated impairment losses, if any. Capital work-in-progress is stated at cost. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in progress. These are transferred to specific assets as and when assets are available for use.

4.1.2 Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Normal repairs and maintenance costs are charged to statement of profit or loss account in the period of its occurrence.

4.1.3 Depreciation

Depreciation is charged to statement of profit or loss account by applying the reducing balance method on yearly basis at the rates specified in note 5.1. Depreciation on additions to property, plant and equipment is charged from the month in which an item is acquired i.e. available for use, while no depreciation is charged in the month in which the item is disposed off.

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The appropriateness of rate of depreciation, useful lives and residual value of operating fixed assets are reviewed periodically and altered if circumstances or expectations have changed significantly. Any change is accounted for as a change in accounting estimate by changing depreciation charge for the current and future periods.

The Company allocates depreciation expense related to all of its core assets used in the production process to cost of sales, while the depreciation on the remaining ones to administrative expenses.

4.1.4 Disposal

Gains or losses on disposal or retirement of operating fixed assets are determined as the difference between the sale proceeds and the carrying amount of assets and are included in the profit or loss account.

4.1.5 Revaluation of property, plant and equipment

Revaluation is carried out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from the fair value. Any surplus on revaluation of operating fixed assets is recognized in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property, plant and equipment", except to the extent that it reverses a revaluation decrease for the same asset previously recognized in profit or loss account, in which case the increase is credited to profit or loss account to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of operating fixed assets is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset. The revaluation reserve is not available for distribution to the Company's shareholders.

4.1.6 Impairment

The Company assesses at each reporting date whether there is any indication that property, plant and equipment may be impaired. If such indication exists, the recoverable amount of asset is estimated and accordingly an impairment loss is recognized in the profit and loss account for the carrying amount that exceeds its recoverable amount except for impairment loss on revalued assets, which is adjusted against related revaluation surplus to the extent that the impairment loss does not exceed the surplus on revaluation of that asset.

4.1.7 Capital work-in-progress

Capital work-in-progress is stated at cost less any identified accumulated impairment losses, if any. All the expenditures connected to the specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to specific assets as and when assets are available for use.

4.2 Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance. Intangible asset are recognized when it is probable that the expected future economic benefits will flow to the entity and cost of the asset can be measured reliably. Cost of the intangible assets (i.e. computer software) includes purchase cost and directly attributable expenses incidental to bring the asset for its intended use. Intangible assets which are stated at cost less accumulated amortization and any identified impairment loss, if any.

Amortization of intangible assets is commenced from the date an asset is capitalized. Repairs and maintenance cost are expensed out and development cost are capitalized as per IAS-38. Amortization is charged over the estimated useful life of the asset i.e. five years, on a systematic basis applying the straight line method. useful life of intangible assets are reviewed at each reporting date and adjusted if the impact of amortization is significant.

4.3 Impairment of non-financial assets

The carrying amount of the Company's non-financial assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If such indications exist, the assets' recoverable amounts are estimated in order to determine the extent of impairment loss, if any.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that is

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largely independent from other assets and group. Impairment losses are recognized as expense in profit and loss

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Where an impairment loss is recognized, the depreciation charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

Impaired assets are reviewed for possible reversal of the impairment at each statement of financial position date. Reversal of the impairment losses are restricted to the extent that asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment losses had been recognized. A reversal of impairment loss is recognized in the profit and loss account.

4.4 Biological assets

Biological assets are stated at fair value less estimated point-of-sale costs, with any resultant gain or loss recognized in profit or loss account. Point-of-sale costs include all costs that would be necessary to sell the assets, excluding costs necessary to get the assets to market. The fair value of livestock is based on the market price of livestock of similar age, breed and genetic merit. Directly attributable costs incurred during the period of biological growth to the stage of slaughtering the biological assets are charged to profit and loss account. An entity shall recognize a biological asset when:

- the entity controls the asset as a result of past events;
- it is probable that future economic benefits associated with the asset will flow to the entity; and
- the fair value or cost of the asset can be measured reliably.

4.5 Trade debts and other receivables

Trade receivables are measured on initial recognition at fair value and are subsequently carried out at amortized cost.

Receivables are reviewing as on individual basis to determine whether any amount is unrecoverable and a specific provision is made. The provision for doubtful debt is estimated amount of receivable that is un expected to be paid. Debts known to be uncollectable are write-off as bad debt to the profit or loss immediately.

In assessing the collectivity of receivable, Company consider the customer credit history and historical recovery performance and trend.

4.6 Stock-in-trade

These are valued at the lower of weighted average cost and net realizable values.

Cost is determined as follows:

- Raw materials are measured at weighted average purchase cost and directly attributable expenses incurred in bringing them to their existing location and condition.
- Work-in-process and finished goods are valued at weighted average cost of raw materials and other related conversion expenses.
- Packing material and feed stock are valued at cost.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. In the case of processed stock and work in progress, cost includes a share of overheads based on normal operating capacity.

4.7 Stores, spares and loose tools

Usable stores, spares and loose tools are valued principally at moving average cost, while items considered obsolete are impaired. Items in transit are stated at cost comprising invoice value plus other charges paid thereon up to the reporting date. The Company reviews the carrying amount of stores, spares and loose tools on a regular basis and provision is made for obsolescence, if there is any change in usage pattern and physical form of related

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stores.

4.8 Financial instruments

A financial instrument is any contract that give rise to a financial asset of any entity and a financial liability or equity instrument of another entity. The company recognize a financial instrument in its financial statement when, and only when the entity becomes party to contractual provisions of the instrument.

4.8.1 Financial assets

4.8.1.1 Initial recognition of financial assets

Regular purchases and sales of financial assets are recognized on the trade date i.e. the date on which the Company commits to purchase or sell the asset. Investments are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the profit and loss account.

4.8.1.2 Derecognition of financial assets

Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

Gains or losses arising from changes in fair value of the 'financial assets at fair value through profit or loss' category are presented in the profit and loss account within 'Other income / other expenses' in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognized in the profit and loss account as part of 'Other income' when the Company's right to receive payments is established.

Gains or losses arising from changes in fair value of the 'financial assets at fair value through other comprehensive income' category are recognized in other comprehensive income with only dividend income recognized in statement of profit or loss account.

4.8.1.3 Subsequent measurement of financial assets

The Company classifies its financial assets into following categories: financial assets at amortized cost, financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. These financial assets are classified at initial recognition based on the business model used for managing the financial assets and contractual cash flows, characteristics of the financial assets.

a) Financial assets at amortized cost

Financial assets are measured at amortized cost if both of the following conditions are met (and are not designated as FVTPL):

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

The Company classified the financial assets under this category include trade debts, loan to employees, deposits and other receivables.

b) Financial assets at fair value through other comprehensive income (FVOCI)

The fair value through other comprehensive income classification is mandatory for certain debt instrument assets unless the option to classify as fair value through profit or loss is taken.

The Company accounts for financial assets at FVOCI if the assets meet the following conditions:

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

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

c) Financial assets at fair value through profit or loss (FVTPL)

Financial assets are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorized at fair value through profit or loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. Furthermore, all derivative financial instruments fall into this category.

All equity instruments are to be classified as financial assets at fair value through profit or loss, except for those equity instruments for which the Company has elected to irrevocable option to present subsequent changes in other comprehensive income.

4.8.1.4 Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognize expected credit losses – the 'expected credit loss (ECL) model'. This replaces IAS 39's 'incurred loss model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortized cost and FVOCI, trade debts, contract assets recognized and measured under IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

Recognition of credit losses is no longer dependent on the Company first identifying a credit loss event. Instead the Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affects the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage-1');
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage-2');
- financial assets that have objective evidence of impairment at the reporting date ('Stage-3').

'12-month expected credit losses' are recognized for the first category while 'lifetime expected credit losses' are recognized for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

The expected loss rates are based on the Company's historical experience of credit losses.

4.8.1.5 Expected credit loss (ECL) / Loss allowance against trade debts, deposits, advances and other receivables

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

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 provision 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.

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The Company reviews the recoverability of its trade debts, deposits, advances and other receivables to assess amount of loss allowance required on an annual basis.

4.8.2 Financial liabilities

4.8.2.1 Initial recognition of financial liabilities

Financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. All financial liabilities are recognized initially at fair value less directly attributable transactions costs, if any, and subsequently measured at amortized cost using effective interest method unless financial liabilities are held for trading, in which case it is required to be measured at fair value through profit or loss or where entity elects to measure at financial liability, under fair value option.

4.8.2.2 Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of original liability and recognition of a new liability and the difference in respective carrying amounts is recognized in the profit and loss account.

4.8.2.3 Off-setting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the statement of financial position only when Company has legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

4.9 Employees benefits

The Company contributes to an unapproved contributory provident fund scheme effective 01 June 2019, for all its permanent employees who have decided to opt-in for it. Equal monthly contributions, both by the Company and the employees are made to the fund, at the rate of 4% of the basic salary. All regular employees are eligible for provident fund upon their confirmation. Obligation for contributions to defined contribution plan by the Company is recognized as an expense in the profit and loss account on accrual basis.

4.10 Trade and other payables

Liabilities for trade and other payables are carried at their amortized cost, which approximates fair value of the consideration to be paid in future for goods and services received, whether or not invoiced to the Company.

4.11 Borrowing costs

Borrowings are recognized initially at proceed received net of transaction cost, and subsequently at amortized cost using the effective interest method. Borrowing costs are recognized as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs are capitalized as part of the cost of that asset. Borrowings payable within next twelve months are classified as current liabilities.

4.12 Provisions

A provision is recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimates.

4.13 Contingent liabilities

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

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to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability. The assessment of the contingencies inherently involves the exercise of significant judgements as the outcome of the future events cannot be predicted with certainty. The Company, based on the availability of the latest information, estimates the value of contingent assets and liabilities which may differ on the occurrence / non occurrence of the uncertain future event(s).

4.14 Revenue recognition

Sale of goods

The Company is in the business of processing and sale of halal meat and allied products. Revenue from customers is recognized when control of goods is transferred to the customers and thereby the performance obligations are satisfied, at amount that reflect the consideration to which the Company entitled to receive in exchange of goods, (i.e. fair value of consideration received or receivable net of returns, taxes and discount).

Performance obligations satisfied based on the shipping terms with customers in case of export sales, usually on shipment/delivery of the goods. In case of other sales, control of the goods is satisfied at a point in time when the goods are dispatched to the customers.

Rendering of services

Revenue of rendering of services include transportation services for third parties and slaughtering fee. Revenue is recognized after the service is complete.

Others

All other income is recognized on accrual basis other than duty drawback which is recorded on receipt basis subject to fulfillment of certain conditions specified in SRO 711(1)/2018 dated June 8, 2018.

4.15 Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognized in the profit and loss account, 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.

Current

The charge for current taxation is based on Final Tax Regime (FTR) in case of exports and other sales, at the applicable rate of taxation after taking into account tax credits and tax rebates available, if any.

Deferred

Deferred tax is accounted for using the statement of financial position liability method in respect of all taxable 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 taxable profit.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

The Company takes into account the current income tax law and decisions taken by the taxation authorities. Instances where the Company's views differ from 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.

4.16 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and balance with banks. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of short term borrowings which are repayable on demand or in the short term and form an integral part of Company's cash management.

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4.17 Earnings per share

The Company present basic and diluted earning per share (EPS) for its shareholders. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any.

4.18 Foreign currency translations

The foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of transactions. The closing balance of non-monetary items is included at the exchange rate prevailing at the date of the transaction and monetary items are translated using the exchange rate prevailing at the reporting date. 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 recognized in statement of profit or loss with other income/other operating expenses.

4.19 Derivative financial instruments

A derivative is a type off financial instrument typically used to manage the interest rate and foreign exchange risk, that the Company faces due to business operations. The type of derivative used is forward contract.

This contract, enables the Company to sell foreign currency to set out rate at future date. Derivative financial instruments are recognized at fair value on the time the contract are agreed and are re-measured on a periodic basis.

4.20 Dividends and appropriations to reserves

Dividends and appropriations to reserves are recognized in the financial statements in the period in which these are approved.

