



DYNEA PAKISTAN LIMITED

40th Annual Report for the year ended
30th June, 2022

Company Information	02
Vision and Mission Statements	03
<u>FINANCIAL STATEMENTS</u>	
Chairman's Review	04
Directors' Report	06
Key Operating & Financial Data	13
Statement of Compliance with Code of Corporate Governance	15
Auditors' Review Report	17
Auditors' Report	18
Statement of Financial Position	23
Statement of Profit or Loss	24
Statement of Comprehensive Income	25
Statement of Cash Flows	26
Statement of Changes in Equity	27
Notes to the Financial Statements	28
Pattern of Shareholdings	55
Notice of 40th Annual General Meeting	57
Notice of 40th Annual General Meeting (Urdu)	64
Directors' Report (Urdu)	72
Chairman's Review Report (Urdu)	74
Form of Proxy	

Board of Directors :

Mr. Donald John Jenkin
 Mr. Shabbir Abbas
 Mr. Lee Kin Seng
 Ms. Anam Fatima Khan
 Mr. Adnan Afridi
 Mr. Andalib Alavi
 Mr. Tariq Ahmed

Chairman
 Chief Executive Officer

Audit Committee :

Mr. Adnan Afridi
 Mr. Donald John Jenkin
 Mr. Andalib Alavi

Chairman
 Member
 Member

Human Resource and Remuneration Committee :

Mr. Andalib Alavi
 Mr. Donald John Jenkin
 Ms. Anam Fatima Khan
 Mr. Shabbir Abbas

Chairman
 Member
 Member
 Member

Chief Financial Officer :

Mr. Muhammad Shakeel Uddin

Company Secretary and Head of Internal Audit :

Mr. Mujtaba Hassan Ghanchi

Bankers :

M/s. Habib Bank Limited
 M/s. Habib Metropolitan Bank Limited
 M/s. MCB Bank Limited
 M/s. Standard Chartered Bank (Pakistan) Limited
 M/s. United Bank Limited
 M/s. Dubai Islamic Bank Pakistan Limited

M/s. National Bank of Pakistan
 M/s. Allied Bank Limited
 M/s. Bank Al-Falah Limited
 M/s. Meezan Bank Limited

Auditors :

M/s. EY Ford Rhodes
 Chartered Accountants

Legal Advisors :

M/s. Zahid & Tariq Advocates

Share Registrar :

FAMCO Associates (Pvt) Limited
 Management Consultants & Share Registrars
 8-F, Next to Hotel Faran Nursery, Block-6, P.E.C.H.S., Shahrah-e-Faisal, Karachi
 Ph: (92-21) 34380101-5, 34384621-3 (Ext. 103) Fax: (92-21) 34380106

Registered Office :

Office No.406 Parsa Tower, Plot No.31/1/A,
 Block-6. P.E.C.H.S., Shahrah-e-Faisal, Karachi.75400
 Ph: (92-21) 34520132 - 35 Fax: (92-21) 34392182

Factories :**1. Hub Unit**

A101 - A105, A132 - A136,
 Hub Industrial Trading Estate,
 Hub Chowki, Distt. Lasbella, Baluchistan.
 Ph: (92-853) 363706 - 09 Fax: (92-853) 363907

2. Gadoon Unit

34-A, 34-B, 35, 38-A and 88, Road-3,
 Industrial Estate, Gadoon Amazai,
 District Swabi, Khyber Pakhtunkhwa.
 Ph: (92-938) 270150 - 52 Fax: (92-938) 270246

Vision

Dynea Pakistan is Market Leader in its core and diversified business, delighting its customers by providing quality products at competitive price through development of market, product range, technology and human whilst ensuring sound return to stakeholders.

Mission

Maximize productivity and sales of Formaldehyde, Resins for wood-based panel industries and Moulding Compounds and provide satisfaction to customers.

Board Structure

The Board is made up of professionals with strong backgrounds in financial management, legal affairs, technical development and manufacturing operations. There are two committees, namely the Audit Committee which incorporates Risk Management and the Human Resources and Remuneration Committee, reporting to the Board.

It is my pleasure to welcome Mr Lee Kin Seng, President of AICA Asia Pacific Holding Private Limited, a major shareholder. In conjunction with this I would like to extend my thanks to outgoing director, Mr. Ameen Bandukda who leaves us after many years of service.

Memberships of the Board and its committees are detailed in the Directors' Report.

Dynamics and Functioning of the Board

Board meetings are held quarterly and otherwise as required. Attendance and participation are good and directors are available at other times to support management, in particular with compliance and legal matters. Their input is highly valued and much appreciated by both management and myself.

A consequence of Covid has been that the Board and its committees have not been able to meet in person. This has necessitated that meetings have been conducted via Zoom videoconferencing. I wish to thank the backroom people for setting up the meetings and ensuring their smooth operation.

Business Strategy Governance

In a mature market such as that in which the Company finds itself, it is not always easy to devise a strategy going forward. The strategy developed in 2010 to rebuild the Company was fully supported by the Board and the results speak for themselves.

The Company continues to strive for efficiency in its operations. The latest initiative is the installation of two solar electricity plant equivalent to 1.4 MW.

There are other projects under evaluation as the Company seeks to continue its growth strategy. However, given the current economic environment in which Pakistan finds itself, the Board and management consider it prudent to bide our time until the economy stabilises and projects can be properly evaluated.

Financial Reporting Process, Internal Audit and Internal Controls

The Board contains a strong representation of directors with backgrounds in finance, banking and business management. Systems are in place to ensure that financial management of all aspects of the Company's operations are managed with transparency, honesty and integrity. I feel that the outsourcing of the internal audit function to PwC adds further strength to the financial management of the business by giving an unbiased overview of the Company's operations.

A highlight of this financial year has been the successful upgrading of our ERP system to SAP. The system went live in July 2022 so the new financial year will be fully reported using SAP. It is a credit to management and the team from Siemens that the project was completed on time and within the allocated budget.

Risk Management

The Board is very conscious of the need to evaluate and manage risk to ensure business continuity. Covid is still with us and the unstable rupee and ongoing supply chain issues continue to impact the business. Management has had to balance the need to maintain sufficient inventories of key imported materials while at the same time trying to manage exchange rate risks.

As is the norm in our industry, the Company sells on credit. In the unstable business environment there has been an increased focus on credit management. Steps have also been taken to ensure the cash position of the Company remains healthy.

Monitoring Role

The Audit Committee and Board have implemented a programme whereby a number of Company policies and procedures are presented for review and updating at their meetings. Efforts are ongoing to maintain corporate governance compliance at a time of increasingly stricter requirements.

Supporting and Advisory Role

As mentioned earlier in this review, the Directors willingly give of their time and expertise on a regular basis. This is important to management. Beyond that, the Company often outsources support services that are beyond the scope of the Board and management to provide.

The Chairperson's Role

I see my role as Chairman as that of a leader and facilitator. I am not based in Pakistan and Covid has curtailed my ability to visit Pakistan as often as I would like. However, with the waning of Covid I have recommenced my visits which is enabling me to become more involved in a number of improvement projects.

All in all, I think the Company's performance during the 2021-22 financial year is a credit to management. It has not been easy.

I wish to thank my fellow directors for having faith in me to continue in my role as Chairman. The direction and guidance provided by the Board of Directors is hereby acknowledged.

It is with thanks that I sign off on this review.

Karachi:
September 13, 2022



Donald Jenkin
Chairman

The Directors of your Company are pleased to present the Annual Report together with the Company's Audited Financial Statements for the financial year ended June 30, 2022.

Board of Directors

The Board of Directors of the Company as at reporting date is as follows:

1.	Mr. Donald John Jenkin - Chairman	Non-Executive
2.	Mr. Shabbir Abbas - Chief Executive Officer	Executive
3.	Mr. Adnan Afridi	Independent
4.	Mr. Andalib Alavi	Independent
5.	Ms. Anam Fatima Khan	Independent
6.	Mr. Tariq Ahmed	Independent
7.	Mr. Lee Kin Seng	Non-Executive

The total number of directors are seven as per the following:

a.	Male	6
b.	Female	1

The composition of the Board is as follows:

i.	Independent directors	3
ii.	Female Independent director	1
iii.	Non-executive directors	2
iv.	Executive director	1

The Board has formed committees comprising of members given below:

Audit Committee

Mr. Adnan Afridi	Chairman
Mr. Donald John Jenkin	Member
Mr. Andalib Alavi	Member

HR and Remuneration Committee

Mr. Andalib Alavi	Chairman
Mr. Donald John Jenkin	Member
Ms. Anam Fatima Khan	Member
Mr. Shabbir Abbas	Member

Business Review**Economic Environment**

During the year, Pakistan faced many challenges, with significant currency devaluation versus major currencies and increases in interest rates. The economy saw a slowdown in demand and growth. Due to these factors, the government took action to stabilise the economy as follows:

- The trade imbalance and current account deficit were reduced by stopping the import of non-essential goods and later by imposing restrictive requirements.
- In addition, the State Bank of Pakistan increased the discount rate from 7.50 percent to 15 percent in an attempt to counteract rising inflation and slowdown growth.
- The rupee was allowed to devalue in line with market forces.
- The recently announced budget incorporates a number of new taxation measures and increases in utility and fuel costs in order to avail of financial assistance from the International Monetary Fund.

Ongoing, the Pakistan economy faces major challenges as aftermath of the monsoon floods and a series of external factors including the Russia Ukraine war, worldwide inflation and economic slowdown beyond the country's control. As noted above, the government has taken steps to stabilise the situation but it has yet to devise much of consequence that would set Pakistan on a sustained growth trajectory.

Contribution to the National Exchequer

The Company's contribution to the National Exchequer in the form of various taxes and levies for the year under review was Rs. 2,424 million (2020-21 was Rs. 1,719 million).

Company Affairs and Principal Activities

The Board aims to ensure that shareholders are informed of all major developments affecting the Company's state of affairs. Information is communicated to the shareholders in the annual report, interim quarterly reports, and through the information portal of the Pakistan Stock Exchange as and when required.

The Board encourages shareholders' participation at the Annual General Meetings and Corporate Briefing Sessions to ensure a high level of accountability. The Company's financial statements are available on the Company's website (www.dynea.com.pk) and an officer is designated to answer all shareholder enquiries.

The Company is principally engaged in the manufacture and sale of formaldehyde, formaldehyde-based resins and moulding compounds.

Health, Safety and its impact on Environment

Health and Safety has always been priority for the Company and we take the wellbeing of our employees very seriously. All of our employees are vaccinated against Covid-19 and we have assisted those unfortunate to have contracted the virus.

The solar power project highlighted earlier will further reduce our carbon footprint, save electric energy to be available for use in other sectors and our ongoing waste recycling program is being extended to minimise our waste generation.

In line with the growth of the Company, we have commenced a review of our HSE management systems in order to upgrade them to better meet our future needs.

Corporate Social Responsibility

The Company takes its responsibilities to its community environment seriously by contributing in health, education and environmental care. The Company has been a long-time contributor to the welfare of the communities in the vicinity surrounding the factories.

The Company runs a well-maintained primary school at Jenson Village in Hub Baluchistan. This school was established primarily for the children of the Company's employees but other children of the locality are also permitted to study at the school. Furthermore, the Company contributes 1% of PBT to charitable trusts and hospitals.

Operations

Sales revenue for 2021-22 was Rs. 9,536.32 million compared to Rs. 6,827.20 million in the previous financial year and the profit before tax was Rs. 1,010.14 million compared to Rs. 1,328.75 million in the previous financial year.