4.21 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

4.22 Segment reporting

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

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	Note	2021 Rupees	2020 Rupees
5 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1	1,529,709,086	1,269,014,605
Capital work-in-progress (CWIP)	5.2	297,910,287	150,983,003
		<u>1,826,719,293</u>	<u>1,419,997,608</u>

5.1 Operating fixed assets

	Factory Land - Leasehold	Factory building on leasehold land	Furniture and fiture	Office equipment	Plant and machinery	Generators	Motor vehicles	Total
	(Rupees)							
As at June 30, 2021								
Cost								
Opening balance	151,000,000	421,516,613	7,651,349	12,154,991	1,260,753,285	27,609,200	39,945,498	1,920,540,936
Additions during the year	122,520,612	-	800,909	1,055,400	3,297,969	-	10,809,000	138,483,890
Transfers from CWIP	-	167,838,097	-	-	82,818,581	-	-	250,656,678
Disposal during the year	-	-	-	-	-	-	(8,657,623)	(8,657,623)
Closing balance	<u>273,520,612</u>	<u>589,354,710</u>	<u>8,452,258</u>	<u>13,210,391</u>	<u>1,346,869,835</u>	<u>27,609,200</u>	<u>42,096,875</u>	<u>2,901,123,881</u>
Accumulated depreciation								
Opening balance	-	150,818,360	5,143,039	6,466,350	446,006,777	16,206,680	26,984,925	651,626,331
Charge for the year	-	34,299,125	381,795	638,505	86,482,998	1,140,252	2,840,645	125,783,320
On disposals	-	-	-	-	-	-	(5,994,856)	(5,994,856)
Closing balance	-	<u>185,117,485</u>	<u>5,524,834</u>	<u>7,105,055</u>	<u>532,489,775</u>	<u>17,346,932</u>	<u>23,830,714</u>	<u>771,414,795</u>
Written down values	<u>273,520,612</u>	<u>404,237,225</u>	<u>2,937,424</u>	<u>6,105,336</u>	<u>814,380,060</u>	<u>10,262,268</u>	<u>18,266,161</u>	<u>1,529,709,086</u>
Depreciation rates (%)	0%	10%	15%	15%	10%	10%	15%	

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	Factory Land - Leasehold	Factory building on leasehold land	Furniture and fature	Office equipment	Plant and machinery	Generators	Motor vehicles	Total
	(Rupees)							
As at June 30, 2020								
Cost								
Opening balance	85,000,000	416,992,063	7,661,349	9,943,771	1,151,175,112	26,309,200	42,346,294	1,739,427,789
Additions during the year	66,000,000	-	-	2,211,220	-	1,300,000	1,200,000	70,711,220
Transfers from CWIP	-	4,524,550	-	-	109,578,173	-	-	114,102,723
Disposal during the year	-	-	-	-	-	-	(3,600,796)	(3,600,796)
Closing balance	151,000,000	421,516,613	7,661,349	12,154,991	1,260,753,285	27,609,200	39,945,498	1,920,640,936
Accumulated depreciation								
Opening balance	-	121,183,546	4,698,631	5,838,679	366,641,053	14,963,807	26,975,817	540,301,533
Charge for the year	-	29,634,814	444,408	627,871	79,365,724	1,742,873	2,336,743	113,652,433
On disposals	-	-	-	-	-	-	(2,327,635)	(2,327,635)
Closing balance	-	150,818,360	5,143,039	6,466,550	446,006,777	16,706,680	26,984,925	651,636,331
Written down values	151,000,000	270,698,253	2,518,310	5,688,441	814,746,508	11,402,520	12,960,573	1,269,014,605
Depreciation rates (%)	0%	10%	15%	15%	10%	10%	15%	

5.2 Capital work-in-progress

	2021	2020
	(Rupees)	
Balance at the beginning of the year	150,983,003	46,274,437
Additions during the year	370,427,998	219,311,289
Transfers during the year		
- to operating fixed assets	(250,656,678)	(114,102,723)
- to intangible assets	-	(500,000)
Advance against fixed assets	26,255,884	-
Balance at the end of the year	297,010,207	150,983,003

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		2021	2020
		-----Rupees-----	
5.3	Basis of allocation of depreciation	Note	
	Cost of sales	5.3.1	121,478,937
	Administrative expense	5.4	3,867,698
			125,346,635
			102,287,190
			11,365,243
			113,652,433

5.3.1 The Company allocates depreciation expense related to all of its core assets used in the production process to cost of sales, while the depreciation on the remaining ones to administrative expenses.

5.4 The Company had revalued its land, building and plant and machinery on June 30, 2018. The revaluation exercise was carried out by Oceanic Surveyors (Private) Limited, an independent valuer. The valuer was also listed on the approved panel of value's of Pakistan Banks' Association and Leasing Association of Pakistan. The land was revalued on the basis of current market price whereas buildings and plant and machinery were revalued using the Asset Base Valuation Method. The valuation exercise resulted in a net surplus of Rs.666.15 million as on the date of revaluation.

At the time of revaluation, forced sale value of the revalued assets

Description of revalued asset	Amount (Rs.)
Factory land	72,250,000
Building	220,000,000
Plant and machinery	645,000,000
	937,250,000

5.5 Particulars of immovable property (i.e. land and building) in the name of the Company are as follows:

Location	Immovable Property	Total Area
Deh Shah Mureed, Gadap, Karachi	Factory premises	13.215 acre
Deh Shah Mureed, Gadap, Karachi	Manufacturing facility*	5.895 acre
Plot No. 257, sector 24, Korangi Industrial Area, Karachi	Offal facility	1,067 sq. yard

* The area of the manufacturing facility is included in the factory premises.

5.6 Had the operating fixed assets been recognized under the 'Cost Model', the carrying amount of such revalued assets would have been as follows:

	2021	2020
	-----Rupees-----	
Factory Land - Leasehold	247,776,612	125,256,000
Factory building on leasehold land	299,469,862	164,906,194
Plant and machinery	382,068,574	338,404,088

6 INTANGIBLE ASSET

COMPUTER SOFTWARE

Cost

Balance at the beginning of the year	500,000	-
Additions / transfer during the year	-	500,000
Balance at the end of the year	500,000	500,000

Accumulated amortization

Balance at the beginning of the year	(50,000)	-
Charge for the year	(100,000)	(50,000)
Balance at the end of the year	(150,000)	(50,000)

Written down value	350,000	450,000
Amortization rate	20%	20%

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		2021	2020
		Rupees	
7	STOCK-IN-TRADE		
	Finished goods	95,507,025	173,733,660
	Raw material and livestock	82,824,189	57,427,523
	Animal feed	4,064,829	-
	Work in process	-	4,592,070
	Packing material	5,868,500	3,185,979
		<u>188,264,543</u>	<u>238,939,232</u>
8.	BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS		
	Live stock - cattle		
	Opening balance	-	-
	Additions during the year	33,050,622	-
	Decrease due to harvest/sales	(11,607,859)	-
	Gains / (losses) arising from changes in fair value	3,282,373	-
		<u>24,725,136</u>	<u>-</u>
9.	TRADE DEBTS		
	Secured and considered good		
	- Foreign debtors	29,120,789	-
	Unsecured and considered good		
	- Foreign debtors	860,443,181	634,296,281
	- Local debtors	22,113,569	67,566,599
		<u>882,556,750</u>	<u>701,862,880</u>
	Considered doubtful	166,980,304	154,307,575
	Trade receivables - gross	<u>1,078,657,843</u>	<u>856,170,455</u>
	Less: provision against doubtful debts	(166,980,304)	(154,307,575)
	Trade receivables - net	<u>911,677,539</u>	<u>701,862,880</u>
9.1	Movement in provision against doubtful debts		
	Balance at the beginning of the year	154,307,575	227,313,827
	Balances written-off	-	(142,750,480)
	Allowance for doubtful debts		
	- expected credit loss	12,672,729	28,921,847
	- specific provisions	-	40,822,381
		<u>12,672,729</u>	<u>69,744,228</u>
		<u>166,980,304</u>	<u>154,307,575</u>
9.2	The maximum aggregate amount of trade receivable from related parties at the end of any month during the year was Rs.6.36 million (2020: Rs.10.80 million).		
9.3	The aging of export receivable balance as at the date of statement of financial position is as follows:		

	Total balance	Past due but not impaired					
		<30 days	31-60 days	61-120 days	121-180 days	181-360 days	Above 1 year
		Rupees					
2021	889,563,970	451,307,571	303,596,781	106,704,974	26,968,775	771,723	214,147
2020	634,296,281	525,149,404	102,292,791	6,611,224	242,862	-	-

THE ORGANIC MEAT COMPANY LIMITED
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9.4 The aging of local receivable balance as at the date of statement of financial position is as follows:

	Total balance	Past due but not impaired					
		<30 days	31-60 days	61-120 days	121-180 days	181-360 days	Above 1 year
		Rupees					
2021	22,113,569	-	-	11,293,252	10,820,317	-	-
2020	67,566,599	13,485,330	12,877,760	13,012,970	9,799,320	18,391,219	-

9.5 The impaired export receivables as at the date of statement of financial position is as follows:

	2021	2020
	Rupees	
Less than one year	12,368,504	22,189,939
More than one year	-	125,385,728
	12,368,504	147,575,667

9.6 The impaired other receivables as at the date of statement of financial position is as follows:

	2021	2020
	Rupees	
Less than one year	304,225	6,731,908
More than one year	-	-
	304,225	6,731,908

10. LOANS AND ADVANCES

Loans- Unsecured and considered good

Loan to employees	10.1	1,946,525	1,217,635
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Advances- Unsecured and considered good

Advance to suppliers	10.2	334,344,155	189,128,299
		336,290,680	190,345,934

10.1 These represent interest-free welfare loans and salary advances provided to the employees in accordance with the Company's policy.

		2021	2020	
	Note	-----Rupees-----		
10.2	Advance to suppliers			
	Considered good	10.2.1	334,344,155	189,128,299
	Considered doubtful		27,152,270	27,152,270
	Gross advance to suppliers		361,496,425	216,280,569

Less: provision against doubtful advances

Balance at the beginning of the year	27,152,270	27,152,270
Charge for the year	-	-
Balance at the end of the year	27,152,270	27,152,270
	334,344,155	189,128,299

10.2.1 It represent the amount provided to supplier for purchase of meat, offal and animal etc. which is adjustable against future purchases.

		2021	2020
		Rupees	
11.	DEPOSITS AND PREPAYMENTS		
	Prepaid insurance	259,080	392,421
	LC Margin against import of machinery	29,030,496	-
		29,289,576	392,421

11.1 It represent the LC margin held with Samba bank against the import of plant and machinery.

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		2021	2020
		Rupees	
12. OTHER RECEIVABLES	Note		
Sales tax refundable	12.1	17,750,467	10,473,849
Duty drawback	12.2	183,625,206	160,919,486
		<u>201,375,673</u>	<u>171,393,335</u>
12.1 Movement in sales tax refundable			
Balance at the beginning of the year		10,473,849	2,399,776
Input tax paid during the year		9,591,247	8,074,073
Refund from tax authorities		(2,314,629)	-
Balance at the ending of the year		<u>17,750,467</u>	<u>10,473,849</u>
12.2 Movement in duty drawback			
Balance at the beginning of the year		160,919,486	78,706,181
Claimed during the year		124,158,458	121,110,336
Received during the year		(67,455,645)	(38,897,031)
Re measurement loss on financial asset at amortized cost	12.3	(33,997,093)	-
Balance at the beginning of the year	12.4	<u>183,625,206</u>	<u>160,919,486</u>
12.3	Securities and Exchange Commission of Pakistan vide S.R.O. 985 (II)/2019 dated September 02, 2019 notified in respect of companies holding financial assets due from the Government of Pakistan, that the requirements contained in "IFRS 9 (Financial Instruments) with respect to application of Expected Credit Losses method" shall not be applicable till June 30, 2021. However, the provision was calculated as per IAS 39 to value duty drawback at amortized cost.		
12.4	This represents an amount receivable against drawback of local taxes and levies collected from exporters of eligible products, vide S.R.O. No. 711(I)/2018 issued by the Ministry of Commerce & Textile, Commerce Division. The Company is engaged in the export of processed meat, which is an eligible product for the purpose of drawback under the aforementioned circular.		
13. CASH AND BANK BALANCES	Note	2021	2020
		Rupees	
Cash in hand		103,085	27,972
Cash with banks:			
Saving account	13.1	54,772	-
Current account		123,195,045	7,428,050
Dividend account		1,271,827	-
		<u>124,624,729</u>	<u>7,456,022</u>
13.1	The balances maintained in profit and loss sharing accounts carry mark-up ranging from 5.5% to 6% (2020: Nil) during the year.		
14. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL		2021	2020
		Rupees	
2021	2020		
61,817,777	21,817,777	Ordinary shares of Rs. 10 each	
50,000,000	50,000,000	- fully paid in cash	
111,817,777	71,817,777	- Issued as bonus shares	
		<u>618,177,770</u>	<u>218,177,770</u>
		<u>500,000,000</u>	<u>500,000,000</u>
		<u>1,118,177,770</u>	<u>718,177,770</u>

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14.1 Ordinary shares of the Company held by related parties as at year end are as follows:

	Note	2021 Numbers	2020
Chief Executive Officer		50,922,494	50,922,494
Directors		11,645,282	11,345,283
Associated person		-	3,000,000
Others		-	6,550,000
		<u>62,567,776</u>	<u>71,817,777</u>

15. RESERVES

Capital

Share premium

Revenue

Un-appropriated profits

15.1

377,152,913	922,216
<u>774,171,762</u>	<u>630,294,270</u>
<u>1,151,324,675</u>	<u>631,216,486</u>

15.1 Movement in share premium

Balance at the beginning of the year
Originated from ordinary issue
Expenses against issuance of share capital
Balance at the end of the year

15.2

922,216	922,216
400,000,000	-
(23,769,303)	-
<u>377,152,913</u>	<u>922,216</u>

15.2 This represents premium received over and above face value of the shares issued to institutional investors, high net worth individuals and general public through initial public offering (IPO). This reserve can be utilized by the Company only for the purposes specified under section 81 of the Companies Act, 2017.

16. REVALUATION SURPLUS ON
PROPERTY, PLANT AND EQUIPMENT

Note

2021 Rupees	2020
538,072,068	602,113,077
(64,041,009)	(64,041,009)
<u>474,031,059</u>	<u>538,072,068</u>

Balance at the beginning of the year
Less: transferred to unappropriated profit on account
of incremental depreciation for the year - net

17. LONG TERM FINANCES - SECURED

Samba Bank Limited
Less: Current maturity

17.1
17.2

38,125,299	-
(8,472,289)	(12,408,089)
<u>29,653,010</u>	<u>(12,408,089)</u>

17.1 The Company has obtained State Bank of Pakistan's (SBP) Temporary Economic Refinance Facility for the purpose of capital expenditure which is secured by way of first exclusive charges over specific fixed assets which include land and building, specific plant and machinery and other machinery and equipment amounting to Rs. 153 million, Rs.60 million and Rs. 54 million respectively, and personal guarantees of directors. It carries mark-up at 1% SBP prescribed rate plus bank's spread of 4% per annum (to be serviced on quarterly basis for the tenure of the loan. The loan has a tenor of five years including grace period of six months with 18 quarterly principal repayments.

17.2 Current maturity of long term borrowings- Secured

2021 Rupees	2020
12,408,089	47,388,916
(4,336,258)	4,136,029
(8,272,058)	(39,116,856)
<u>8,472,289</u>	<u>12,408,089</u>

Balance at the beginning of the year
Transfer from long term borrowings
Paid during the year
Balance at the end of the year

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		2021	2020		
		Rupees			
18.	TRADE AND OTHER PAYABLES				
	Worker's profit participation fund payable	47,779,269	30,778,100		
	Trade creditors	28,106,048	29,669,259		
	Worker's welfare fund payable	6,896,797	4,048,806		
	Salaries, benefits and allowances payable	3,640,436	9,543,291		
	Audit fee payable	1,821,243	1,439,600		
	Staff provident fund	373,244	213,552		
	Payable to contractors	48,450	-		
		88,665,487	75,692,608		
18.1	The Company contributes to unapproved contributory provident fund at the rate of 4% of basic salary.				
		2021	2020		
19.	ACCRUED MARK-UP	Rupees			
	On long term borrowing - secured	587,450	1,918,822		
	On short term borrowing - secured	15,181,742	23,535,699		
		15,769,192	25,454,521		
20.	SHORT TERM LOAN FROM RELATED PARTIES - unsecured				
	Associated Company	100,000,000	100,000,000		
	Director(s)	33,987,592	45,606,873		
		133,987,592	145,606,873		
20.1	This short term loan is obtained for meeting the working capital requirements of the Company. The loan is mark-up free and repayable on lender's demand.				
20.2	The maximum aggregate amount outstanding with reference to month end balances:				
	In the month of	In the month of	2021	2020	
			Rupees		
	Associated Company	All 12 moths	All 12 moths	100,000,000	100,000,000
	Chief Executive Officer	Jul-20	Sep-20	51,613,360	60,363,719
	Director	-	Jul-19	-	318,509
			2021	2020	
21.	SHORT TERM BORROWINGS - secured	Note	Rupees		
	Financial Institutions - secured	21.1	568,166,129	513,488,211	
21.1	Financial Institutions - secured				
	Habib Bank Limited	21.1.1	129,136,031	125,000,000	
	Samba Bank Limited	21.1.2	139,030,098	-	
	Faysal Bank Limited	21.1.3	100,000,000	100,000,000	
	Al Baraka Bank (Pakistan) Limited	21.1.4	100,000,000	100,000,000	
	Soneri Bank Limited	21.1.5	100,000,000	63,500,211	
	Bank Islami Limited	21.1.6	-	40,000,000	
	Dubai Islamic Bank Limited	21.1.7	-	84,988,000	
			568,166,129	513,488,211	

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21.1.1 The Company had obtained demand finance facility amounting to Rs. 45.496 million to finance blast freezers, freezers and chillers installed at plant located Deh Shah Mureed, Gadap Town, Karachi. It carries mark-up at 3 months KIBOR + 2.25% per annum (to be serviced on quarterly basis for the tenure of the loan and mark-up rate to be reset at the beginning of each quarter). The facility is secured by way of joint pari passu hypothecation charge of Rs.156 million registered with SECP over existing and future stocks and receivables with 25% margin, lien on export documents and export proceeds with 10% margin, Joint Pari Passu Hypothecation charge over plant and machinery to the extent of Rs. 143 million, Joint Pari Passu charge over land and building to the extent of Rs. 57 million and personal guarantees of all the directors.

The Company has obtained running finance and export refinance facility having a limit of Rs. 70 million (2020: Rs. 70 million) and Rs. 55 million (2020: Rs. 55 million) for working capital requirements. It carries interest at the rate of 3 months KIBOR + 2% per annum. The facilities are secured by way of joint Pari Passu hypothecation charge of Rs.156 million registered with SECP over existing and future stocks and receivables with 25% margin, lien on export documents and proceeds with 10% margin, Joint Pari Passu Hypothecation charge over Plant and Machinery to the extent of Rs. 143 million with 25% margin, Joint Pari Passu charge over land and Building to the extent of Rs. 57 million and personal guarantees of all directors.

21.1.2 The Company has obtained multiple facilities which includes running finance, short term loan and finance against packing credit having limit of Rs. 40 million (2020: Nil), 40 million (2020: Nil) and Rs. 60 millions (2020: Nil) respectively. All the facilities obtained to meet working capital requirements of the Company. Running finance and short term loan carry interest at the rate of 3 months KIBOR + 1.75% and finance against packing credit carry interest at the rate of 3 months KIBOR + 1.5%. The facilities are secured by way of first exclusive charges over specific fixed assets which include land and building, specific plant and machinery and other machinery and equipment amounting to Rs. 153 million, Rs.60 million and Rs. 54 million respectively, and personal guarantees of directors. Furthermore, it also has a hypothecation charge of Rs. 100 million over current assets

21.1.3 The Company has obtained Export Refinance facility having a limit of Rs. 100 million (2020: Rs. 100 millions) to meet pre-shipment working capital requirement backed by stand by letter of credit / contracts (existing buyers). It carries mark-up at SBP cost of funds + 1% per annum or 3 months KIBOR+2%. The facility is secured by way of first joint pari passu charge over land and Building to the extent of Rs. 28.5 million, First Pari Passu hypothecation charge over its Plant and machinery up to Rs. 71.5 million, First Pari Passu Hypothecation charge over current asset of the Company amounting to Rs. 125 million and by way of personal guarantees of all the directors of the Company having 10% or more shareholding.

21.1.4 The Company had obtained Istisna amounting to Rs. 100 million (2020: Rs. 100 millions) for the purchase and processing of meat, edible offal's, etc. It carries profit at relevant 6 months KIBOR + 3% per annum. Tenor for this facility is maximum 180 days. The facility is secured by way of joint pari passu charge by way of equitable mortgage over land and buildings up to the extent of Rs. 57 millions, joint pari passu charge by way of hypothecation charge over plant and machinery up to the extent of Rs. 143 millions and on current assets to the extent of Rs. 225 million and by way of personal guarantees of two directors of the Company.

21.1.5 The Company had obtained Murabahah amounting to Rs. 100 million (2020: 100 million) for the purchase and processing of meat, edible offal's, etc. It carries profit at relevant 6 months KIBOR + 2% per annum. Tenor for this facility is maximum 180 days. The facility is secured by way of first joint pari passu charge over the Company's fixed assets, which includes land and buildings up to the extent of Rs. 28.5 millions, plant and machinery up to the extent of Rs. 71.5 millions, and on current assets to the extent of Rs. 125 million and by way of personal guarantees one director.

21.1.6 The Company had obtained running finance facility having a limit of Rs. 85 million for working capital requirements (for purchase of raw material) under Murabahah Scheme. It carries interest at relevant 6 months KIBOR rate + 2% per annum. The facility is secured by way of First Pari Passu hypothecation charge over the Companies present and future stock and receivable to the extent of Rs. 94 million with 10% margin, Joint Pari Passu Charge over the Company's fixed assets to the extent of Rs. 150 million, which includes land and buildings and by way of personal guarantees of all the directors of the Company.

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21.1.7 The Company had obtained Murabahah finance facility having a limit of Rs. 50 million for purchases of halal meat and it carries mark-up at a rate 6 months KIBOR + 3.5% per annum. The facility is secured by way of Joint Pari Passu Charge over present and future fixed assets/ current assets of the company amounting to Rs. 66.67 million.

22. UNCLAIMED DIVIDEND

This represents part of final dividend for the year ended June 30, 2020 which remained unpaid to the shareholders who have not provided valid documentation to claim dividend.

	2021	2020
	-----Rupees-----	
22.1 Movement of unclaimed dividend		
Balance at the beginning of the year	-	-
Dividend declared during the year	223,635,554	-
Dividend paid during the year	(222,363,727)	-
Balance at the end of the year	<u>1,271,827</u>	<u>-</u>

23. CONTINGENCIES AND COMMITMENTS

23.1 Contingencies

There are no contingencies as on June 30, 2021 (2020: Nil).

23.2 Commitments

23.2.1 Aggregate commitments under letters of credit for the import of items of plant and machinery (capital expenditure) as at 30 June 2021 amounted to Rs. 9.24 million (2020: Nil). These are in respect of the letters of credit opened before the year end but no shipment by then had been made.

23.2.2 The Company has entered into an agreement to pay a monthly rent of Rs. 300,000 per month (2020: Nil) till April 2022 for a cold storage service contract at Korangi, Karachi

23.2.3 The Company has entered into an agreement to pay a monthly rent of Rs. 300,000 per month (2020: Nil) till August 2021 for a cold storage service contract at EPZA.

23.2.4 Aggregate commitment for in respect to construction of fattening farm as at June 30, 2021 amounted to Rs. 1.3 million (2020: Nil)

23.2.5 The Company has commitment to sell USD 98,865 at the rate of Rs. 154.72/USD under partilay satified forward contract of USD 300,000.