Given the disruptions to the economy, the fluctuating exchange rate, and ongoing supply chain issues, the Board considers the result to be satisfactory in the circumstances. The difference is also partially explained by reversal of expected credit loss in the year 2021.

a. Resin Division

Turnover of the Resin Division in 2021-22 was Rs. 4,226.00 million compared to Rs. 2,670.72 million in the previous financial year, a growth of 58%. The segment result of the Resin Division was Rs.526.65 million compared to Rs.418.71 million for the previous financial year.

b. Moulding Compound Division

Turnover of the Moulding Compound Division in 2021-22 was Rs. 5,310.32 million compared to Rs. 4,156.48 million in the previous financial year, a growth of 28%. The segment result of the Moulding Compound Division was Rs.853.79 million compared to Rs. 1,168.19 million for the previous financial year.

Financial Performance

Following are the summarised financial results of the Company for the year 2021-22:

	----- (Rupees '000') -----	
	2021-22	2020-21
Sales Revenue	9,536,325	6,827,204
Gross Profit	1,611,116	1,635,883
Profit Before Taxation	1,010,140	1,328,754
Profit After Taxation	621,504	938,609
Earnings per Share in Rupees	32.93	49.73

Risks, Uncertainties and its Management

Despite the moderation of Covid-19 in the community, the pandemic is not yet over. Adverse impacts on business due to Covid-19 are still possible. Of more significance is the ongoing turmoil in the economic situation which we see as being exacerbated by the floods caused by the high monsoon rainfall. Deliveries of raw materials and goods have already been affected by flooding and consequent damage to roads.

We anticipate the imposition of further duties or tariffs on imported items, increases in taxation, and anti-inflationary measures for which we may not be able to fully compensate. Exchange rate fluctuations and difficulties in getting approval for letters of credit are likely to continue as well, increases in logistics costs and delayed deliveries due to disruptions to the Chinese economy and shipping as a consequence of Covid-19, interruptions to electrical supply in China and higher energy costs globally are ongoing. The supply chain management team is pro-actively engaging with suppliers and shipping companies to ensure that adequate supplies of key raw materials are available as required.

The Management is cognizant that the Company faces various types of risk to the business both internal and external. The Company has an effective risk management mechanism to detect these risks and to devise action plans to address and mitigate the same.

All in all, the current economic and, climatic situation creates a high degree of risk and uncertainty for managing the business. The Board and Company management are taking appropriate measures to minimise the impact of these many factors to the best of their ability.

Future Outlook

Covid-19 and the overall turmoil in the country will continue to affect the Company's operations for the foreseeable future. By the Grace of Almighty Allah, the Company is on track to deal with the various situations as they arise.

Subject to ongoing economic stability and the impacts of Covid-19 being kept under control, the Company strongly believes its management team and factory workforces together with our customers' businesses remaining healthy will ensure that sales targets for the coming year will be achieved.

Plant Expansion

In response to increasing demand for our products, the Company expanded its moulding compound capacity at the Gadoon factory during the year. The combined efforts of the management, officers, engineers and workers of the Company in conjunction with the installation and commissioning team from the supplier ensured that the new plant started on time with no disruption of supply to customers. Based on its expansion program and ongoing efficiency gains, the Company remains optimistic for future years.

Solar Power Plant

To take advantage of the low-cost financing and tax concessions offered by the State Bank of Pakistan, the Board approved investment in a facility for solar power generation in Gadoon. The project which is expected to be commissioned by the second quarter of 2022-23, will reduce the energy cost of the Company in line with our ongoing program to improve operational efficiency.

Adequacy of Internal Financial Controls

Internal audit services continue to be outsourced. During the year, material findings of the internal and external auditors were addressed on a priority basis by the management and their status was tabled for discussion at the quarterly Audit Committee meetings.

The Board contains a strong representation of directors with backgrounds in finance, banking and business management. Systems are in place to ensure that financial management of all aspects of the Company's operations are managed with transparency, honesty and integrity. The outsourcing of the internal audit function to PwC adds further strength to the financial management of the business by giving an unbiased overview of the Company's operations.

Based upon the results achieved from reviews, ongoing testing of financial reporting controls and audits conducted during the year, the Company considers that the existing system of internal controls is adequate and is being effectively implemented and monitored. The successful upgrading of the Company's ERP system to SAP will lead to further improvements in financial management. The Directors continuously monitor the adequacy, effectiveness and promptness of internal financial controls.

Performance Evaluation of Board of Directors and its Committees

In accordance with the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Board has carried out an evaluation of performance of its individual members, the Board as a whole and the performance of its committees.

Overall, the evaluation outcome was positive and the members of the Board feel that the Board functions effectively and contributes to the operational wellbeing of the Company.

Remuneration Policy for Non-Executive and Independent Directors

The Board has implemented a formal policy supported by transparent procedures for fixing directors' remuneration. In accordance with the code of corporate governance, no Director is involved in the determination of their own remuneration package the company pays fee to non-executive Director for attending the meeting, in order to retain the best talent, the Company's remuneration policies are structured in line with prevailing industry trends and business practices.

Remuneration of Executive Director

Disclosure with respect to the remuneration of directors and the chief executive officer is given in Note No.41 to the Financial Statements.

Directors Training Program

All re - elected directors have duly complied with the Directors' Training Program requirement and criteria as prescribed in the Regulations.

Transactions with Related Parties

All transactions with related parties are entered into by the Company in its ordinary course of business and at arms length basis have been disclosed in the financial statements under the relevant notes.

Material Changes and Commitments

There has been no material change and commitments affecting the financial position of the Company that have occurred between the end of the financial year of the Company to which the balance sheet relates and the date of the report, other than disclosed in the financial statement, or in this report.

Dividend and Appropriations

In view of the Company's performance during the outgoing financial year, the Directors propose payment of Rs.7.50 per share i.e., 150% as final dividend to the shareholders. The Directors have also announced a transfer of Rs. 300 million to the general reserve.

Trading of Shares of the Company

During the year ended June 30, 2022 the Directors, the Executives, and their spouses and minor children have not carried out any trading of shares of the Company other than that disclosed in the Pattern of shareholding.

Code of Corporate Governance

The Directors and management of the Company are committed to good corporate governance. As required under the Code of Corporate Governance, the Directors are pleased to state as follows:

- i. The financial statements prepared by the management of the Company present fairly the Company's state of affairs, the results of its operations, cash flow and changes in equity.
- ii. Proper books of accounts of the Company have been maintained.
- iii. Appropriate accounting policies have been consistently applied in the preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment.
- iv. International Financial Reporting Standards have been used as the basis for the preparation of the financial statements and any departure therefrom has been adequately disclosed and explained.
- v. The system of internal control is sound in design and has been effectively implemented and monitored.
- vi. There are no significant doubts upon the Company's ability to continue as a going concern. Information about this issue is being presented separately in this report.
- vii. There has been no material departure from the best practices of corporate governance as detailed in the listing regulations. A Code of Conduct has been prepared and delivered to every director and employee.
- viii. The Board of Directors has adopted Vision and Mission Statements.
- ix. Information about taxes and levies is given in the notes to the accounts.
- x. The value of the investments in the Company's provident fund scheme, based on un-audited accounts for the year ended June 30, 2022, stands at Rs.103.22 million.

xi. Statements are annexed in respect of the following:

- Key financial data for the last six years.
- Pattern of shareholding.

xii. During the year under review the Board of Directors convened six times and attendance of the respective directors was as follows:

S.No.	Name of Directors	Meetings Attended
1.	Mr. Donald John Jenkin (Chairman)	6/6
2.	Mr. Shabbir Abbas	6/6
3.	Mr. Ameen Mohammad Bandukda	4/5
4.	Mr. Adnan Afridi	6/6
5.	Ms. Anam Fatima Khan	6/6
6.	Mr. Andalib Alavi	6/6
7.	Mr. Tariq Ahmed	5/5
8.	Mr. Lee Kin Seng	1/1

Note:

- Mr. Murtaza Lalan resigned on 1st September 2021 and Mr. Tariq Ahmed was appointed to replace him on 7th September 2021.
- Mr. Ameen Mohammad Bandukda did not contest re-election to the Board which was held on 28th June 2022 and therefore stands retired with effect from 29th June 2022. The Board acknowledges his valuable contribution for the Company and Mr. Lee Kin Seng was elected in his place.

xiii. The Audit Committee convened four times and attendance of the respective directors was as follows:

S.No.	Name of Directors	Meetings Attended
1.	Mr. Adnan Afridi (Chairman)	4/4
2.	Mr. Donald John Jenkin	4/4
3.	Mr. Andalib Alavi	4/4

xiv. The Human Resource and Remuneration Committee convened one time and attendance of the respective directors was as follows:

S.No.	Name of Directors	Meetings Attended
1.	Mr. Andalib Alavi (Chairman)	1/1
2.	Mr. Donald John Jenkin	1/1
3.	Ms. Anam Fatima Khan	1/1
4.	Mr. Ameen Mohammad Bandukda	0/1

Mr. Ameen Mohammad Bandukda retired on 28th June 2022 and Mr. Shabbir Abbas was elected in place of him.

xv. All Board and its Committee meetings were held through video Conferencing due to the Covid-19 pandemic.

Vend Fee and Permit Fee Case

The Excise and Taxation Department, Government of Sindh (the Department) imposed, vend and permit fee on methanol, a major raw material used by the Company in the production of formaldehyde. The Company filed a petition against the imposition of these levies in the Honourable High Court of Sindh (HCS) in August 1996. In June 2001, the Honourable HCS decided the case in the favour of the Company. However, the Department filed an appeal in the Honourable Supreme Court of Pakistan (SCP) against the above judgement. The Honourable SCP suspended the decision of the Honourable HCS and reverted the case back to the Honourable HCS for fresh hearing. In March, 2003, the Honourable HCS once again decided the case in favour of the Company. The Department once again filed an appeal before the Honourable SCP.

In December 2019, The Government of Sindh filed an application that the Department does not press the instant and connected appeals, and that a fresh demand shall be raised following the notification dated 14th February 2002 and Sindh (Amendment) Abkari Ordinance 2002 notified on 30th October 2002. In addition to that, the Department would surrender the demand secured by Indemnity Bonds for the period 1990 up to October 2002. The Supreme Court accepted the withdrawal on those terms. Upon the receipt of the fresh demand from the Department, the Company intends to approach the relevant Court of Justice to defend the case. No such demand has been raised by the Excise Department as yet. The Company expects, based on the view of the legal advisor and the merits of the case, that the decision will be in the favour of the Company. Accordingly, no provision for any liability has been made in these financial statements. The Board and management are confident that the Company will be able to continue as a going concern.

Appointment of Auditors

The retiring auditors, M/s. EY Ford Rhodes, Chartered Accountants, being eligible, offer themselves for re-appointment for the ensuing year. They have been given a satisfactory rating under the Quality Control Review Programme of the Institute of Chartered Accountants of Pakistan. The Directors recommend that they be reappointed for the upcoming year.

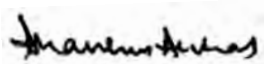
Chairman's Review

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

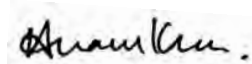
Acknowledgement

The Directors acknowledge and extend their appreciation to all the stakeholders for their efforts in contributing to the satisfactory outcome for the current financial year, especially the motivation and support received from the customers and employees of the Company.

On behalf of the Board of Directors



Shabbir Abbas
Chief Executive Officer



Anam Fatima Khan
Director

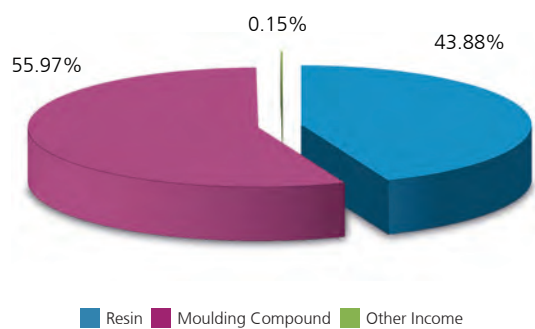
Karachi: September 13, 2022

KEY OPERATING AND FINANCIAL DATA

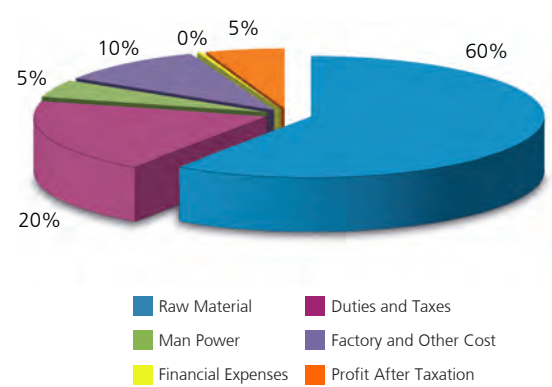
dynea

	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17
	(Rupees in thousands)					
FINANCIAL POSITION						
SHAREHOLDERS EQUITY	2,909,103	2,381,961	1,584,896	1,378,728	1,274,497	1,055,100
TOTAL ASSETS	3,906,234	3,407,590	2,345,880	2,360,672	2,275,142	1,292,328
OPERATING RESULTS						
TURNOVER	9,536,325	6,827,204	4,492,455	5,140,030	3,858,318	2,497,540
PROFIT / (LOSS) BEFORE TAXATION	1,010,140	1,328,754	358,664	321,480	379,096	258,910
TAXATION	(388,635)	(390,145)	(105,315)	(94,579)	(84,209)	(81,932)
PROFIT / (LOSS) AFTER TAXATION	621,504	938,609	253,349	226,901	294,887	176,978
EARNING / (LOSS) PER SHARE Rs.	32.93	49.73	13.42	12.02	15.63	9.38
CASH DIVIDENDS %	150.00	150.00	100.00	50.00	130.00	80.00

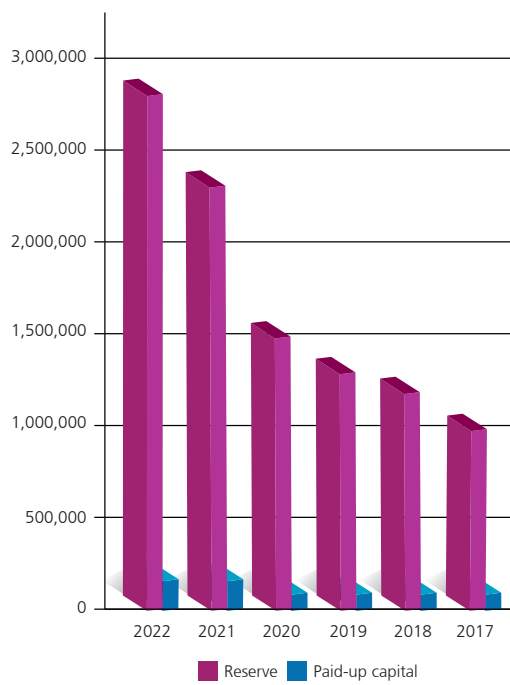
SOURCES OF INCOME



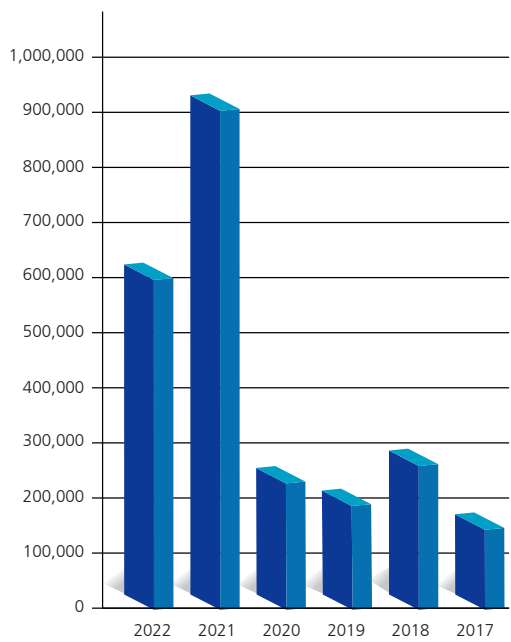
APPLICATION OF FUNDS



SHAREHOLDERS' EQUITY
(Rupees in '000)



PROFIT AFTER TAX
(Rupees in '000)



STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

dynea

DYNEA PAKISTAN LIMITED

JUNE 30, 2022

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

- The total number of directors are seven as per the following:

a.	Male	6
b.	Female	1

- The composition of the Board is as follows:

i.	Independent directors (Including female director)	Mr. Adnan Afridi
		Mr. Andalib Alavi
		Ms. Anam Fatima Khan
		Mr. Tariq Ahmed
ii.	Non-executive directors	Mr. Donald John Jenkin
		Mr. Lee Kin Seng
iii.	Executive director	Mr. Shabbir Abbas

- During the year, one casual vacancy occurred in the Board of Directors which was filled up within 30 days;
- Election of Directors was held on June 28, 2022 and the related pre/post requirements of the relevant laws and regulations have also been complied with;
- The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company;
- 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;
- The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;
- 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;
- The meetings of the Board were presided over by the Chairman. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
- The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
- All Directors have either completed Directors' Training program or are exempt from doing so under these Regulations;
- The Board has approved appointment of company secretary, including his remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations. However, no new appointments or change in terms and conditions of chief financial officer and head of internal audit took place during the year while the Board has duly approved their change in remuneration;

13. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board;

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

a. Audit Committee

Mr. Adnan Afridi	Chairman
Mr. Donald John Jenkin	Member
Mr. Andalib Alavi	Member

b. HR and Remuneration Committee

Mr. Andalib Alavi	Chairman
Mr. Donald John Jenkin	Member
Ms. Anam Fatima Khan	Member
Mr. Shabbir Abbas	Member

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

16. The frequency of meetings of the committees were as per following:

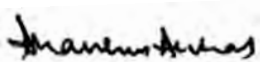
- | | |
|-----------------------------------|-------------------------|
| a) Audit Committee: | Four quarterly meetings |
| b) HR and Remuneration Committee: | Yearly meeting |

17. The board has outsourced the internal audit function to M/s. A.F. Ferguson & Co, Chartered Accountants (a member of the PwC network) who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company;

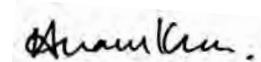
18. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;

19. 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; and

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



Shabbir Abbas
Chief Executive Officer



Anam Fatima Khan
Director

Karachi:
September 13, 2022

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Dynea Pakistan Limited

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

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Dynea Pakistan Limited (the Company) for the year ended 30 June 2022 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 30 June 2022.



Chartered Accountants
Place: Karachi
Date: 22 September 2022
UDIN: CR202210078I6IKZHFCU

INDEPENDENT AUDITOR'S REPORT

To the members of Dynea Pakistan Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Dynea Pakistan Limited** (the Company), which comprise the statement of financial position as at **30 June 2022**, and the statement of profit or loss, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2022 and of the profit, other comprehensive income, its cash flows and the changes in equity for the year then ended.

Basis for Opinion

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

Emphasis of Matter

We draw attention to note 25.1 to the financial statements which describes the significant uncertainty related to the outcome of a contingency for which no provision is considered necessary in the financial statements for the reasons disclosed in the said note. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Following are the key audit matters:

S No.	Key audit matters	How the matter was addressed in our audit
1.	<p>Existence and valuation of stock-in-trade</p> <p>As disclosed in note 14 to the accompanying financial statements, the stock-in-trade balance constitutes approximately 35% of total assets of the Company as at the reporting date. The cost of finished goods is determined on weighted average cost of direct material and labour including a proportion of attributable overheads.</p> <p>The Net Realisable Value (NRV) of stock-in-trade is determined mainly keeping in view the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale along with stock-in-trade usage and forecasted sales volume.</p> <p>We have considered this area to be a key audit matter due to its materiality and judgments involved in determining an appropriate costing basis and assessing its valuation as well as the management's judgment involved in estimating the NRV of underlying stock-in-trade.</p>	<p>Our key audit procedures among others included the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of the Company's process with respect to purchase and consumption of raw and packing material. Also tested design and operating effectiveness of controls relevant to such process. • Observed stock counts to ascertain the condition and existence of stock-in-trade. • Reviewed management's procedures for evaluating the NRV of stock-in-trade, performed testing on sample basis to assess the NRV of the stock-in-trade by performing a review of sales close to and subsequent to the reporting date and comparing with the cost for a sample of products. • Tested including recalculation of per unit cost of finished goods and assessed the appropriateness of management's basis for the allocation of cost and production overheads. • Tested the accuracy of the ageing analysis of stock-in-trade, on a sample basis. • Reviewed the relevant documents, including but not limited to suppliers' invoices, letter of credits and shipping documentation to verify the valuation of goods-in-transit as at the reporting date as well as inspected subsequent goods receipt notes in this regard. • Assessed the adequacy of the related disclosures in accordance with the applicable financial reporting standards.

S No.	Key audit matters	How the matter was addressed in our audit
2.	<p>Revenue recognition</p> <p>As disclosed in note 7.18 to the financial statements, revenue from sale of goods is recognised when the control of goods is transferred which generally coincides with the delivery of goods. During the year, the Company recognised revenue of Rs. 9.536 billion which is approximately 40% higher as compared to previous year (refer note 26).</p> <p>When identifying and assessing the risk relating to revenue recognition, our focus was whether the sales recorded by the management actually occurred during the year and were properly recorded in the correct accounting period.</p> <p>Considering the aforementioned reasons together with growth in revenue during the year, we have identified this area as a key audit matter.</p>	<p>Our key audit procedures among others included the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of the Company's process with respect to revenue recognition and tested design and operating effectiveness of controls relevant to such process. • Reviewed contracts with customer to obtain an understanding of terms particularly relating to timing and transfer of control of the products and assessed the appropriateness of revenue recognition policies and practices followed by the Company. • Performed substantive audit procedures including analytical procedures and test of details over revenue transactions alongwith review of related supporting documents, including dispatch-related documents and customer acknowledgement, on test basis. • Analyzed various trends and benchmarks including growth in the industry and logical basis of the increase in revenue. • Performed cut-off procedures to ensure that the revenue is recognized in the correct accounting period. • Performed journal entry testing using a risk-based criterion, on a sample basis, relating to revenue transactions recorded by the Company and reviewed underlying documentation and business rationale of such journal entries. • Assessed the adequacy of the Company's disclosures in accordance with applicable financial reporting standards.

Information Other than the Financial Statements and Auditor's Report Thereon

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

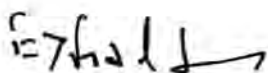
From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes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

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is **Riaz A. Rehman Chamdia**.