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		2021	2020
	Note	-----Rupees-----	
24. SALES - NET			
Export sales			
Direct exports		3,696,567,656	3,182,025,463
Duty drawback		128,115,010	121,110,336
		3,824,682,666	3,303,135,799
Other sales	24.1	103,316,975	125,424,560
Less: sales discount		(175,500)	(44,451,658)
		3,927,824,141	3,384,108,701
24.1	This includes local sales made under new Qurbani Project introduced by the Company with the brand name "Meat Master",		
25. COST OF SALES			
Livestock and meat cost			
Opening stock			
- Livestock		57,427,523	76,833,180
- Work in process		4,592,070	14,485,530
		62,019,593	91,318,710
Purchase of meat and allied products		2,966,791,769	2,529,399,907
Closing stock			
- Livestock		(82,824,189)	(57,427,523)
- Work in process		-	(4,592,070)
		(82,824,189)	(62,019,593)
		2,945,987,173	2,558,699,024
Conversion cost			
Depreciation on property, plant and equipment	5.3	121,478,937	110,243,411
Salaries, wages and other benefits		47,501,370	38,909,755
Cutting and deboning		27,142,916	42,198,027
Fuel and power		25,035,893	28,339,384
Packing materials consumed		18,434,301	30,134,182
Repairs and maintenance		8,068,899	10,471,976
Insurance		3,028,709	2,257,514
Transportation		1,826,335	2,613,759
Janitorial expense		937,457	1,683,531
Printing and stationary		562,280	1,670,545
Rent		2,700,000	-
Communication expense		232,975	380,124
Animal feed and other consumables		3,780,384	1,716,280
		260,730,456	270,618,488
Finished goods			
Opening stock		173,733,660	106,319,991
Closing stock		(95,507,025)	(173,733,660)
		78,226,635	(67,413,669)
Animal feed			
Opening stock		-	-
Closing stock		(4,064,829)	-
		(4,064,829)	-
Packing material			
Opening stock		3,185,979	3,408,527
Closing stock		(5,868,500)	(3,185,979)
		(2,682,521)	222,548
		3,278,196,914	2,762,126,391

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		2021	2020
		Rupees	
26. ADMINISTRATIVE EXPENSES	Note		
Salaries, benefits and other allowances		35,931,673	32,896,141
Depreciation on property, plant and equipment	5.3	3,867,698	3,409,022
Food and entertainment		7,071,125	5,907,455
Fee and subscription		5,670,829	6,441,904
Travelling		1,993,500	282,200
Legal and professional		1,336,028	9,239,500
Repair and maintenance		1,074,499	540,589
Security services		958,191	-
Vehicle running and maintenances		564,098	227,598
Internet charges		405,000	-
Insurances		102,828	220,000
Amortization of intangible asset	6	100,000	50,000
Printing and stationery		68,500	26,285
		<u>59,143,969</u>	<u>59,240,694</u>
27. SELLING EXPENSES			
Clearing and forwarding charges	27.1	125,252,381	62,727,720
Quarantine charges		15,703,600	14,787,290
Export duties		12,012,591	12,809,578
Advertisement and promotion		5,104,608	30,000,144
Courier charges		3,478,295	148,730
		<u>161,551,475</u>	<u>120,473,462</u>
27.1	It represent the clearing and forwarding charges paid by the Company as per the mutually agreed terms with the foreign customers.		
28. FINANCE COST	Note	2021	2020
		Rupees	
Mark-up on long term financing		1,366,724	4,588,174
Mark-up on short term borrowings		47,691,555	81,078,328
Bank charges		6,320,506	4,413,280
Re-measurement loss on financial assets at amortized cost		33,997,093	-
		<u>89,375,878</u>	<u>90,079,782</u>
29. OTHER INCOME - NET			
Income from financial assets			
Exchange gain - net	29.1	28,219,595	18,577,037
Profit on pls account		5,999,792	-
		<u>34,219,387</u>	<u>18,577,037</u>
Income/(expense) from non-financial assets			
Loss on disposal of property, plant and equipment		(171,183)	(513,903)
Gain on biological assets	8	3,282,373	-
Scrap sales		144,974	-
		<u>3,256,164</u>	<u>(513,903)</u>
		<u>37,475,552</u>	<u>18,063,134</u>

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		2021	2020
		Rupees	
29.1 Exchange gain - net	Note		
Realized gain/(loss)			
- Exchange loss - normal		(7,500,829)	(471,811)
- Exchange gain on forward contracts		20,727,836	-
Unrealized gain on trade debts		14,992,588	19,048,848
		<u>28,219,595</u>	<u>18,577,037</u>
30. OTHER CHARGES			
Worker' profit participation fund		17,001,169	9,480,973
Worker's Welfare Fund		2,847,991	2,645,960
Donation and charity	30.1	1,759,600	2,773,050
Auditor's remuneration	30.2	2,250,000	2,130,000
		<u>23,858,760</u>	<u>17,029,983</u>
30.1	None of the directors or their spouse have any interest in the donee.		
30.2 Auditor's remuneration		2021	2020
		Rupees	
Audit fee		1,250,000	1,250,000
Half yearly review		481,966	481,966
Certifications		100,000	80,000
Code of corporate governance		100,000	-
Out of pocket expenses		318,034	318,034
		<u>2,250,000</u>	<u>2,130,000</u>
31. TAXATION			
Current		37,027,931	32,973,224
Prior		-	(4,850,039)
Deferred		-	(10,998,401)
		<u>37,027,931</u>	<u>17,124,784</u>
31.1	The charge for current tax is based on Final Tax Regime (FTR) in case of exports and other sales. The other sales of the Company does not exceed five percent of total export sales.		
31.2 Tax charge reconciliation	Company discharges its tax liability as full and final discharge of liability under Section 154 of the Income Tax Ordinance, 2001. Therefore, reconciliation for tax charge with respect to accounting profit is not disclosed.		
32. EARNINGS PER SHARE - BASIC AND DILUTED		2021	2020
Profit after taxation for the year - Rupees		<u>303,472,037</u>	<u>266,352,511</u>
Weighted average number of ordinary shares - Number		<u>108,986,349</u>	<u>71,817,777</u>
Earnings per share - basic and diluted - Rupees		<u>2.78</u>	<u>3.71</u>
Earnings per share - Rupees *		<u>2.71</u>	<u>2.38</u>
*(Based on outstanding number of shares at year end)			
32.1	There is no dilutive effect on the earnings per share of the Company as these does not have any convertible instruments as at June 30, 2021 and 2020.		

THE ORGANIC MEAT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

		2021	2020
		Rupees	
33. CASH AND CASH EQUIVALENTS	Note		
Short term borrowings - banking companies	21	(568,166,128)	(513,488,211)
Cash and bank balances	13	124,624,729	7,456,022
		<u>(443,541,399)</u>	<u>(506,032,189)</u>
34. FINANCIAL INSTRUMENTS BY CATEGORIES			
Financial assets			
Measured at amortized cost			
Trade debts	9	911,677,539	701,862,880
Loans to employees	10	1,946,525	1,217,635
Duty drawback	12	183,625,206	160,919,486
Cash and bank balances	13	124,624,729	7,456,022
		<u>1,221,873,999</u>	<u>871,456,023</u>
Financial liabilities			
Measured at amortized cost			
Long term borrowings - secured	17	38,125,299	12,408,089
Trade creditors	18	28,106,048	28,884,417
Accrued mark-up	19	15,769,192	25,454,521
Short term loan from related party - unsecured	20	133,987,592	145,606,873
Short term borrowings - secured	21	568,166,129	513,488,211
		<u>784,154,260</u>	<u>725,842,111</u>
35. OPERATING SEGMENTS			

These financial statements have been prepared on the basis of a single reportable segment. The principal classes of products are meat and offal.

All non-current assets of the Company as at June 30, 2021 are located in Pakistan.

THE ORGANIC MEAT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

36. FINANCIAL RISK MANAGEMENT

36.1 Financial risk factors

The Board of Directors (the Board) has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities. The Company through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board oversee how management monitors compliance with the Company's risk management policies and procedures, and review the adequacy of risk management framework in relation to the risks faced by the Company. However, risk management is carried out by the Company's finance department.

The Company has exposure to the following risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk
- Operational risk

36.2 Market Risk

The Company is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risks, which result from both its operating and investing activities. The objective of market risk management is to manage and control market risk exposures within an acceptable range. The Company's credit facilities are floating rate credits, which exposes the Company to interest rate fluctuations. According to Company policy all financing of working capital and investment in fixed assets are made on floating rate terms. No financial instruments are used to hedge the interest level.

36.2.1 Currency risk

Currency risk is the risk that the value of financial asset or a liability will fluctuate due to a change in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables that exist due to transactions in foreign currency.

The Company is exposed to currency risk arises from various currency exposure, primarily with respect to USD. Currently, the Company foreign exchange exposure is restricted to the amounts receivable from foreign customers.

The Company's exposure to foreign currency risk is as follows:

	2021		2020	
	Rupees	USD	Rupees	USD
Trade debts	889,563,970	5,639,074	634,296,281	3,774,450

Currently, the Company obtains forward contracts to mitigate the gross exposure. The following significant rates applied during the year:

	2021	2020	2021	2020
	Average rate		As at 30 June	
US Dollar to PKR	160.10	158.26	157.75	168.05

THE ORGANIC MEAT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

Sensitivity analysis

At June 30, 2021, if the currency had weakened/strengthened by 1% against USD with all other variables held constant, post-tax profits for the year would have been lower/higher by Rs.8.9 million (2020: Rs. 6.34 million) mainly as a result of foreign exchange gain on translation of foreign currency denominated trade debts.

36.2.2 Interest rate risk

Interest rate risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. At the reporting date, the interest rate profile of the Company's interest bearing financial instruments were as follows:

	Effective interest rate		Carrying amount	
	2021	2020	2021	2020
	%	%	-----Rupees-----	
Variable rate instruments				
Long term borrowings - secured	5% & 3 MK + 2% to 2.25%	3 MK + 2% to 2.25%	29,653,010	-
Current maturity of long term borrowings - secured			8,472,289	12,408,089
Short term borrowings - secured	3 & 6 MK + 2% to 3.5%	3 & 6 MK + 2% to 3.5%	568,166,129	513,488,211

Sensitivity analysis

At June 30, 2021, if the interest rates on the Company's borrowings had been 1% higher / (lower) with all other variables held constant, the calculated post-tax profit for the year would have been Rs.6.06 million (2020: Rs.5.26 million) lower / higher mainly as a result of higher / (lower) interest expense on floating rate borrowings.

36.2.3 Other price risk

Price risk is the risk that the fair value of future cash flows of the financial instruments 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. The Company is not exposed to such price risk as there are no such type of financial instruments available to the Company.

36.3 Credit risk

The Company is exposed to credit risk on receivables. The Company considers the credit risk to be low, however Company's maximum credit risk is the sum of receivables recognized. Outstanding receivables are followed up upon on current basis in accordance with the Company's procedures. If it is uncertain whether a customer is able or willing to pay and the receivable is deemed doubtful, the receivable is written down.

Exposure to credit risk

Credit risk of the Company arises principally from loans and advances, trade debts, other receivables and bank balances. The carrying amount of financial assets represents the maximum credit exposure.

The maximum exposure to credit risk at the reporting date is as follows:

	Note	2021	2020
		-----Rupees-----	
Trade debts - unsecured	9	882,556,750	701,862,880
Loan to employees	10	1,946,525	1,217,635
Bank balances	13	124,521,644	7,428,050
		1,009,024,919	710,508,565

THE ORGANIC MEAT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

The credit worthiness of debtors is not readily available. To reduce the exposure to the credit risk, the management continuously monitors the credit exposure towards the customers and makes provision against those balances considered doubtful of recovery (and also obtains security/advance payments, wherever considered necessary). Based on the past experience, consideration of financial position, past track records and recoveries, the Company believes that trade debts past due do not require any impairment except as provided in the financial statements. None of the other financial assets are past due or impaired.

36.3.1 Credit quality of financial assets

The bank balances represent low credit risk as they are placed with banks having good credit ratings assigned by credit rating agencies.

The credit quality of balances maintained at bank categorized below:

	2021	2020
	-----Rupees-----	
Long Term Credit Rating of Banks		
AAA	41,352,647	1,343,271
AA+	45,876,482	179,869
AA	5,720,164	9,732
A+	175,239	5,910
A	26,133,063	5,133,081
AA-	5,202,212	617,077
Other	61,837	130,110
	124,521,644	7,428,050

Loans and advances to employees are not exposed to any material credit risk.