Chartered Accountants

Place: Karachi

Date: 22 September 2022

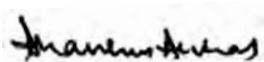
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STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

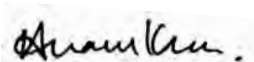
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	Note	30 June 2022	30 June 2021
----- (Rupees) -----			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	8	811,246,947	640,433,747
Intangible assets	9	17,259,811	—
Long-term loans	10	147,074	112,376
Long-term deposits	11	7,995,126	7,195,126
Deferred taxation - net	12	26,542,486	15,613,048
		863,191,444	663,354,297
CURRENT ASSETS			
Stores and spares	13	26,932,641	22,069,310
Stock-in-trade	14	1,369,639,453	1,189,667,787
Trade debts	15	1,303,639,410	993,363,633
Loans and advances	16	89,985,199	30,158,292
Trade deposits, prepayments and other receivables	17	19,662,046	8,664,470
Accrued mark-up		512,746	1,008,648
Cash and bank balances	18	232,671,547	499,303,600
		3,043,043,042	2,744,235,740
TOTAL ASSETS		3,906,234,486	3,407,590,037
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
40,000,000 (2021: 40,000,000) ordinary shares of Rs.5/- each		200,000,000	200,000,000
Issued, subscribed and paid-up capital	19	94,362,065	94,362,065
Revenue reserves		2,814,740,896	2,287,598,796
		2,909,102,961	2,381,960,861
NON-CURRENT LIABILITIES			
Long-term financing	20	59,845,067	108,412,729
Deferred income	21	5,008,440	9,369,812
Lease liabilities	22	9,758,825	5,715,128
		74,612,332	123,497,669
CURRENT LIABILITIES			
Trade and other payables	23	785,795,882	655,695,231
Accrued mark-up		6,768,218	1,583,071
Current maturity of long-term financing	20	55,839,137	128,206,095
Current portion of deferred income	21	4,431,718	5,492,726
Current maturity of lease liabilities	22	4,402,922	5,051,544
Taxation - net		58,311,404	99,619,553
Unclaimed dividend	24	6,969,912	6,483,287
		922,519,193	902,131,507
CONTINGENCIES AND COMMITMENTS			
	25		
TOTAL EQUITY AND LIABILITIES		3,906,234,486	3,407,590,037

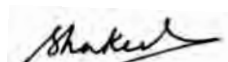
The annexed notes from 1 to 47 form an integral part of these financial statements.



SHABBIR ABBAS
Chief Executive Officer



ANAM FATIMA KHAN
Director

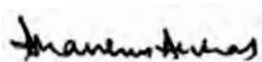


SHAKEEL UDDIN
Chief Financial Officer

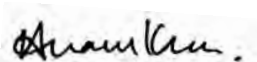
STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 30 JUNE 2022

	Note	30 June 2022	30 June 2021
		----- (Rupees) -----	
Turnover - net	26	9,536,324,932	6,827,203,543
Cost of sales	27	(7,925,208,567)	(5,191,320,199)
Gross profit		1,611,116,365	1,635,883,344
Distribution costs	28	(257,401,378)	(197,664,122)
Administrative expenses	29	(161,046,416)	(134,414,410)
(Allowance) / reversal for expected credit loss	15.1	(23,557,664)	111,311,239
		(442,005,458)	(220,767,293)
Other income	30	17,078,444	33,947,556
Operating profit		1,186,189,351	1,449,063,607
Finance costs	31	(40,646,461)	(25,343,871)
Other charges / expenses	32	(135,403,288)	(94,965,548)
		(176,049,749)	(120,309,419)
Profit before taxation		1,010,139,602	1,328,754,188
Taxation	33	(388,635,437)	(390,145,628)
Net profit for the year		621,504,165	938,608,560
Basic and diluted earnings per share	34	32.93	49.73

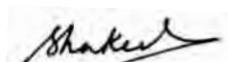
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SHABBIR ABBAS
Chief Executive Officer



ANAM FATIMA KHAN
Director



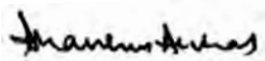
SHAKEEL UDDIN
Chief Financial Officer

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

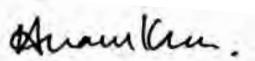
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	30 June 2022	30 June 2021
	----- (Rupees) -----	
Net profit for the year	621,504,165	938,608,560
Other comprehensive income	—	—
Total comprehensive income for the year	621,504,165	938,608,560

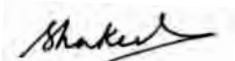
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SHABBIR ABBAS
Chief Executive Officer



ANAM FATIMA KHAN
Director

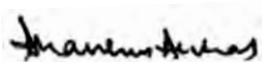


SHAKEEL UDDIN
Chief Financial Officer

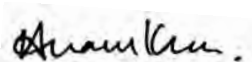
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

	Note	30 June 2022	30 June 2021
		----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		1,010,139,602	1,328,754,188
Adjustments for non-cash and other items			
Depreciation on operating fixed assets	8.1.3	158,274,813	103,916,763
Depreciation on right-of-use assets	8.3.1	6,340,047	6,083,042
Allowance / (reversal) for expected credit loss	15.1	23,557,664	(111,311,239)
Finance costs	31	40,646,461	25,343,871
Amortization of deferred income	30	(5,422,380)	(3,264,690)
Gain on disposals of operating fixed assets	30	(3,156,493)	(2,881,003)
		220,240,112	17,886,744
		1,230,379,714	1,346,640,932
(Increase) / decrease in current assets			
Stores and spares		(4,863,331)	(3,241,443)
Stock-in-trade		(179,971,666)	(490,833,696)
Trade debts		(333,833,441)	(93,555,079)
Loans and advances		(59,826,907)	(7,240,617)
Trade deposits, prepayments and other receivables		(10,997,576)	(2,561,822)
Accrued mark-up		495,902	(528,875)
		(588,997,019)	(597,961,532)
Increase in current liabilities			
Trade and other payables		130,100,721	170,504,228
		771,483,416	919,183,628
Finance costs paid		(20,429,987)	(8,527,535)
Income taxes paid		(440,873,025)	(241,258,764)
Long-term loans and deposits - net		(834,698)	(483,181)
Net cash generated from operating activities		309,345,706	668,914,148
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(345,714,884)	(329,876,287)
Proceeds from disposal of operating fixed assets		5,256,587	6,183,921
Net cash used in investing activities		(340,458,297)	(323,692,366)
CASH FLOWS FROM FINANCING ACTIVITIES			
Financing obtained during the year	38	—	110,856,362
Payments made during the year	38	(134,513,402)	(127,551,703)
Lease rentals paid	38	(7,130,551)	(12,432,201)
Dividend paid	38	(93,875,509)	(140,510,076)
Net cash used in financing activities		(235,519,462)	(169,637,618)
Net (decrease) / increase in cash and cash equivalents		(266,632,053)	175,584,164
Cash and cash equivalents at beginning of the year		499,303,600	323,719,436
Cash and cash equivalents at end of the year		232,671,547	499,303,600
CASH AND CASH EQUIVALENTS			
Cash and bank balances	18	232,671,547	499,303,600
		232,671,547	499,303,600

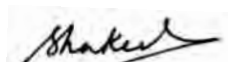
The annexed notes from 1 to 47 form an integral part of these financial statements.



SHABBIR ABBAS
Chief Executive Officer



ANAM FATIMA KHAN
Director



SHAKEEL UDDIN
Chief Financial Officer

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The annexed notes from 1 to 47 form an integral part of these financial statements.

SHAKEEL UDDIN
Chief Financial Officer

1. THE COMPANY AND ITS OPERATIONS

Dynea Pakistan Limited (the Company) was incorporated in Pakistan as a public limited company, under the repealed Companies Act 1913 (now the Companies Act, 2017) on 20 June, 1982 and is listed on the Pakistan Stock Exchange Limited. The Company is engaged in the manufacture and sale of formaldehyde, urea / melamine formaldehyde and moulding compound. The registered office of the Company is situated at Office No. 406, Parsa Tower, Plot No. 31/1/A, Block-6, P.E.C.H.S, Shahrah-e-Faisal, Karachi, Pakistan.

2. GEOGRAPHICAL LOCATIONS AND ADDRESSES

Geographical locations and addresses of all the business units are as under:

<u>Location</u>	<u>Business unit</u>
Karachi	
Office No. 406, Parsa Tower, Block-6, P.E.C.H.S, Shahrah-e-Faisal, Karachi, Sindh	Registered office
Office No. 405, Parsa Tower, Block-6, P.E.C.H.S, Shahrah-e-Faisal, Karachi, Sindh	Sales office
Hub	
A101-105, A132-136, H.I.T.E., Hub Chowki, Distt. Lasbella, Baluchistan	Production Plant
Gadoon	
34-A, 34-B, 35, 38-A & 88 Road-3, Industrial Estate, Gadoon Amazai, District Swabi, Khyber Pakhtunkhwa	Production Plant

3. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan comprise of International Financial Reporting Standards (IFRSs) issued by International Accounting Standard Board (IASB) as notified under Companies Act, 2017 (the "Act") and, provisions of and directives issued under the Act. Where the provisions of and directives issued under the Act differ from the IFRSs, the provisions of and directives issued under the Act have been followed.

4. BASIS OF MEASUREMENT

- 4.1** These financial statements have been prepared under the historical cost convention, unless otherwise specifically stated.
- 4.2** These financial statements are presented in Pak Rupees which is the Company's functional and presentation currency.

5. AMENDMENTS AND IMPROVEMENTS TO APPROVED ACCOUNTING STANDARDS**5.1 Amendments to approved accounting standards effective during the year**

The Company has adopted the following amendments to IFRSs for financial reporting which became effective for the current year:

Amendments to approved accounting standards

IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 - Interest Rate Benchmark Reform (Amendments)

IFRS 16 - Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendments)

The adoption of the above amendments to the approved accounting standards did not have any material effect on the Company's financial statements.

5.2 Amendments and improvements to approved accounting standards that are not yet effective

The following amendments and improvements to approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standards, amendments or improvements:

Amendment or improvement	Effective date (annual periods beginning on or after)
IFRS 3 - Reference to the Conceptual Framework (Amendments)	January 01, 2022
IAS 16 - Property, Plant and Equipment: Proceeds before Intended Use (Amendments)	January 01, 2022
IAS 37 - Onerous Contracts – Costs of Fulfilling a Contract (Amendments)	January 01, 2022
IAS 1 - Classification of Liabilities as Current or Non-current (Amendments)	January 01, 2023

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

dynea

IAS 1 - Disclosure of Accounting Policies (Amendments)	January 01, 2023
IAS 8 - Definition of Accounting Estimates (Amendments)	January 01, 2023
IAS 12 - Deferred tax related to Assets and Liabilities arising from a single transaction (Amendments)	January 01, 2023
IFRS 10 / IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalised

Improvements to accounting standards issued by the IASB (2018-2020 cycle)

IASB Effective date (annual periods beginning on or after)

IFRS 9 - Financial Instruments – Fees in the '10 percent' test for derecognition of financial liabilities	January 01, 2022
IAS 41 - Agriculture – Taxation in fair value measurements	January 01, 2022
IFRS 16 - Leases: Lease incentives	January 01, 2022

The above amendments and improvements are not expected to have any material impact on the Company's financial statements in the period of initial application.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan are not expected to have any material impact on the Company's financial statements in the period of initial application.