Management believes that it is not exposed to significant credit risk.

36.4 Liquidity risk

The Company ensures adequate cash reserves by entering into framework agreements in respect of current overdraft facilities. Existing agreement is subject to time limitation and irrecoverable on the part the banks prior to maturity unless there is a breach of the terms of the loans according to the loan agreements. In case of a breach of the terms of the agreement, the Company has a right to remediate causes of breach without undue delay and the bank is entitled to cancel the entire or part of the facility.

The Company's financial liabilities have contractual maturities as summarized below:

	Carrying amount	Less than 6 months	6 to 12 months	1 to 5 years
As at June 30, 2021				
Long term borrowings - secured	38,125,299	-	8,472,289	31,248,083
Short term borrowings - secured	568,166,129	568,166,129	-	-
Accrued expenses and other liabilities	53,706,831	53,706,831	-	-
Trade creditors	28,106,048	-	28,106,048	-
Accrued markup	15,769,192	15,769,192	-	-
	703,873,499	637,642,152	36,578,337	31,248,083
As at June 30, 2020				
Long term borrowings secured	12,408,089	-	12,408,089	-
Short term borrowings secured	513,488,211	513,488,211	-	-
Accrued expenses and other liabilities	70,062,916	70,062,916	-	-
Trade creditors	28,884,417	-	28,884,417	-
Accrued markup	25,454,521	25,454,521	-	-
	650,298,154	609,005,648	41,292,506	-

36.5 Fair value of financial and non financial instruments

The Company measures fair value using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

THE ORGANIC MEAT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

Level 1: Quoted market price (unadjusted) in an active market.

Level 2: Valuation techniques based on observable inputs.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data.

Fair values of financial assets that are traded in active markets are based on quoted market prices. For all other financial instruments the Company determines fair values using valuation techniques unless the instruments do not have a market / quoted price in an active market and whose fair value cannot be reliably measured.

Valuation techniques used by the Company include discounted cash flow model. Assumptions and inputs used in valuation techniques includes risk-free rates, bonds and equity prices, foreign currency exchange rates, equity and equity index prices. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the statement of financial position date that would have been determined by market participants acting at arm's length.

Valuation models for valuing securities for which there is no active market requires significant unobservable inputs and a higher degree of management judgment and estimation in the determination of fair value. Management judgment and estimation are usually required for selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued and selection of appropriate discount rates.

Non-financial assets	Carrying value	Level 1	Level 2	Level 3	Total
	-----Rupees-----				
June 30, 2021					
Factory	273,520,612	-	-	273,520,612	273,520,612
Factory Building	404,237,225	-	-	404,237,225	404,237,225
Plant and machinery	814,380,060	-	-	814,380,060	814,380,060
Biological assets other than bearer	24,725,136	-	-	24,725,136	24,725,136
	1,516,863,033	-	-	1,516,863,033	1,516,863,033
June 30, 2020					
Factory	151,000,000	-	-	151,000,000	151,000,000
Factory Building	270,698,253	-	-	270,698,253	270,698,253
Plant and machinery	814,746,508	-	-	814,746,508	814,746,508
	1,236,444,761	-	-	1,236,444,761	1,236,444,761

Sensitivity analysis

At June 30, 2021, if the fair value of the biological assets other than bearer plants had been 10% higher / (lower) with all other variables held constant, the calculated post-tax profit for the year would have been increased / decreased by Rs. 0.33 million.

36.6 Capital risk management

The objective of the Company's capital management is to ensure the Company's ability to continue as going concern in order to provide return on the shareholders' investments and establish and maintain an optimal capital structure for the purpose of repricing the cost of borrowed capital and maintain a basis for continuous growth in the Company. Total capital comprises of equity as reserves as shown in the statement of financial position.

The Company manages its capital structure and makes adjustment to it in the light of changes in economic conditions. The Company monitors capital using a debt equity ratio, which is net debt divided by total capital plus net debt. Equity comprises of share capital, revaluation surplus on property, plant and equipment and advance against issue of shares. The gearing ratio as at June 30, is as follows:

	Note	2021	2020
		-----Rupees-----	
Long term borrowings - secured	17	29,653,010	-
Current maturity of long term borrowings-secured	17	8,472,289	12,408,089

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FOR THE YEAR ENDED JUNE 30, 2021

		2021	2020
		-----Rupees-----	
Accrued mark-up	19	15,769,192	25,454,521
Short term borrowings - secured	21	568,166,129	513,488,211
Short term loan from related party - unsecured	20	133,987,592	145,606,873
Gross debt		756,048,212	696,957,694
Less: Cash and bank balances	13	(124,624,729)	(7,456,022)
Net debt		631,423,483	689,501,672
Total shareholder's equity		2,743,533,504	1,887,466,324
Equity and net debt		3,374,956,987	2,576,967,996
Gearing ratio		19%	27%

37. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amount charged in the financial statements for remuneration, including certain benefits to the chief executive officer, executive & non executive directors and executives of the Company are as follows:

	Chief Executive Officer	Directors	Executives	Total
2021				
	-----Rupees-----			
Managerial remuneration	12,000,000	18,750,000	11,614,000	42,364,000
Other benefits	-	-	904,250	904,250
Board meeting fee	-	900,000	-	900,000
	12,000,000	19,650,000	12,518,250	44,168,250
Number of person(s)	1	7	5	
2020				
	-----Rupees-----			
Managerial remuneration	6,000,000	12,000,000	15,051,000	33,051,000
Other benefits	-	-	904,594	904,594
	6,000,000	12,000,000	15,955,594	33,955,594
Number of person(s)	1	1	7	

37.1 Executive means an employee, other than the Chief Executive Officer and the Directors, whose basic salary exceeds twelve hundred thousand Rupees in a financial year.

37.2 The Chief Executive Officer and Executive Directors of the Company are also provided with the Company maintained Car.

38. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise principal shareholders and their affiliates, directors, companies with common directors, employees retirement benefit funds and key management personnel. Remuneration of key management personnel are in accordance with their terms of engagements. Transactions with other related parties are entered into, at the rates negotiated with them.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company. The Company in the normal course of business carries any transaction with various related parties.

Details of significant transactions and balances at year end with related parties as at year end or remained during the year, other than those which have been disclosed elsewhere in these financial statements, are as follows:

THE ORGANIC MEAT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

			2021	2020
			Rupees	
38.1	Transactions for the period			
	Name of related party	Nature Relationship		
	Mr. Ali Hussain	Loan obtained Director	-	317,291
	Mr. Ali Hussain	Loan repaid Director	-	621,300
	Mr. Ali Hussain	Salary Director	12,000,000	9,000,000
	Mr. Faisal Hussain	Loan obtained CEO	41,784,947	19,294,617
	Mr. Faisal Hussain	Loan repaid CEO	53,554,228	23,236,588
	Mr. Faisal Hussain	Salary paid CEO	9,000,000	4,500,000
	Mr. Salman Hussain	Salary and other benefits paid Director	7,085,834	-
	Sindh Gas (Private) Limited	Purchase of gas Common Director	334,222	-
	M/s M. Saeed M. Hussain	Received against sales Associated Company	9,008,667	10,798,629
	M/s M. Saeed M. Hussain	Sales Associated Company	9,427,431	4,152,250
	M/s M. Saeed M. Hussain	Rent paid Associated Company	1,800,000	-
	Zultech (Private) Ltd.	Paid against contracts of fixed assets Associated Company	2,645,325	1,500,000
	Key management personnel	Salary paid Executive other than CEO and Directors	12,518,250	15,955,594

38.2 Balances at the end of the year

		2021	2020
		Rupees	
Name of related party and nature of relationship			
Associated Companies - Common directorship			
Mohammad Saeed Mohammad Hussain (Pvt.) Ltd.			
- Balance	Trade debtor	418,764	-
Ubiquity Trading Limited			
- Balance	Due to associated company	100,000,000	100,000,000
Sindh Gas (Pvt.) Ltd.			
- Balance	Trade and other payables	53,112	-

THE ORGANIC MEAT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

Name of related party and nature of relationship	Nature of Balance	2021	2020
-----Rupees-----			
Zultec (Pvt.) Ltd. - Balance	Trade and other payables	-	2,645,325
Directors - Balance	Short term borrowing Due to director	33,987,592	45,606,873
Key Management Personnel Director	Remuneration and other benefits	44,168,250	33,955,594
39. NUMBER OF EMPLOYEES		2021	2020
Total employees as at the year end		161	123
Average number of employees during the year		142	137

40. UTILISATION OF PROCEEDS FROM INITIAL PUBLIC OFFERING

The principal purpose of the issue was to increase its current product output through the utilization of IPO funds as well as set up a new Facility for the processing of Offal sourced locally in Korangi Industrial Area and also a facility in the Export Processing Zone.

Estimated break-up of utilization of the IPO proceeds is mentioned below:

Description	Funds Required	Allocation	Actual Expenditure	IPO FUNDS	
				Utilization	Under/(Over) utilized
	—Rupees—	%	—Rupees—	—Rupees—	
Facility of Local Offal in Korangi Industrial Area:					
Land (1000 to 1200 Sq. yards)	100,000,000	60%	114,792,491	114,792,491	(14,792,491)
Construction of Office Building (12000 Sq.Feet)	31,000,000	19%	30,046,739	30,046,739	(9,953,261)
Equipment (Chillers + Freezers Storages)	21,200,000	13%	30,562,083	21,300,000	-
Machinery	15,000,000	9%	8,340,064	8,340,064	11,659,936
Total	167,200,000	100%	183,741,397	178,379,314	(11,179,314)
Facility for Export Processing Zone:					
Land (1000 to 1200 Sq. yards)	60,000,000	301%	-	-	60,000,000
Construction of Office Building (12000 Sq.Feet)	22,000,000	110%	-	-	22,000,000
Equipment (Chillers + Freezers Storages)	19,948,556	100%	-	-	19,948,556
Machinery	2,500,000	13%	-	-	2,500,000
	104,448,556	524%	-	-	104,448,556
Working Capital	448,551,444	100%	448,551,444	448,551,444	-
Utilization of excess proceeds					
Bank Islami loan repaid	40,000,000	50%	40,000,000	40,000,000	-
IPO expenses	23,769,303	40%	23,769,303	23,769,303	-
Patenting form	16,230,697	10%	16,230,697	16,230,697	-
	80,000,000	100%	80,000,000	80,000,000	-
Total	600,000,000		716,092,841	706,730,758	93,269,242

The funds allocated for the working capital have been utilized, and have been rolled over multiple times in the working capital cycle. The ratio of fund utilization has been adjusted as per the demand pattern of different products over the period since the IPO date.

41. NON-ADJUSTING EVENTS AFTER THE DATE OF STATEMENT OF FINANCIAL POSITION

The Board of Directors in its meeting held on September 30, 2021 have proposed a bonus issue in the proportion of 1 share for every 10 shares held, i.e., 10%. (2020: Nil) aggregating to Rs.111.82 million for the year ended June 30, 2021. The bonus issue is subject to the approval of members at the annual general meeting. The effect of such bonus issue shall be accounted for in the financial statements for the year ending June 30, 2022.

THE ORGANIC MEAT COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

42. CORRESPONDING FIGURES

Figures have been reclassified and rearranged as necessary for purposes of better performance are as follows:

Nature of Reclassification	Note	Reclassification form	Reclassification to	Amount (Rs.)
Prepaid Insurance	11	Trade and other payables	Deposits and prepayments	392,421
Sales tax refundable	12	Loan, advance and other receivables	Other Receivables	10,473,849
Duty drawback	12	Loan, advance and other receivables	Other Receivables	160,919,486
Depreciation on property, plant and equipment	24 & 25	Administrative expenses	Cost of sales	7,956,221

43. PRODUCTION CAPACITY AND ACTUAL PRODUCTION

	2021	2020
Installed slaughtering capacity (heads)	149,760	149,760
Actual slaughtering capacity (heads)	84,449	74,167
Capacity utilization (%)	56%	50%

43.1 Actual production of the Company was sufficient to meet the customer demand.

44. DATE OF AUTHORIZATION

These financial statements were authorized for issue on 30 September 2021 by the Board of Directors of the Company.