Standards	IASB Effective date (annual periods beginning on or after)
IFRS 1 - First-time Adoption of International Financial Reporting Standards	January 01, 2004
IFRS 17 - Insurance Contracts	January 01, 2023

6 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of these financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

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

– Residual values, method of depreciation, amortisation and useful lives of operating fixed assets, right-of-use assets and intangible assets	7.1, 8.1, 8.3 & 9
– impairment of financial and non-financial assets	7.3 & 7.15
– Lease liabilities	7.10 & 22
– Provisions	7.13
– Recognition of current and deferred taxation	7.17, 12 & 35
– Contingencies	7.23 & 25

7. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

7.1 Property, plant and equipment

7.1.1 Operating fixed assets

These are stated at cost less accumulated depreciation and impairment losses, if any, except for freehold land which is stated at cost. Depreciation is charged to statement of profit or loss using the straight line method, at the rates specified in note 8.1 to these financial statements. Depreciation on additions is charged from the month when the asset is available for use and in case of disposal up to the month of disposal. Leasehold land is amortised in equal installments over the lease period of 70 years and 99 years.

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

Gains and losses on disposal of operating fixed assets are recognized in statement of profit or loss in the period of disposal.

7.1.2 Capital work in progress

These are stated at cost less accumulated impairment losses, if any, and represents expenditures incurred and advances made in respect of specific assets during the construction / erection period. These are transferred to specific assets as and when assets are available for use.

7.1.3 Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and impairment losses, if any, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated using straight line method. Right-of-use assets are subject to impairment. Right-of-use assets are depreciated on a straight-line basis over the lower of the lease term and the estimated useful lives of the assets, as follows:

Vehicles	5 years
City office	5 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of an asset.

7.2 Intangible assets

These are stated at cost less accumulated amortisation and impairment losses, if any, except for intangibles under development which are stated at cost less impairment loss, if any. Amortisation is charged to statement of profit or loss using the straight line method.

7.3 Impairment of non-financial assets

The carrying amount of non-financial assets other than inventories are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised as an expense in statement of profit or loss, for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment had been recognised.

7.4 Stores and spares

These are stated at cost less provision for slow moving and obsolete items. The cost is determined by the weighted moving average cost method except for those in transit or at bonded warehouse which are valued at actual cost.

7.5 Stock-in-trade

Stock-in-trade except goods in transit are valued at the lower of cost and NRV determined as follows:

Raw and packing materials	Purchase cost and other direct expenses on weighted average basis
Finished goods	Cost of direct materials, labour and attributable overheads
Goods in-transit and stock in bonded warehouse	Invoice value plus other charges paid thereon upto the statement of financial position date.

NRV signifies the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

7.6 Trade debts, loans, deposits, accrued mark-up and other receivables

Trade debts, loans, deposits, accrued markup and other receivables are stated initially at fair value and subsequently measured at amortized cost using the effective interest rate method. Provision is made on the basis of lifetime ECLs that result from all possible default events over the expected life of the trade debts, loans, deposits, accrued mark-up and other receivables. Bad debts are written off when considered irrecoverable.

7.7 Ijarah rentals

Ijarah payments for assets under Ijarah finance agreements are recognised as an expense in statement of profit or loss on a straight line basis over the Ijarah term.

7.8 Cash and cash equivalents

These are stated at cost. For the purpose of statement of cash flows, cash and cash equivalents comprise of cash in hand and bank balances net off short-term running finance, if any.

7.9 Borrowing costs

Borrowing costs are recognised 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, if any, are capitalized as part of the cost of that asset.

7.10 Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the initial application date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low-value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

7.11 Trade and other payables

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company.

7.12 Contract liabilities

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

7.13 Provisions

Provisions are recognised in the statement of financial position where the Company has a legal or constructive obligation as a result of past event, and it is probable that out flow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

7.14 Deferred income

Benefit of loan at below market rate of interest is recognized as deferred income. It is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed out.

7.15 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

The financial assets of the Company mainly include loans, deposits, trade debts, other receivables and cash & bank balances.

On initial recognition, a financial asset is classified as measured at amortised cost, Fair Value through Other Comprehensive Income (FVOCI) – debt investment, FVOCI – equity investment, or Fair Value through Profit or Loss (FVTPL).

The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

Based on the business model of the Company, the financial assets of the Company are measured and classified as follows:

- Trade debts and other financial assets are carried at amortised cost.

Financial liabilities

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs. For the purpose of subsequent measurement financial liabilities are either classified at amortized cost or fair value through profit or loss. The Company does not have any financial liability at fair value through profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss. This category applies to long-term financing of the Company as disclosed in note 20 to the financial statements.

Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realize the assets and settle liabilities simultaneously. Incomes and expenses arising from such assets and liabilities are also offset accordingly.

Impairment of financial assets

Expected Credit Loss (ECL) is 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 asset's original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

At each statement of financial position date, the Company assesses whether financial assets are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the respective asset.

The Company uses the standard's simplified approach and calculates ECL based on life time ECL on its financial assets. 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 financial assets and the economic environment.

7.16 Employee retirement benefits**Defined contribution plan**

The Company operates a recognized provident fund for its permanent employees. Equal monthly contributions are made to the fund by the Company and the employees in accordance with the rules of the scheme. The Company has no further

obligation once the contributions have been paid. The contributions made by the Company are recognized as employee benefit expenses when they are due.

Compensated absences

The Company accounts for these benefits in the accounting period in which the absences are earned. Provisions to cover the obligations are made using the current salary levels of employees. No actuarial valuation of compensated absences is carried out as the management considers that the financial impact is not material.

7.17 Taxation

Current

Provision for current taxation is based on taxable income at the current rate of taxation after taking into account tax credits and tax rebates available, if any. The tax charged as calculated above is compared with turnover tax. Higher of normal tax or turnover tax is compared with Alternate Corporate Tax and whichever is higher is provided in the financial statements. Turnover tax is calculated in accordance with the provisions of section 113 of Income Tax Ordinance 2001. Alternate Corporate Tax is calculated in accordance with the provisions of section 113C of Income Tax Ordinance 2001.

The charge for current tax is calculated using prevailing tax rates. The charge from current tax also includes adjustments for prior years or otherwise considered necessary for such years.

Deferred

Deferred tax is provided on all temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry forward of unused tax assets and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduces to the extent that it is no longer probable that sufficient taxable profits will be available in future to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

7.18 Revenue recognition

Revenue from contracts with customers is recognised when control of the goods is transferred which generally coincides with the delivery of the goods to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods before transferring those to the customer.

Sale of goods

Performance obligations held by the Company are not separable, and are not partially satisfied, since they are satisfied at a point in time, when the goods are delivered to the customer. Moreover, the payment terms identified in most sources of revenue are short term usually 30 to 90 days upon delivery. Revenue is recorded at net of trade discounts and rebates, if any.

Other income

- Interest on bank deposits and profit on savings accounts are recognized on time proportion basis using effective interest rate method.
- Scrap sales and any other income is accounted for on accrual basis.

7.19 Foreign currency transactions

Transactions denominated in foreign currencies are translated into Pakistani rupees at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into Pak Rupees at the exchange rates prevailing at the reporting date. Exchange differences are taken to statement of profit or loss.

7.20 Share capital

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

7.21 Dividends distribution and appropriation to reserves

Dividends and appropriation to the reserves are recognized in the period in which these are approved.

7.22 Segment reporting

Segment reporting is based on the operating (business) segments of the Company. An operating segment is an identifiable component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components and for which discrete financial information is available. An operating segment's operating results are reviewed regularly by the senior management to make decisions about resources to be allocated to the segment and assess its performance.

Segment results that are reported to the senior management include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, income tax assets / liabilities and related income and expenditure. Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment.

The business segments are engaged in providing products which are subject to risks and rewards which differ from the risk and rewards of other segments. Segments reported are as follows:

Resin division

The resin division produces urea / melamine formaldehyde and formaldehyde.

Moulding compound division

The moulding compound division produces urea / melamine formaldehyde moulding compound and melamine glazing powder.

7.23 Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the 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 to settle the obligation, or the amount of obligation can not be measured with sufficient reliability.

7.24 Earnings per share

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

8. PROPERTY, PLANT AND EQUIPMENT

	Note	30 June 2022	30 June 2021
		----- (Rupees) -----	
Operating fixed assets	8.1	743,122,898	603,719,197
Capital work-in-progress	8.2	54,140,791	22,125,263
Right-of-use assets	8.3	13,983,258	14,589,287
		<u>811,246,947</u>	<u>640,433,747</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

dynea

8.1 Operating fixed assets

	COST					Depreciation rate / years	ACCUMULATED DEPRECIATION					NET BOOK VALUE	
	As at 01 July 2021	Additions / transfers from capital work-in-progress*	Transfers from right-of-use assets (note 8.3)	Disposals	As at 30 June 2022 (note 8.1.1)		As at 01 July 2021	Charge for the year (note 8.1.3)	Transfers from right-of-use assets (note 8.3)	Disposals	As at 30 June 2022	As at 30 June 2022	As at 30 June 2022
Freehold land	659,961	-	-	-	659,961	-	-	-	-	-	-	659,961	
Leasehold land	43,115,159	41,350,330 *	-	-	84,465,489	70, 99 years	3,144,731	775,221	-	-	3,919,952	80,545,537	
Buildings on freehold land	20,307,457	-	-	-	20,307,457	10%	20,307,457	-	-	-	20,307,457	-	
Buildings on leasehold land	292,313,834	12,526,171 *	-	-	304,840,005	10%	132,734,697	23,433,153	-	-	156,167,850	148,672,155	
Plant and machinery	1,036,221,380	29,706,785	-	(12,821,840)	1,201,402,293	16.67%	700,284,073	107,569,951	-	(12,821,815)	795,032,209	406,370,084	
		148,295,968 *											
Electrical installations	83,444,547	-	-	(125,800)	83,318,747	16.67%	46,713,306	10,402,823	-	(125,800)	56,990,329	26,328,418	
Furniture and fittings	3,206,302	-	-	-	3,206,302	20%	3,032,521	85,369	-	-	3,117,890	88,412	
Office equipment	8,744,465	1,390,079	-	(335,949)	9,798,595	20%	5,793,813	1,094,576	-	(335,897)	6,552,492	3,246,103	
Computers and accessories	21,502,644	7,520,055	-	(162,560)	57,773,296	33%	15,354,587	7,489,200	-	(162,543)	22,681,244	35,092,052	
		28,913,157 *											
Vehicles	25,139,915	26,737,000 *	10,433,500	(2,625,000)	59,685,415	20%	3,571,282	7,424,520	7,094,437	(525,000)	17,565,239	42,120,176	
Storage tanks	2,507,035	-	-	(2,507,035)	-	20%	2,507,035	-	-	(2,507,035)	-	-	
	1,537,162,699	38,616,919	10,433,500	(18,578,184)	1,825,457,560		933,443,502	158,274,813	7,094,437	(16,478,090)	1,082,334,662	743,122,898	
		257,822,626 *											
2022	1,537,162,699	296,439,545	10,433,500	(18,578,184)	1,825,457,560		933,443,502	158,274,813	7,094,437	(16,478,090)	1,082,334,662	743,122,898	