STP

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

THE ORGANIC MEAT COMPANY LIMITED
FINANCIAL HIGHLIGHTS
FROM JUNE 30, 2016 TO JUNE 30, 2021



Description	For the Year ended June 30 th					
	2016	2017	2018	2019	2020	2021
<i>(Amounts in PKR Million)</i>						
Statement of Comprehensive Income						
Sales	1,203	922	2,053	2,577	3,384	3,928
Cost of Goods Sold	(1,001)	(709)	(1,699)	(2,169)	(2,754)	(3,278)
Gross Profit	203	213	354	408	630	650
Operating Profit	145	109	248	218	373	416
EBITDA	197	146	268	459	487	556
Depreciation and Amortization	(58)	(55)	(54)	(123)	(114)	(126)
Financial Charges	(39)	(37)	(57)	(71)	(90)	(89)
Profit before Taxation	100	55	157	265	283	340
Taxation	(11)	(1)	(13)	(47)	(17)	(37)
Profit after Taxation	89	54	143	218	266	303
Statement of Financial Position						
Non-Current Assets	575	546	1,257	1,245	1,420	1,827
Current Assets	655	793	1,075	1,323	1,310	1,816
Total Assets	1,230	1,339	2,333	2,569	2,730	3,643
Paid-up Capital	1	1	100	718	718	1,118
Equity	332	386	1,264	1,621	1,887	2,744
Share Deposit Money	212	212	149	-	-	-
Short-Term Borrowings	497	548	573	719	659	702
Non-Current Liabilities	82	90	58	15	-	30
Current Liabilities	603	651	861	932	843	870
Stock-in-trade	151	132	131	201	239	188
Trade debts	272	356	849	824	702	911
Trade and other payables	62	74	207	139	145	142
Cash Flow Statement						
Operating Activities	(114)	(17)	57	28	377	(38)
Investing Activities	(75)	(16)	(110)	(111)	(290)	(534)
Financing Activities	171	55	(21)	73	(39)	634
Net Increase in Cash	(18)	22	(74)	(11)	49	62
Net Cash Balance	5	19	16	5	7	125
Capital Expenditure	(75)	(16)	(110)	(111)	(289)	(534)
Sales Growth (%)	25	(23)	123	26	31	16
EBITDA Growth (%)	38	(26)	83	71	6	14
Net Profit Growth (%)	98	(40)	165	52	22	14
Margins						
Gross Margin (%)	17	23	17	16	19	17
EBITDA Margin (%)	17	18	15	13	14	14
Net Margin (%)	7	6	7	8	8	8
Break-up Value per Share (Rs.)	4.63	5.37	8.75	22.57	26.28	24.50

THE ORGANIC MEAT COMPANY LIMITED
FINANCIAL HIGHLIGHTS
FROM JUNE 30, 2016 TO JUNE 30, 2021



Description	For the Year ended June 30 th					
	2016	2017	2018	2019	2020	2021
<i>(Amounts in PKR Million)</i>						
Profitability and Earnings Ratios						
Profit after Tax	89	54	143	218	266	303
Earnings per Share (PKR) as audited accounts	8,908.48	5,357.62	14.33	4.46	3.71	3.20
Return on Equity (%)	16	9	10	13	14	11
Return on Asset (%)	7	4	6	8	10	8
Balance Sheet Ratios						
Fixed Asset Turnover (x)	2.09	1.69	1.63	2.07	2.38	2.15
Asset Turnover (x)	0.98	0.69	0.88	1.00	1.24	1.08
Capex to Total Assets (%)	6	1	5	4	11	15
Current Ratio (x)	1.09	1.22	1.25	1.42	1.55	2.09
Inventory Turnover (days)	40	73	28	28	29	24
Receivables Turnover (days)	72	208	136	139	82	75
Payables Turnover (days)	33	33	29	26	14	16
Leverage Ratios						
EBITDA/Interest (x)	5.21	4.40	5.23	4.80	5.41	6.25
(EBITDA - Capex)	128	147	188	217	198	22
(EBITDA - Capex)/Interest (x)	3.28	3.97	3.3	3.06	2.20	0.25
Number of Shares Outstanding	0.1	0.1	10	72	72	112

INVESTORS' RELATIONS

REGISTERED OFFICE

The Organic Meat Company Limited
Sector 24, Plot No. 257, Korangi Industrial Area, Karachi - Pakistan
Tel: +92-21-35059969, +92-21-35079969
Email: info@tomcl.net

SHARE REGISTRAR

F.D Registrar Services (Pvt) Limited
Suit 1705 – A. 17th Floor, Saima Trade Tower, I.I. Chundrigar Road,
Karachi Tel: 021-3227 1905 Email: info@fdregistrar.com

INVESTOR RELATIONS CONTACT

Mr. Abdul Quadir
Email: cs@tomcl.net

INVESTOR COMPLAINTS

For any complaints you may email at: investorcomplaint@tomcl.net

FINANCIAL CALENDAR

The Company follows the period of July 1 to June 30 as the Financial Year. For the Financial Year 2021-2022, financial results will be announced as per the following tentative schedule:

1st Quarter ending September 30, 2021 last week of October 2021

Half Year ending December 31, 2021 2nd week of February 2022

3rd Quarter ending March 31, 2022 Last week of April 2022

Year ending June 30, 2022 2nd week of September 2022

LISTING

Ordinary shares of the Company are listed on the Pakistan Stock Exchange.

STOCK CODE

The stock code for trading in ordinary shares of the Company at the Pakistan Stock Exchange is TOMCL.

STATUTORY COMPLIANCE

The Company is in compliance with applicable provisions of the Companies Act 2017, as replaced by the Companies Ordinance 1984, as well as circulars/mandates issued thereunder, the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Regulations of the Securities and Exchange Commission of Pakistan and the Listing Rules of the Pakistan Stock Exchange.

BOOK CLOSURE

Share Transfer Books of the Company will remain closed from October 21, 2021 to October 28, 2021 (both days inclusive).

WEB PRESENCE

Updated information regarding the Company can be accessed at its website www.tomcl.net. The website contains the latest financial information of the Company together with the Company's profile.

PATTERN OF SHAREHOLDING

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THE ORGANIC MEAT COMPANY LIMITED
Pattern of Shareholding - Form "34"
Shareholders Statistics as at June 30, 2021

Number of Shareholders	From	Shareholding	To	Total Shares Held
107	1	-	100	3,998
640	101	-	500	313,302
478	501	-	1000	474,212
845	1001	-	5000	2,321,945
210	5001	-	10000	1,660,882
78	10001	-	15000	1,031,943
41	15001	-	20000	747,004
37	20001	-	25000	873,364
17	25001	-	30000	494,186
14	30001	-	35000	468,000
6	35001	-	40000	233,040
10	40001	-	45000	434,000
17	45001	-	50000	848,500
8	50001	-	55000	436,497
4	55001	-	60000	235,500
2	60001	-	65000	126,000
2	65001	-	70000	140,000
5	70001	-	75000	373,100
2	75001	-	80000	156,000
1	80001	-	85000	82,059
4	85001	-	90000	356,000
1	90001	-	95000	93,000
7	95001	-	100000	689,500
3	100001	-	105000	305,707
1	105001	-	110000	110,000
2	115001	-	120000	240,000
1	120001	-	125000	125,000
1	130001	-	135000	130,725
1	140001	-	145000	143,500
3	145001	-	150000	450,000
2	150001	-	155000	306,500
2	175001	-	180000	358,571
2	185001	-	190000	373,515
4	195001	-	200000	796,329
2	200001	-	205000	409,239
2	215001	-	220000	433,500
1	230001	-	235000	233,000
1	240001	-	245000	245,000
2	245001	-	250000	500,000
2	250001	-	255000	505,000
1	275001	-	280000	280,000

PATTERN OF SHAREHOLDING

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1	285001	-	290000	288,000
3	295001	-	300000	900,000
1	320001	-	325000	325,000
1	330001	-	335000	335,000
1	335001	-	340000	340,000
1	345001	-	350000	350,000
2	380001	-	385000	763,175
1	390001	-	395000	395,000
1	450001	-	455000	451,500
1	455001	-	460000	460,000
1	460001	-	465000	464,386
1	480001	-	485000	484,000
1	490001	-	495000	493,000
2	495001	-	500000	1,000,000
2	500001	-	505000	1,005,500
1	545001	-	550000	550,000
1	575001	-	580000	576,500
1	595001	-	600000	600,000
1	650001	-	655000	653,620
1	670001	-	675000	670,850
1	675001	-	680000	675,572
2	725001	-	730000	1,454,050
1	750001	-	755000	755,000
1	785001	-	790000	790,000
1	810001	-	815000	814,000
1	865001	-	870000	865,894
1	960001	-	965000	964,800
1	995001	-	1000000	1,000,000
1	1095001	-	1100000	1,100,000
1	1400001	-	1405000	1,400,500
1	3485001	-	3490000	3,488,000
1	7,325,001	-	7,330,000	7,326,818
1	10,615,001	-	10,620,000	10,617,500
1	50,920,001	-	50,925,000	50,922,494
2,609				111,817,777

PATTERN OF SHAREHOLDING

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THE ORGANIC MEAT COMPANY LIMITED Details of Pattern of Shareholdings as on June 30, 2021

S. No.	Categories Shareholders	Shares Held	% Age
1	Directors, CEO, Their Spouses And Minor Children	62,567,774	55.96
	Mr. Nihal Cassim	1	
	Mr. Faisal Hussain	50,922,494	
	Mr. Ali Hussain	10,617,500	
	Mr. Rizwan Purjwani	727,778	
	Mr. Aneek Saleh Mohammad	300,000	
	Mr. Salman Hussain	1	
	Syed Owais Hasan Zaidi	1	
	Ms. Sehrish Hafeez	1	
2	Banks, Development Finance Institutions, Banking Finance Institutions, Insurance Companies and Others	8,186,779	7.32
	TOPLINE SECURITIES LIMITED - MF	1,100,000	
	MRA SECURITIES LIMITED - MF	814,000	
	JS GLOBAL CAPITAL LIMITED - MF	790,000	
	BULK MANAGEMENT PAKISTAN (PVT.) LTD.	653,620	
	THE BANK OF PUNJAB, TREASURY DIVISION.	576,500	
	PAK-CHINA INVESTMENT COMPANY LIMITED	550,000	
	BMA CAPITAL MANAGEMENT LTD. - MF	493,000	
	TUMBI (PRIVATE) LIMITED	395,000	
	PAK LIBYA HOLDING COMPANY (PVT.) LIMITED	350,000	
	E. F. U. GENERAL INSURANCE LIMITED	300,000	
	CDC - TRUSTEE PAKISTAN PENSION FUND - EQUITY SUB FUND	288,000	
	SHERMAN SECURITIES (PRIVATE) LIMITED	233,000	
	FAWAD YUSUF SECURITIES (PRIVATE) LIMITED - MF	188,000	
	CDC-TRUSTEE ALHAMRA ISLAMIC PENSION FUND - EQUITY SUB FUND	155,000	
	EFG HERMES PAKISTAN LIMITED - MF	150,000	
	UNITED TOWEL EXPORTERS (PVT.) LIMITED	143,500	
	MOHAMMAD MUNIR MOHAMMAD AHMED KHANANI SECURITIES LTD	110,000	
	SAJ CAPITAL MANAGEMENT LTD	90,000	
	WESTBURY (PRIVATE) LTD	82,059	
	DAWOOD FAMILY TAKAFUL LIMITED	76,000	
	NCC - PRE SETTLEMENT DELIVERY ACCOUNT	73,100	
	DILSONS (PRIVATE) LIMITED.	70,000	
	ARIF HABIB LIMITED - MF	61,000	
	ZAFAR SECURITIES (PVT) LTD.	55,000	
	AVANCEON LTD. EMPLOYEES PROVIDENT FUND	50,000	
	HAMEED SHAFI HOLDINGS (PVT) LTD.	45,000	
	ISPI CORPORATION (PRIVATE) LIMITED	41,500	
	ASDA SECURITIES (PVT.) LTD.	35,000	
	MUHAMMAD SHAFI TANNERIES (PRIVATE) LIMITED	25,000	