	COST					Depreciation rate / years	ACCUMULATED DEPRECIATION					NET BOOK VALUE	
	As at 01 July 2020	Additions / transfers from capital work-in-progress*	Transfers from right-of-use assets (note 8.3)	Disposals	As at 30 June 2021 (note 8.1.1)		As at 01 July 2020	Charge for the year (note 8.1.3)	Transfers from right-of-use assets (note 8.3)	Disposals	As at 30 June 2021	As at 30 June 2021	As at 30 June 2021
Freehold land	659,961	-	-	-	659,961	-	-	-	-	-	-	659,961	
Leasehold land	43,115,159	-	-	-	43,115,159	70, 99 years	2,523,884	620,847	-	-	3,144,731	39,970,428	
Buildings on freehold land	20,307,457	-	-	-	20,307,457	10%	20,307,121	336	-	-	20,307,457	-	
Buildings on leasehold land	204,654,724	87,659,110 *	-	-	292,313,834	10%	114,450,020	18,284,677	-	-	132,734,697	159,579,137	
Plant and machinery	853,196,773	10,427,101	-	(331,566)	1,036,221,380	16.67%	632,105,265	68,510,370	-	(331,562)	700,284,073	335,937,307	
		172,929,072 *											
Electrical installations	62,397,424	266,015	-	-	83,444,547	16.67%	38,346,059	8,367,247	-	-	46,713,306	36,731,241	
		20,781,108 *											
Furniture and fittings	3,080,302	126,000	-	-	3,206,302	20%	2,659,284	373,237	-	-	3,032,521	173,781	
Office equipment	7,070,965	1,815,550	-	(142,050)	8,744,465	20%	5,031,743	904,120	-	(142,050)	5,793,813	2,950,652	
Computers and accessories	19,874,543	2,404,230	-	(776,129)	21,502,644	33%	10,812,837	5,264,285	-	(722,535)	15,354,587	6,148,057	
Vehicles	2,986,586	22,694,000	4,540,000	(5,080,671)	25,139,915	20%	2,448,989	1,591,644	1,362,000	(1,831,351)	3,571,282	21,568,633	
Storage tanks	2,507,035	-	-	-	2,507,035	20%	2,507,035	-	-	-	2,507,035	-	
	1,219,850,929	37,732,896	4,540,000	(6,330,416)	1,537,162,699		831,192,237	103,916,763	1,362,000	(3,027,498)	933,443,502	603,719,197	
		281,369,290 *											
2021	1,219,850,929	319,102,186	4,540,000	(6,330,416)	1,537,162,699		831,192,237	103,916,763	1,362,000	(3,027,498)	933,443,502	603,719,197	

8.1.1 Includes assets costing Rs. 611.17 million (2021: 600.11 million) which are fully depreciated.

8.1.2 Particulars of immovable property (i.e. freehold land, leasehold land and buildings thereon) in the name of Company are as follows:

Location	Use of immovable property	Total area
A101-105, A132-136, H.I.T.E., Hub Chowki, Distt. Lasbella, Baluchistan	Production plant	45,810.42 Square meters
34-A, 34-B, 35, 38-A & 88 Road-3, Industrial Estate, Gadoon Amazai, District Swabi, Khyber Pakhtunkhwa	Production plant	40,468.60 Square meters

8.1.3 Depreciation charge for the year has been allocated as follows:

	Note	30 June 2022	30 June 2021
----- (Rupees) -----			
Cost of sales	27	145,901,311	97,335,144
Distribution costs	28	2,499,026	1,442,280
Administrative expenses	29	9,874,476	5,139,339
		<u>158,274,813</u>	<u>103,916,763</u>

8.1.4 There were no disposal of operating fixed asset having book value of five hundred thousand rupees or more, where aggregate book value of the assets exceeds five million rupees.

	Note	30 June 2022	30 June 2021
----- (Rupees) -----			
8.2 Capital work-in-progress			
Plant and machinery		54,140,791	12,408,952
Buildings on leasehold land		–	5,216,311
Advances for vehicles		–	4,500,000
	8.2.1	<u>54,140,791</u>	<u>22,125,263</u>

8.2.1 Movement in capital work-in-progress is as follows:

Balance at beginning of the year		22,125,263	11,351,162
Capital expenditure incurred / advances made during the year		289,838,154	292,143,391
Transfer to operating fixed assets	8.1	(257,822,626)	(281,369,290)
Balance at end of the year		<u>54,140,791</u>	<u>22,125,263</u>

8.3 Right-of-use assets

	Note	30 June 2022			30 June 2021		
		Vehicles	City office	Total	Vehicles	City office	Total
----- (Rupees) -----							
Cost							
Balance at beginning of the year		12,193,500	12,627,852	24,821,352	16,733,500	3,564,124	20,297,624
Additions		–	9,073,081	9,073,081	–	9,063,728	9,063,728
Disposal		–	(3,564,125)	(3,564,125)	–	–	–
Transfer to operating fixed assets		(10,433,500)	–	(10,433,500)	(4,540,000)	–	(4,540,000)
Balance at end of the year		1,760,000	18,136,808	19,896,808	12,193,500	12,627,852	24,821,352
Accumulated depreciation							
Balance at beginning of the year		5,623,738	4,608,327	10,232,065	3,866,039	1,644,984	5,511,023
Charge for the year	8.3.1	2,438,699	3,901,348	6,340,047	3,119,699	2,963,343	6,083,042
Dipsosal		–	(3,564,125)	(3,564,125)	–	–	–
Transfer to operating fixed assets		(7,094,437)	–	(7,094,437)	(1,362,000)	–	(1,362,000)
Balance at end of the year		968,000	4,945,550	5,913,550	5,623,738	4,608,327	10,232,065
Net book value		792,000	13,191,258	13,983,258	6,569,762	8,019,525	14,589,287

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

dynea

8.3.1 The depreciation charge for the year has been allocated as follows:

	Note	30 June 2022	30 June 2021
		----- (Rupees) -----	
Cost of sales	27	1,589,047	1,853,047
Distribution costs	28	1,923,809	1,507,895
Administrative expenses	29	2,827,191	2,722,100
		<u>6,340,047</u>	<u>6,083,042</u>

9. INTANGIBLE ASSETS

Operating software	9.1	—	—
Capital work-in-progress	9.2	17,259,811	—
		<u>17,259,811</u>	<u>—</u>

9.1 Operating software

	COST					ACCUMULATED DEPRECIATION				NET BOOK VALUE
	As at 01 July	Additions	Disposals	As at 30 June	Amortization rate	As at 01 July	Charge for the year	Disposals	As at 30 June	As at 30 June
2022	<u>5,362,500</u>	<u>—</u>	<u>—</u>	<u>5,362,500</u>	33%	<u>5,362,500</u>	<u>—</u>	<u>—</u>	<u>5,362,500</u>	<u>—</u>
2021	<u>5,362,500</u>	<u>—</u>	<u>—</u>	<u>5,362,500</u>	33%	<u>5,362,500</u>	<u>—</u>	<u>—</u>	<u>5,362,500</u>	<u>—</u>

9.2 Capital work-in-progress:

	Note	30 June 2022	30 June 2021
		----- (Rupees) -----	
Balance at beginning of the year		—	—
Advances made during the year		17,259,811	—
Balance at end of the year		<u>17,259,811</u>	<u>—</u>

10. LONG-TERM LOANS - considered good, secured

Loan to employees	10.1	288,748	299,313
Current maturity of long-term loan	16	(141,674)	(186,937)
		<u>147,074</u>	<u>112,376</u>

10.1 Interest free loans are granted for purchase of property, motor vehicles and for miscellaneous purposes to the employees which are repayable within a maximum period of three years as per the Company's human resource policy. These are not discounted using market rate and carried at cost due to practicality and materiality of the amount involved and are secured against staff retirement benefit.

11. LONG-TERM DEPOSITS - considered good, unsecured

	Note	30 June 2022	30 June 2021
		----- (Rupees) -----	
Lasbella Industrial Estate Development Authority		4,915,870	4,915,870
Water and Power Development Authority		823,200	823,200
Others		2,256,056	1,456,056
		<u>7,995,126</u>	<u>7,195,126</u>

12. DEFERRED TAXATION - net

Deferred tax asset on deductible temporary differences

- allowance for expected credit loss	26,876,858	16,787,335
- provisions	3,039,870	2,671,401

Deferred tax liability on taxable temporary differences

- accelerated tax depreciation	(2,331,253)	(2,737,130)
- lease liability and right-of-use assets	(1,042,989)	(1,108,558)
	<u>26,542,486</u>	<u>15,613,048</u>

13. STORES AND SPARES

Stores	18,137,683	14,684,229
Spares	8,794,958	7,385,081
	<u>26,932,641</u>	<u>22,069,310</u>

14. STOCK-IN-TRADE

Raw material:		
In hand	818,882,941	729,792,846
In transit	399,940,116	335,770,734
	<u>1,218,823,057</u>	<u>1,065,563,580</u>
Packing material	15,428,593	13,163,312
Finished goods	135,387,803	110,940,895
	<u>1,369,639,453</u>	<u>1,189,667,787</u>

15. TRADE DEBTS - unsecured

Considered good	1,303,639,410	993,363,633
Considered doubtful	81,445,025	57,887,361
	<u>1,385,084,435</u>	<u>1,051,250,994</u>
Allowance for expected credit loss	15.1 (81,445,025)	(57,887,361)
	<u>1,303,639,410</u>	<u>993,363,633</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

dynea

15.1 Movement of allowance for expected credit loss:

	Note	30 June 2022	30 June 2021
		----- (Rupees) -----	
Balance at beginning of the year		57,887,361	184,162,957
Allowance / (reversal) during the year		23,557,664	(111,311,239)
Written-off during the year		—	(14,964,357)
Balance at end of the year		81,445,025	57,887,361

16. LOANS AND ADVANCES - considered good

Loans - secured

Executives		690,000	287,500
Employees		3,195,327	2,836,185
Current maturity of long-term loan	10	141,674	186,937
		4,027,001	3,310,622

Advances - unsecured

Suppliers and contractors		85,958,198	26,847,670
		89,985,199	30,158,292

17. TRADE DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Deposits - considered good, unsecured		7,602,435	3,462,309
Prepayments		2,877,548	5,202,161
Other receivables			
Insurance claim		50,000	—
Workers' Profit Participation Fund	17.1	9,132,063	—
		9,182,063	—
		19,662,046	8,664,470

17.1 Movement of Workers' Profit Participation Fund (WPPF):

Balance at beginning of the year		(249,177)	2,072,449
Interest expense for the year	31	(5,376)	—
Charge for the year	32	(53,867,937)	(70,249,177)
Payments made during the year		63,254,553	67,927,551
Balance at end of the year		9,132,063	(249,177)

18. CASH AND BANK BALANCES

Cash at banks			
Current accounts	18.1	99,825,650	56,681,292
Savings accounts	18.2	103,576,371	313,352,782
Deposit account	18.3	29,269,526	129,269,526
		232,671,547	499,303,600

18.1 Includes an amount of Rs. 4.453 million (2021: Rs. 5.825 million) placed with an Islamic bank.

18.2 Includes an amount of Rs. 47.842 million (2021: 46.331 million) placed with an Islamic bank carrying profit at the rates ranging from 2.97% to 6.84% (2021: 3.25% to 7.06%). Profit rate under conventional banking relationship is ranging from 5.75% to 8.75% (2021: 6.50% to 11.25%) per annum.

18.3 Represents deposit with a commercial bank and carries interest at the rates ranging from 6% to 12.75% (2021: 7% to 10.99%) per annum.

19. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

			30 June 2022	30 June 2021
			----- (Rupees) -----	
Number of shares				
30 June 2022	30 June 2021			
8,316,000	8,316,000	Ordinary shares of Rs. 5/- each	41,580,000	41,580,000
10,556,413	10,556,413	Fully paid in cash	52,782,065	52,782,065
18,872,413	18,872,413	Issued as bonus shares	94,362,065	94,362,065

19.1 AICA Asia Pacific Holding Pte. Limited (a related party), incorporated in Singapore having its registered office at 43, Shipyard Road - 628135, Singapore, held 4,716,216 (2021: 4,716,216) ordinary shares representing 24.99% (2021: 24.99%) shareholding as of the reporting date.

19.2 Voting rights, Board selection, right of first refusal and block voting are in proportion to the shareholding.

20. LONG-TERM FINANCING - secured

	Note	30 June 2022	30 June 2021
		----- (Rupees) -----	
Term loan	20.1	28,125,000	140,625,000
Temporary Economic Refinance Facility (TERF)	20.2	87,559,204	95,993,824
		115,684,204	236,618,824
Current maturity of long-term financing		(55,839,137)	(128,206,095)
		59,845,067	108,412,729

20.1 Represents term loan obtained from a conventional bank amounting to Rs. 500 million (2021: Rs. 500 million). The facility carries a mark-up at the rate of three months' KIBOR plus 0.35% (2021: three months' KIBOR plus 0.35%) per annum. This is repayable latest by August 2022 in sixteen equal quarterly installments which commenced from November 2018 and is secured against equitable mortgage and hypothecation of the Company's operating fixed assets.

20.1.1 Movement of term loan:

	30 June 2022	30 June 2021
	----- (Rupees) -----	
Balance at beginning of the year	140,625,000	253,125,000
Financing received during the year	—	—
Accretion of interest during the year	8,043,603	15,734,897
Repayment made during the year	(119,185,335)	(127,238,116)
Less: Accrued mark-up	(1,358,268)	(996,781)
Balance at end of the year	28,125,000	140,625,000

20.2 Represents facility obtained from a conventional bank for import of plant and machinery under State Bank of Pakistan (SBP) scheme of TERF amounting to Rs. 150 million (2021: Rs. 150 million). The facility carries mark-up at the rate of 1% base plus 0.75% spread (2021: 1% base plus 0.75% spread) per annum. The SBP allowed rate as per the scheme is up to 5% per annum. However, the effective interest rate is calculated as 7.64% per annum and the loan has been recognised at the present value. The loan is repayable in sixteen equal quarterly installments commencing from February 2022 discounted at the effective rate of interest. The differential mark-up has been recognised as deferred income (as mentioned in note 21) which will be recognized as income over the period of the facility. The benefit has been measured as the difference between the fair value of the loan and the proceeds received. The financing is secured against first charge, hypothecation charge and equitable mortgage over the Company's operating fixed assets.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

dynea

20.2.1 Movement of TERF:

	Note	30 June 2022	30 June 2021
		----- (Rupees) -----	
Balance at beginning of the year		95,993,824	—
Financing received during the year		—	110,856,362
Accretion of interest during the year		7,333,930	4,061,945
Recognised as deferred income		—	(18,127,228)
Repayment made during the year		(15,328,067)	(313,587)
Balance at end of the year		87,999,687	96,477,492
Less: Accrued mark-up		(440,483)	(483,668)
		87,559,204	95,993,824

21. DEFERRED INCOME

Balance at beginning of the year		14,862,538	—
Recognized		—	18,127,228
Amortization of deferred income	30	(5,422,380)	(3,264,690)
Balance at end of the year	21.1	9,440,158	14,862,538
Current portion of deferred income		(4,431,718)	(5,492,726)
		5,008,440	9,369,812

21.1 As aforementioned in note 20.2, the purpose of the deferred income is to facilitate the Company to borrow funds for new or BMR of the existing project at below-market interest rate, in light of the COVID-19 pandemic.

22. LEASE LIABILITIES

The Company has entered into various lease agreements with an Islamic financial institution in respect of vehicles. The lease arrangements carry mark-up at the rate of KIBOR plus 2.75% (2021: KIBOR plus 2.75%). Rentals are payable in equal monthly installments whereas repairs and insurance costs are borne by the Company. These are secured against promissory notes.

The Company also has lease contract for the city office having lease term of 5 years. In general, the Company is restricted from assigning and subleasing the leased assets. These lease contracts include extension and termination options subject to the mutual consent of the Company and the lessor. The Company is bound by certain covenants which includes but are not limited to payment of certain taxes and to exercise reasonable care.

	Note	30 June 2022	30 June 2021
		----- (Rupees) -----	
Lease liabilities		14,161,747	10,766,672
Current maturity of lease liability		(4,402,922)	(5,051,544)
	22.1	9,758,825	5,715,128

22.1 Movement of lease liabilities:

	30 June 2022			30 June 2021		
	Vehicles	City office	Total	Vehicles	City office	Total
	----- (Rupees) -----					
Balance at beginning of the year	3,176,239	7,590,433	10,766,672	10,794,762	1,830,796	12,625,558
Additions for the year	—	9,073,081	9,073,081	—	9,063,728	9,063,728
Accretion of interest	172,817	1,279,728	1,452,545	901,124	608,463	1,509,587
Payments made during the year	(3,156,749)	(3,973,802)	(7,130,551)	(8,519,647)	(3,912,554)	(12,432,201)
Balance at end of the year	192,307	13,969,440	14,161,747	3,176,239	7,590,433	10,766,672
Current maturity of lease liability	(192,307)	(4,210,615)	(4,402,922)	(2,983,932)	(2,067,612)	(5,051,544)
	—	9,758,825	9,758,825	192,307	5,522,821	5,715,128

22.2 The maturity analysis of lease liabilities as at the reporting date is as follows:

	Note	30 June 2022	30 June 2021
----- (Rupees) -----			
Up to one year		4,402,922	5,051,544
After one year		9,758,825	5,715,128
Total lease liabilities		<u>14,161,747</u>	<u>10,766,672</u>

23. TRADE AND OTHER PAYABLES

Creditors		14,936,482	8,021,692
Bills payable		243,546,192	244,787,040
Accrued liabilities	23.1 & 23.2	399,882,806	292,729,584
Contract liabilities	23.3	1,729,831	6,476,921
Workers' Welfare Fund		21,434,097	35,175,878
Workers' Profit Participation Fund (WPPF)	17.1	—	249,177
Vend and permit fee payable	23.4	4,552,438	4,552,438
Tax deducted at source		3,513,502	1,691,830
Sales tax payable - net		96,200,534	62,010,671
		<u>785,795,882</u>	<u>655,695,231</u>

23.1 Includes accrual for leave encashment of Rs. 5.73 million (2021: Rs. 6.09 million) and bonus to employees of Rs. 3.96 million (2021: Rs. 25.59 million).

23.2 Includes an amount of Rs. 176.91 million (2021: Rs. 111.73 million) in respect of Sindh Infrastructure Development Cess.

23.3 These contract liabilities are unsecured and received under normal course of business. Revenue recognized during the year from amounts included in contract liabilities at beginning of the year amounts to Rs. 6.48 million (2021: Rs. 5.41 million).

23.4 Represents amount charged to certain customers in respect of vend and permit fee. Depending on the outcome of the law suit mentioned in note 25.1 to these financial statements, the amount would either be paid to the Excise and Taxation Department, Government of Sindh or refunded to the customers. The Company discontinued this practice of charging the fee from July 2002 in accordance with the industrial norms.

24. UNCLAIMED DIVIDEND

The Company has opened separate bank accounts as required under the provision of section 244 of the Act and the required amounts have been transferred accordingly.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

dynea

25. CONTINGENCIES AND COMMITMENTS

25.1 Contingencies

The Excise and Taxation Department, Government of Sindh (the Department) imposed, vend and permit fee on methanol, a major raw material used by the Company in the production of formaldehyde. The Company filed a petition against the imposition of these levies in the Honourable High Court of Sindh (HCS) in August 1996. In June 2001, the Honourable HCS decided the case in the favour of the Company. However, the Department filed an appeal in the Honourable Supreme Court of Pakistan (SCP) against the above judgement. The Honourable SCP suspended the decision of the Honourable HCS and reverted the case back to the Honourable HCS for fresh hearing. In March 2003, the Honourable HCS once again decided the case in favour of the Company. The Department once again filed an appeal before the Honourable SCP.

In December 2019, the Honourable SCP disposed off the appeal on the basis that the Department would not press the instant and connected appeals, and that a fresh demand shall be raised following the notification dated 14 February 2002 and Sindh (Amendment) Abkari Ordinance 2002 notified on 30 October 2002. In addition to that the Department would surrender the demand secured by Indemnity Bonds for the period from 1990 up to 2002.

As of the reporting date, no fresh demand has yet been received from the Department against Vend and Permit fee amounting to Rs. 1,588.80 million (2021: Rs. 1,415.62 million) determined on the basis of consumption of methanol by the Company since November 2002.

The consignment is being released by paying Rs. 3/= cash per bulk gallon and indemnity bond of Rs. 14/= per bulk gallon under protest.

Upon the receipt of the fresh demand from the Department, the Company intends to approach the relevant Court of Justice to defend the case. The Company expects, based on the view of the legal advisor and the merit of the case, that the Company has strong grounds to challenge such a demand and is likely to succeed. Accordingly, no provision for any liability has been made in these financial statements.

25.2 Commitments

	Note	30 June 2022	30 June 2021
		----- (Rupees) -----	
25.2.1 Outstanding letter of credits		<u>1,122,145,168</u>	<u>504,607,016</u>
25.2.2 Commitment for capital expenditure		<u>152,723,612</u>	<u>7,956,652</u>
25.2.3 Outstanding bank guarantees in favour of:			
Sui Southern Gas Company Limited		6,459,520	6,459,520
Peshawar Electric Supply Company Limited		1,445,000	1,445,000
Sui Northern Gas Pipelines Limited		13,300,000	13,300,000
Excise and Taxation Department		2,679,427	2,679,427
		<u>23,883,947</u>	<u>23,883,947</u>
26. TURNOVER - net			
Local sales		11,358,424,248	8,132,291,384
Sales tax		(1,794,697,582)	(1,292,165,942)
Sales return		(27,324,775)	(11,752,285)
Trade discount		(76,959)	(1,169,614)
		<u>(1,822,099,316)</u>	<u>(1,305,087,841)</u>
	26.1	<u>9,536,324,932</u>	<u>6,827,203,543</u>

26.1 Revenue earned from the normal operations of the Company is Shariah Compliant.

27. COST OF SALES

	Note	30 June 2022	30 June 2021
		----- (Rupees) -----	
Raw and packing material consumed			
Balance at beginning of the year		1,078,726,892	480,136,922
Purchases		6,975,923,867	5,008,943,454
		8,054,650,759	5,489,080,376
Balance at end of the year	14	(1,234,251,650)	(1,078,726,892)
		6,820,399,109	4,410,353,484
Manufacturing expenses			
Indirect material consumed		13,515,774	10,347,122
Stores and spares consumed		107,575,631	89,429,850
Fuel and power		344,443,155	238,546,628
Salaries, wages and other benefits		410,912,005	327,819,416
Rates and taxes		1,014,674	671,255
Insurance		3,071,959	2,536,500
Repairs and maintenance		28,521,607	23,450,743
Vehicles running and maintenance		16,540,304	10,374,253
Postage, telephone and telex		2,421,896	2,122,707
Storage and handling charges		27,087,997	22,886,262
Travelling and conveyance		1,936,795	888,306
Printing and stationery		2,327,845	2,015,652
Depreciation on operating fixed assets	8.1.3	145,901,311	97,335,144
Depreciation on right-of-use assets	8.3.1	1,589,047	1,853,047
Internet charges		1,642,948	1,467,132
Water and conservancy cost		2,175,247	3,027,842
Gas expense		1,457,690	959,334
Others		17,120,481	16,184,440
		1,129,256,366	851,915,633
Cost of goods manufactured		7,949,655,475	5,262,269,117
Finished goods			
Balance at beginning of the year		110,940,895	39,991,977
Balance at end of the year	14	(135,387,803)	(110,940,895)
		(24,446,908)	(70,948,918)
		7,925,208,567	5,191,320,199