TRUST SECURITIES & BROKERAGE LIMITED - MF	25,000	
BROADAXIS TECHNOLOGIES (PRIVATE) LIMITED	24,000	
A. H. M. SECURITIES (PRIVATE) LIMITED	20,000	
DAWOOD FAMILY TAKAFUL LIMITED	19,500	
HONDA SOUTH (PRIVATE) LIMITED	16,000	
UNITED TOWEL EXPORTERS (PVT.) LIMITED	15,000	
Chevron Pakistan Lubricants (Pvt.) Ltd. EPF	12,000	
B & B SECURITIES (PRIVATE) LIMITED	10,500	
DARSON SECURITIES LIMITED	10,000	
DAWOOD EQUITIES LTD.	10,000	
Husein Sugar Mills Limited	9,000	
AXIS GLOBAL LIMITED - MF	5,000	
N. U. A. SECURITIES (PRIVATE) LIMITED - MF	5,000	
HUSEIN SUGAR MILLS LIMITED	4,000	
DAWOOD FAMILY TAKAFUL LIMITED	3,000	
TRUSTEE-FIRST DAWOOD INV. BANK LTD. & OTHER EMPLOYEES P.FUND	2,500	
MERIN (PRIVATE) LIMITED	2,000	
POWER ZONE ENGINEERING & SERVICES (PRIVATE) LIMITED	1,000	
5 Modaraba and Mutual Funds	10,595,816	9.48
CDC - TRUSTEE MCB PAKISTAN STOCK MARKET FUND	3,488,000	
CDC - TRUSTEE HBL EQUITY FUND	964,800	
CDC - TRUSTEE PICIC GROWTH FUND	865,894	
CDC - TRUSTEE ALHAMRA ISLAMIC STOCK FUND	755,000	
CDC - TRUSTEE HBL - STOCK FUND	726,272	
CDC - TRUSTEE PICIC INVESTMENT FUND	675,572	
CDC-TRUSTEE HBL ISLAMIC STOCK FUND	670,850	
CDC-TRUSTEE ALHAMRA ISLAMIC ASSET ALLOCATION FUND	460,000	
CDC - TRUSTEE HBL ISLAMIC EQUITY FUND	382,675	
CDC-TRUSTEE AL-AMEEN ISLAMIC RET. SAV. FUND-EQUITY SUB FUND	280,000	
ABA ALI HABIB SECURITIES (PVT) LIMITED - MF	251,000	
CDC - TRUSTEE UBL RETIREMENT SAVINGS FUND - EQUITY SUB FUND	205,000	
CDC - TRUSTEE HBL ISLAMIC ASSET ALLOCATION FUND	196,329	
CDC - TRUSTEE HBL PF EQUITY SUB FUND	185,515	
CDC - TRUSTEE HBL IPF EQUITY SUB FUND	151,500	
CDC - TRUSTEE PAKISTAN CAPITAL MARKET FUND	150,000	
CDC - TRUSTEE HBL MULTI - ASSET FUND	130,725	
B.R.R. GUARDIAN MODARABA	29,250	
CDC - TRUSTEE UBL DEDICATED EQUITY FUND	18,000	
CDC - TRUSTEE AL AMEEN ISLAMIC DEDICATED EQUITY FUND	9,000	
CDC - TRUSTEE ALFALAH GHP ISLAMIC DEDICATED EQUITY FUND	434	
6 Individuals	30,467,408	27.25
Total	111,817,777	100.00
Shareholders Holding Ten Percent Or More In The Company		
Mr. Faisal Hussain	50,922,494	45.54

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 11th Annual General Meeting of The Organic Meat Company Limited (the "Company") will be held on Thursday, October 28, 2021 at 11:00 am via video link to transact the following businesses:

ORDINARY BUSINESS

1. To receive and consider the Audited Accounts of the Company for the year ended June 30, 2021 together with the Directors' and Auditors' Reports thereon.
2. To approve the issuance of Bonus shares in the proportion of one share for every 10 shares held i.e. 10% as recommended by the Board of Directors.
3. To appoint Auditors for the year 2021-22 and to fix their remuneration.
4. To transact any other business with the permission of the Chair.

By Order of the Board
Abdul Quadir
Company Secretary

Karachi
Dated: October 5, 2021

NOTES:

1. The register of members of the Company will be closed from Thursday, October 21, 2021 to Thursday, October 28, 2021 (both days inclusive) and no transfers will be registered during that time. Shares received in order at the office of our Share Registrar, M/s. F.D. Registrar Services (Private) Limited, 17th Floor, Saima Trade Tower–A, I.I. Chundrigar Road, Karachi 74000, at the close of business on Wednesday, October 20, 2021 will be treated in time for the above entitlement.
2. To attend the meeting, members are requested to register themselves by providing the following information through email at cs@tomcl.net on or before October 20, 2021.

Name of Shareholder	CNIC Number	CDC Account No./ Folio No.	Cell Number	Email Address

3. Members who are registered, after the necessary verification, will be provided a video link by the Company on the same email address that they email the Company with. The login facility will remain open from 10:45 a.m. till the end of the meeting.
4. A member of the Company entitled to attend, speak and vote at this meeting may appoint any other member as his/her proxy to attend, speak and vote in his/her instead. The proxies to be effective must be in writing and must be received by the Company's Corporate Office 48 hours before the meeting.
5. Shareholders of the Company whose shares are registered in their account/sub-account with Central Depository System (CDS) are requested to bring original Computerized National Identity Card along with their account number in CDS and participant's ID number for verification.
6. Shareholders of the Company are requested to immediately notify any change in their addresses to the Share Registrar of the Company.
7. As per section 72 of the Companies Act, 2017, every existing listed company shall be required to replace its physical shares with book entry form in a manner as may be specified and from the date notified by the SECP. Shareholder having physical shareholding are therefore requested to open CDC sub account with any of the brokers or investor account directly with the CDC to replace their physical shares into scrip less form.

8. Shareholders are hereby reminded that section 242 of the Companies Act, 2017 provides that in case of a listed company, any cash dividend declared by the company must be paid electronically directly into the bank accounts of entitled shareholders. Therefore, all shareholders are requested to fill in Dividend Mandate Form available on Company's website i.e. www.tomcl.net and send it duly signed along with a copy of CNIC to the Registrar of the Company, M/s. F.D. Registrar Services (Private) Limited in case of physical shares. In case shares are held in CDC then Dividend Mandate Form must be submitted directly to shareholder's broker/participant/CDC account services. In case of non-submission of IBAN, the Company will withhold the payment of dividends under Companies (Distribution of Dividends) Regulations, 2017.
9. All Shareholders are advised to check their status on Active Taxpayers List (ATL) available on FBR website and if required take necessary actions for inclusion of their name in ATL. In case a person's name does not appear in the ATL, the applicable tax rate will be increased by hundred percent.
10. In case of joint account, please intimate proportion of shareholding of each account holder along with their individual's status on the ATL.
11. Members who desire to stop deduction of Zakat from their dividends may submit a declaration on non-judicial stamp paper duly signed as required under the law (if not submitted earlier).
12. Withholding Tax exemption from the dividend income shall only be allowed if copy of valid tax exemption certificate is made available to our Share Registrar by first day of Book Closure.
13. The corporate shareholders having CDC accounts are required to have their National Tax Numbers (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the company or our Share Registrar, M/s. F.D. Registrar Services (Private) Limited. The shareholders while sending NTN or NTN certificate, as the case may be, must quote company name and their respective folio numbers.
14. In compliance of Section 244 of the Companies Act 2017, once the Company has completed stipulated formalities, any unclaimed dividend and/or shares that have remained outstanding for a period of three years from the date of becoming due and payable or more shall be credited to the Federal Government (in case of dividend) or delivered to the SECP (in case of physical shares). Shareholders who could not collect their dividend/physical shares are advised to contact the Share Registrar of the Company to collect/inquire about their unclaimed dividend or shares, if any.

نوٹس برائے سالانہ اجلاس عام

بذریعہ مذکور مطلع کیا جاتا ہے کہ دی آرگنک میٹ کمپنی لمیٹڈ (دی کمپنی) کا گیارواں سالانہ اجلاس عام بروز جمعرات 28 اکتوبر 2021ء صبح 11:00 بجے وڈیو لنک کے ذریعے درج ذیل امور کی انجام دہی کیلئے منعقد ہوگا۔

عمومی امور:

- 1۔ 30 جون 2021ء کو ختم ہونے والے سال کیلئے کمپنی کی تصدیق شدہ مالی سٹیٹمنٹس مع ڈائریکٹرز اور آڈیٹرز کی رپورٹس کی وصولی اور ان پر غور کرنا۔
- 2۔ بورڈ آف ڈائریکٹرز کی سفارش کے مطابق ہر 10 شیئرز کے لیے ایک شیئر (10 فیصد) کے تناسب سے پونس شیئر جاری کرنے کی منظوری دینا۔
- 3۔ سال 2021-22 کے لئے آڈیٹران کا تقرر اور ان کے مشاہرے کا تعین۔
- 4۔ صاحب صدر کی اجازت سے کوئی دیگر امور سرانجام دینا۔

بحکم بورڈ آف ڈائریکٹرز

عبدالقادر
کمپنی سیکریٹری

کراچی
05 اکتوبر 2021ء

نوٹس:

1۔ کمپنی کے ممبران کا رجسٹر جمعرات، 21 اکتوبر 2021ء تا جمعرات، 28 اکتوبر 2021ء (بشمول دونوں ایام) بند رہے گا اور اس وقت کے دوران کوئی ٹرانسفر رجسٹر نہیں کیا جائیگا۔ کمپنی کے شیئر رجسٹر ایمرز ایف۔ ڈی رجسٹر اور سروسز (پرائیویٹ) لمیٹڈ، 17th فلور، صاعہ ٹریڈ ٹاور اے، آئی آئی چندر نگر روڈ کراچی 74000، کے پاس بروز بدھ مورخہ 20 اکتوبر 2021ء اختتام کاروبار کے وقت تک موصول ہونے والے شیئرز درج بالا اہلیت کیلئے بروقت بھیجے جائیں گے۔

2۔ میٹنگ میں شرکت کیلئے ممبران سے گزارش ہے کہ وہ 20 اکتوبر 2021ء کو یا اس سے پہلے cs@tomcl.net پر ای میل کے ذریعے درج ذیل معلومات فراہم کر کے اپنا اندراج کریں:

شیئر ہولڈر کا نام	شناختی کارڈ نمبر	فولیو ای سی ڈی سی نمبر	موبائل نمبر	رجسٹرڈ ای میل ایڈریس

3۔ جو ممبران رجسٹرڈ ہیں ان کو ضروری تصدیق کے بعد کمپنی ای سی ڈی ای میل ایڈریس پر ویڈیو لنک فراہم کرے گی جس کے ساتھ وہ کمپنی کو ای میل کرتے ہیں۔ لاگ ان کی سہولت صبح 10:45 سے میٹنگ کے اختتام تک کھولی رہے گی۔

4۔ کمپنی کا کوئی ممبر، جو سالانہ اجلاس عام میں شرکت کرنے، بولنے اور ووٹ دینے کا اہل ہے اپنی جگہ دوسرے ممبر کو شرکت کرنے، بولنے اور ووٹ دینے کے لیے اپنا پارکسی مقرر کر سکتا ہے۔ پارکسی کے موثر ہونے کیلئے لازمی ہے کہ وہ تحریری ہو اور کمپنی کے رجسٹرڈ دفتر کو اجلاس شروع ہونے سے 48 گھنٹے قبل موصول ہو جائیں۔

5۔ کمپنی کے شیئر ہولڈرز جن کے شیئرز سینٹرل ڈیپازٹری سسٹم (سی ڈی ایس) کے ساتھ ان کے اکاؤنٹ اسب اکاؤنٹ میں رجسٹرڈ ہیں ان سے درخواست ہے کہ وہ تصدیق کے لیے اصل کمپیوٹرائزڈ قومی شناختی کارڈ مع سی ڈی ایس میں اپنا اکاؤنٹ نمبر اور شرکاء کا آئی ڈی نمبر ساتھ لائیں۔

6۔ کمپنی کے شیئر ہولڈرز سے درخواست ہے کہ اپنے پتے میں کسی تبدیلی کی اطلاع فوری طور پر کمپنی کے شیئر رجسٹر اور کو فراہم کریں۔

7۔ کمپنیز ایکٹ 2017ء کے سیکشن 72 کے مطابق ہر موجودہ ملحد کمپنی کو اپنے فزیکل شیئرز ایک مقررہ طریقے سے ایس ای سی پی کی مقرر کردہ تاریخ سے بک انٹری کی شکل میں تبدیل کرنا ہوں گے۔ اس لیے ان شیئر ہولڈرز سے جن کے پاس فزیکل شیئر ہیں، درخواست ہے کہ اپنے فزیکل شیئرز کو بتا سید (اسکرپ لیس)

مقصد کی رقم لازمی طور پر الیکٹرونک ذریعے سے براہ راست شیئر ہولڈرز کے بینک اکاؤنٹ میں جمع کرائی جائے۔ شیئر ہولڈرز سے درخواست ہے کہ اپنا منافع مقصد براہ راست اپنے بینک اکاؤنٹ میں وصول کرنے کے لیے ای ڈیو یو یڈ منڈیٹ فارم پُر کریں جو کمپنی کی ویب سائٹ www.tomcl.net پر دستیاب ہے اور اس پر دستخط کر کے سی این آئی سی کی کاپی کے ساتھ، فزیکل شیئر ہونے کی صورت میں کمپنی کے رجسٹرار میسرز ایف ڈی رجسٹرار سروسز کو بھجوا دیں۔ اگر شیئرز سی ڈی سی میں ہیں تو ای ڈیو یو یڈ منڈیٹ فارم براہ راست شیئر ہولڈرز کے بروکر / شریک اسی ڈی سی انویسٹر اکاؤنٹ سروسز کے پاس جمع کرایا جائے۔ آئی بی اے این جمع نہ کرنے کی صورت میں کمپنیز (ڈسٹری بیوٹن آف ڈیو یڈنز) ریگولیشنز 2017 کے تحت کمپنی ڈیو یڈ کی ادائیگی روک لے گی۔

۹۔ تمام شیئر ہولڈرز کو ہدایت کی جاتی ہے کہ وہ فعال ٹیکس گزاروں کی فہرست (اے ٹی ایل) میں اپنی کیفیت چیک کر لیں جو ایف بی آر کی ویب سائٹ پر دستیاب ہے اور اگر ضرورت ہو تو اے ٹی ایل میں اپنے نام کی شمولیت کے لیے ضروری کارروائی کریں۔ اگر کسی شخص کا نام اے ٹی ایل میں شامل نہیں ہو گا تو لاگو ٹیکس کی شرح سو فیصد زیادہ ہو جائے گی۔

۱۰۔ جوائنٹ اکاؤنٹ ہونے کی صورت میں برائے مہربانی ہر اکاؤنٹ ہولڈر کے شیئرز کا تناسب اور اے ٹی ایل میں انفرادی کیفیت کے بارے میں مطلع کریں۔

۱۱۔ ہومبر اپنے زکوٰۃ کی کٹوتی رکوانا چاہتا ہے وہ قانون کے تحت ضرورت کے مطابق دستخط شدہ نان جوڈیشل اسٹیپ پیپر پر ڈکٹریشن پیش کر سکتا ہے (اگر پہلے پیش نہیں کیا گیا ہو)۔

۱۲۔ منافع بخش آمدنی سے ودھ ہولڈنگ ٹیکس چھوٹ کی اجازت صرف اسی صورت میں ہوگی جب جائز ٹیکس چھوٹ کے سرٹیفیکیٹ کی کاپی بک کلوزر کے پہلے دن ہمارے شیئر رجسٹرار کو فراہم کر دی جائے۔

۱۳۔ CDC اکاؤنٹ رکھنے والے کارپوریٹ شیئر ہولڈرز کو اپنے نیشنل ٹیکس نمبر (NTN) کو اپڈیٹ کرنے کی ضرورت ہے جبکہ کارپوریٹ فزیکل شیئر ہولڈرز کو اپنے NTN سرٹیفیکیٹ کی ایک کاپی کمپنی یا ہمارے شیئر رجسٹرار میسرز ایف ڈی رجسٹرار سروسز (پرائیوٹ) لمیٹڈ ارسال کرنی چاہئے۔ NTN یا NTN سرٹیفیکیٹ ارسال کرتے وقت شیئر ہولڈرز پر لازم ہے کہ وہ کمپنی کا نام اور ان کے متعلقہ فولیو نمبر درج کریں۔

۱۴۔ کمپنیز ایکٹ 2017ء کے سیکشن 244 کی پیروی میں جب کمپنی ایک مرتبہ مقررہ کارروائی مکمل کر لے گی تو کسی غیر کلیم شدہ ڈیو یڈ اور ایڈیشنل شیئرز جو واجب الادا تاریخ سے تین سال یا اس سے زیادہ کی مدت گزرنے کے بعد بھی واجب الادا ہوں اور قابل ادائیگی ہوں، تو وہ وفاقی حکومت کے پاس (ڈیو یڈ ہونے کی صورت میں) بھجوا دیے جائیں گے۔ جو شیئر ہولڈرز کسی وجہ سے اپنے ڈیو یڈ / شیئرز حاصل نہ کر سکے ہوں، ان کو ہدایت کی جاتی ہے کہ وہ اپنے غیر کلیم شدہ ڈیو یڈ یا شیئر، اگر کوئی ہے، حاصل کرنے یا ان کے بارے میں معلومات حاصل کرنے کے لیے کمپنی کے شیئر رجسٹرار میسرز ایف ڈی رجسٹرار سروسز سے رابطہ کریں۔

۱۵۔ بحوالہ ایس ای سی پی کے جاری کردہ SRO787(1) 2014 مورخہ 8 ستمبر 2014ء شیئر ہولڈرز کو یہ اختیار حاصل ہے کہ وہ سالانہ آڈٹ شدہ مالیاتی اسٹیٹمنٹس اور اجلاس عام کی اطلاع بذریعہ ای میل منگوا لیں۔ کمپنی کے شیئر ہولڈرز سے گزارش ہے کہ وہ ہمارے ریکارڈ کو اپ ڈیٹ رکھنے کے لیے کمپنی کے رجسٹرار دفتر کو اپنی رضامندی سے آگاہ کریں کہ آیا وہ سالانہ آڈٹ شدہ مالیاتی اسٹیٹمنٹس اور اجلاس عام کا نوٹس اپنے ای میل کے ذریعے وصول کرنا چاہتے ہیں۔ تاہم اگر شیئر ہولڈرز اس کے علاوہ آڈٹ شدہ مالیاتی اسٹیٹمنٹس کی بارڈر کاپی بھی حاصل کرنا چاہتے ہیں تو وہ ان کو اس کے لیے تحریری درخواست موصول ہونے کے سات (7) دن کے اندر رجسٹرار کو دی جائے گی۔

۱۶۔ 30 جون 2021ء کو ختم ہونے والے سال کیلئے کمپنی کے سالانہ آڈٹ شدہ اکاؤنٹ کمپنی کی ویب سائٹ www.tomel.net پر رکھے گئے ہیں۔
۱۷۔ ممبر اپنے ووٹ کا پوسٹل بیلٹ یعنی بذریعہ ڈاک یا الیکٹرونک ذریعہ سے استعمال کر سکتے ہیں جو کمپنیز ایکٹ 2017ء کے سیکشن 143-144 اور کمپنیز (پوسٹل بیلٹ) ریگولیشنز 2018ء کے لاگو شقوں سے مشروط ہے۔

۱۸۔ ممبران ویڈیو کانفرنس کی سہولت بھی حاصل کر سکتے ہیں۔ اس سلسلے میں برائے مہربانی درج ذیل معلومات پڑ کر کے کمپنی کے رجسٹرڈ دفتر میں سالانہ اجلاس عام کے انعقاد سے سات (7) دن قبل جمع کرادیں۔ اگر کمپنی ایسے ممبران سے جو 10 فیصد یا اس سے زیادہ شیئرز کے حامل ہوں اور ایک ہی جغرافیائی مقام پر رہتے ہوں اور ویڈیو کانفرنس کے ذریعے اجلاس میں شرکت کرنا چاہتے ہوں تو اجلاس کی تاریخ سے سات دن قبل کمپنی اس شہر میں ویڈیو کانفرنس کا انتظام کر دے گی بشرطیکہ اس شہر میں یہ سہولت موجود ہو۔

”میں / ہم سکتے بحیثیت ممبر دی آرگینک میٹ کمپنی لمیٹڈ،
حامل عمومی شیئر (ز) بمطابق رجسٹرڈ فوئیو / سی ڈی سی پروویڈیو کانفرنس کی سہولت کا انتخاب کرتا / کرتے ہیں۔“

FORM OF PROXY

I / We _____
 of _____
 being a member[s] of The Organic Meat Company Limited holder of _____
 ordinary Shares as per Share Registrar Folio/CDC Account No. _____
 hereby appoint Mr./Miss/Mrs. _____ Folio/CDC Account No. _____
 of _____ who is also a member of the Company as my / our proxy to attend, speak & vote for me /
 us and on my / our behalf at the at the 11th ANNUAL GENERAL MEETING of the Company to be held on
 Thursday, October 28, 2021 at 11:00 am and at any adjournment thereof.

Signed this _____ day of _____ 2021

Rs.5/-
 Revenue
 Stamp

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

Signature _____

Witnesses:

1: Signature _____

Name: _____

Address: _____

CNIC or _____

Passport No. _____

2: Signature _____

Name: _____

Address: _____

CNIC or _____

Passport No. _____

Important:

1. This form of Proxy, duly completed and signed, must be submitted at the Company's Corporate Office not later than 48 hours.
2. For CDC Account Holder / Corporate Entities:
 In addition of the above following requirements have to be met;
 - i) The proxy form shall be witnessed by two persons whose names, address and CNIC Numbers shall be mentioned on the form.
 - ii) Attested copies of CNIC or Passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - iii) The proxy shall produce his/ her original CNIC or 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 submitted (unless it has been provided earlier) along with proxy form to the Company.

دی آر ٹیک میٹ کمپنی لمیٹڈ مختار نامہ

میں/ہم
ساکن
بحیثیت دی آر ٹیک میٹ کمپنی لمیٹڈ کے ممبر اور حامل حصص برطابق شیئر رجسٹر فوئو/سی ڈی سی اکاؤنٹ نمبر
اپنی جانب سے جناب/محترمہ _____ فوئو/ CDC اکاؤنٹ نمبر
کو بطور پراکسی نامزد کرتا/کرتے ہیں۔ یہ میری/ہماری جانب سے بروز جمعرات مورخہ 28 اکتوبر
2021ء کو بوقت 11:00 بجے کمپنی کی دسویں سالانہ میٹنگ میں شرکت کرنے، بولنے اور ووٹ دینے کے مجاز ہیں۔
آج بروز _____ بتاریخ _____ 2021ء کو دستخط کئے گئے۔

گواہان:

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

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

نوٹس








- ۱۔ یہ پراکسی فارم میٹنگ کے شروع ہونے سے 48 گھنٹے پہلے تک کمپنی کے کارپوریٹ آفس میں جمع کرانے چاہئیں۔
- ۲۔ CDC اکاؤنٹ ہولڈرز/کارپوریٹ اداروں کیلئے درج ذیل ہدایات پر عمل کرنا ضروری ہے:
 - (۱) پراکسی فارم پر دو گواہان کے دستخط ہونے لازمی ہیں جن کے نام، پتہ اور شناختی کارڈ نمبرز فارم پر درج کئے جائیں۔
 - (۲) نامزد کردہ پراکسی کے شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ فوٹوکاپیاں پراکسی فارم کے ساتھ پیش کی جائیں گی۔
 - (۳) پراکسی میٹنگ کے وقت اپنا اصلی شناختی کارڈ یا پاسپورٹ ساتھ لائے گا۔
 - (۴) کارپوریٹ ادارے کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی کے ساتھ دستخط کے نمونہ موجود ہوں۔



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The Organic Meat Company Limited

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Korangi Industrial Area Karachi - Pakistan

Tel: +92-21-35059969, +92-21-35079969

Plant Address: Survey Number 310-Deh Shah Mureed, Gadap, Karachi, Pakistan.

Contact # 034688224601-30

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Decorative geometric shapes at the bottom of the page, consisting of overlapping triangles in shades of orange and dark grey.