28. DISTRIBUTION COSTS

Salaries and other benefits		28,501,207	23,313,607
Cartage and freight		207,115,323	160,303,389
Rent, rates and taxes	28.1	720,096	677,088
Insurance		3,015,953	1,841,885
Repairs and maintenance		378,860	784,472
Vehicles running and maintenance		4,774,657	3,099,739
Postage, telephone and telex		1,575,447	1,440,583
Travelling and conveyance		2,788,154	1,534,664
Printing and stationery		72,844	111,647
Electricity		573,947	459,250
Depreciation on operating fixed assets	8.1.3	2,499,026	1,442,280
Depreciation on right-of-use assets	8.3.1	1,923,809	1,507,895
Sales promotion		529,900	356,500
Others		2,932,155	791,123
		257,401,378	197,664,122

28.1 Includes short-term lease expense amounting to Rs. 0.492 million (2021: Rs. 0.468 million).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

dynea

29. ADMINISTRATIVE EXPENSES

	Note	30 June 2022	30 June 2021
		----- (Rupees) -----	
Salaries and other benefits		97,371,092	81,177,877
Insurance		410,839	386,880
Repairs and maintenance		6,722,002	6,074,571
Vehicles running and maintenance		7,481,178	6,633,309
Postage, telephone and telex		1,821,902	1,676,030
Travelling and conveyance		4,628,281	3,023,374
Printing and stationery		2,061,320	1,216,061
Utilities		375,795	841,010
Depreciation on operating fixed assets	8.1.3	9,874,476	5,139,339
Depreciation on right-of-use assets	8.3.1	2,827,191	2,722,100
Amortisation		—	—
Legal and professional charges		6,076,466	5,122,680
Advertisement and publicity		990,062	311,470
Donations	29.1 & 29.2	10,095,000	13,288,393
Auditors' remuneration	29.3	2,405,524	1,949,550
ISO certification fee		—	881,400
Others		7,905,288	3,970,366
		<u>161,046,416</u>	<u>134,414,410</u>

29.1 Includes donation to following parties exceeds 10% of the Company's total donations or Rs. 1 million, whichever is higher:

	30 June 2022	30 June 2021
	----- (Rupees) -----	
Mohamed Ali Habib Welfare Trust	1,214,393	5,574,000
Indus Hospital	3,000,000	1,000,000
Habib Education Trust	2,000,000	2,500,000
Sindh Institute of Urology and Transplantation	—	1,000,000
Patients Aid Foundation	—	2,000,000
	<u>6,214,393</u>	<u>12,074,000</u>

29.2 None of the directors of the Company or their spouses had any interest in any of the donees.

29.3 Auditor's remuneration

	Note	30 June 2022	30 June 2021
		----- (Rupees) -----	
Statutory audit		1,367,000	1,242,000
Half yearly review		161,000	146,000
Review of Code of Corporate Governance		72,600	66,000
Other certifications		607,000	393,500
Out of pocket expense		197,924	102,050
		<u>2,405,524</u>	<u>1,949,550</u>

30. OTHER INCOME

Income from financial assets

Interest on savings accounts	30.1	6,173,622	16,960,589
Interest on deposit account		1,909,282	1,775,605
		<u>8,082,904</u>	<u>18,736,194</u>

Income from non-financial assets

Scrap sales		416,667	386,542
Insurance claims		—	1,146,750
Gain on disposals of operating fixed assets		3,156,493	2,881,003
Amortisation of deferred income	21	5,422,380	3,264,690
Exchange gain - net		—	7,532,377
		<u>8,995,540</u>	<u>15,211,362</u>
		<u>17,078,444</u>	<u>33,947,556</u>

30.1 Includes an amount of Rs. 0.969 million (2021: Rs. 0.606 million) earned from an Islamic bank.

31. FINANCE COSTS

	Note	30 June 2022	30 June 2021
		----- (Rupees) -----	
Mark-up on long-term financing		15,377,533	19,796,842
Mark-up on short-term running finance		20,829,047	428,031
Interest on WPPF	17.1	5,376	—
Accretion of interest on lease liabilities	31.1	1,452,545	1,509,587
		<u>37,664,501</u>	<u>21,734,460</u>
Bank guarantees commission		1,178,012	1,417,313
Bank charges		1,803,948	2,192,098
		<u>40,646,461</u>	<u>25,343,871</u>

31.1 Includes an amount of Rs. 0.17 million (2021: Rs. 0.90 million) in respect of lease from an Islamic financial institution.

32. OTHER CHARGES / EXPENSES

	Note	30 June 2022	30 June 2021
		----- (Rupees) -----	
Workers' Profit Participation Fund	17.1	53,867,937	70,249,177
Workers' Welfare Fund		21,434,097	24,716,371
Exchange loss - net		60,101,254	—
		<u>135,403,288</u>	<u>94,965,548</u>

33. TAXATION

Current		406,678,047	347,366,184
Prior		(7,113,171)	799,646
Deferred		(10,929,439)	41,979,798
	33.1	<u>388,635,437</u>	<u>390,145,628</u>

33.1 Relationship between accounting profit and tax expense

Profit before taxation		1,010,139,602	1,328,754,188
Tax @ 29% (2021: 29%)		292,940,485	385,338,715
Effects of previous year's tax charge		(7,113,171)	799,646
Effects of super tax		105,027,076	—
Others		(2,218,953)	4,007,267
Tax expense		<u>388,635,437</u>	<u>390,145,628</u>
Effective tax rate		<u>38.47%</u>	<u>29.36%</u>

34. BASIC AND DILUTED EARNINGS PER SHARE

Net profit for the year		621,504,165	938,608,560
		----- (No. of shares) -----	
Weighted average number of ordinary shares outstanding during the year		18,872,413	18,872,413
		----- (Rupees) -----	
Basic earnings per share	34.1	<u>32.93</u>	<u>49.73</u>

34.1 There is no dilutive effect on basic earning per share of the Company as calculated above.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

dynea

35. OPERATING SEGMENT INFORMATION

For management purposes, the Company is organized into business units based on their products and has two reportable operating segments as follows:

- The resin division produces urea / melamine formaldehyde and formaldehyde; and
- The moulding compound division produces urea/ melamine formaldehyde moulding compound and melamine glazing powder.

	30 June 2022			30 June 2021		
	Resin division	Moulding compound division	Total	Resin division	Moulding compound division	Total
	(Rupees)					
Turnover - net	4,226,002,448	5,310,322,484	9,536,324,932	2,670,723,828	4,156,479,715	6,827,203,543
Segment result	526,650,304	853,793,074	1,380,443,378	418,705,530	1,168,185,664	1,586,891,194
Unallocated expenses:						
Administrative expenses			(161,046,416)			(134,414,410)
Distribution costs			(50,286,055)			(37,360,733)
Other income			17,078,444			33,947,556
Finance costs			(40,646,461)			(25,343,871)
Other charges			(135,403,288)			(94,965,548)
Taxation			(388,635,437)			(390,145,628)
Net profit for the year			621,504,165			938,608,560
Segment assets	1,490,803,723	1,919,086,447	3,409,890,170	1,034,117,303	1,756,170,104	2,790,287,407
Unallocated assets			496,344,316			617,302,630
Total assets			3,906,234,486			3,407,590,037
Segment liabilities	365,871,724	419,708,618	785,580,341	277,818,840	375,109,906	652,928,745
Unallocated liabilities			211,551,184			372,700,431
Total liabilities			997,131,525			1,025,629,176
Capital expenditure	112,838,841	165,472,553	278,311,394	10,891,101	302,398,485	313,289,586
Unallocated capital expenditure			67,403,490			16,586,701
Total capital expenditure			345,714,884			329,876,287
Depreciation	46,272,965	101,217,393	147,490,358	37,741,014	61,447,923	99,188,937
Unallocated depreciation			17,124,502			10,810,868
Total depreciation			164,614,860			109,999,805

35.1 Administrative expenses, distribution costs (excluding cartage and freight), other income, finance costs, other charges and taxation is managed on Company basis and are not allocated to operating segments.

35.2 Total sales of the Company were made to customers in Pakistan during the year ended 30 June 2022 and 2021. There were no sales amongst operating segments of the Company.

35.3 There were no major customers of the Company which constituted 10% or more of the Company's revenue.

35.4 Segment assets and liabilities

Segment assets include all operating assets by a segment and principally consist of property, plant and equipment, stock-in-trade and trade debts. Segment liabilities include all operating liabilities and principally consist of trade and other payables.

35.4.1 Reconciliation of segment assets and liabilities to total assets and liabilities

	30 June 2022	30 June 2021
	----- (Rupees) -----	
Segment assets		
Allocated segment assets	3,409,890,170	2,790,287,407
Long-term deposits	7,995,126	7,195,126
Deferred taxation - net	26,542,486	15,613,048
Cash and bank balances	232,671,547	499,303,600
Other unallocated assets	229,135,157	95,190,856
	<u>3,906,234,486</u>	<u>3,407,590,037</u>
Segment liabilities		
Allocated segment liabilities	785,580,341	652,928,745
Trade and other payables	139,501,650	265,014,520
Accrued mark-up	6,768,218	1,583,071
Taxation - net	58,311,404	99,619,553
Unclaimed dividend	6,969,912	6,483,287
	<u>997,131,525</u>	<u>1,025,629,176</u>

35.4.2 All non-current assets of the Company at the end of the current and preceding year were located in Pakistan.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

	Note	30 June 2022	30 June 2021
		----- (Rupees) -----	
36.1 Financial instruments by category			
Financial assets - at amortised cost			
Long-term loans	10	147,074	112,376
Long-term deposits	11	7,995,126	7,195,126
Trade debts	15	1,303,639,410	993,363,633
Loans	16	4,027,001	3,310,622
Trade deposits and other receivables	17	7,652,435	3,462,309
Accrued mark-up		512,746	1,008,648
Cash and bank balances	18	232,671,547	499,303,600
		<u>1,556,645,339</u>	<u>1,507,756,314</u>
Financial liabilities - at amortised cost			
Long-term financing	20	115,684,204	236,618,824
Lease liabilities	22	14,161,747	10,766,672
Trade and other payables	23	481,455,480	433,808,316
Accrued mark-up		6,768,218	1,583,071
Unclaimed dividend	24	6,969,912	6,483,287
		<u>625,039,561</u>	<u>689,260,170</u>

The Company's activities expose it to a variety of financial risks i.e. market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on minimizing potential adverse effects on the Company's financial performance. The overall risk management of the Company is carried out by the Company's senior management team under policies approved by the Board of Directors. Such policies entail identifying, evaluating and addressing financial risks of the Company. The Company's overall risk management procedures to minimize the potential adverse affects of financial market on the Company's performance are as follows:

36.2 Market risk

Market risk is the risk that fair value or future cash flows will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, currency risk and other price risk, such as equity risk.

(i) Interest rate risk

Interest rate risk is the risk that the value of financial instrument will fluctuate due to the changes in market interest rates. The Company is exposed to interest rate risk in respect of saving accounts, term deposit account and long-term financing. Management of the Company estimates that 10% increase / decrease in the market interest rate, with all other factors remaining constant, would increase / decrease the Company's profit before tax by Rs. 1.72 million (2021: Rs. 20.60 million). However, in practice, the actual result may differ from the sensitivity analysis.

(ii) Foreign currency risk

Foreign currency risk is the risk that the value of a financial asset or a liability will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions in foreign currencies. As of the reporting date, this risk primarily relates to bill payables in foreign currency.

The Company is exposed to foreign currency risk amounting to Rs. 243.55 million (2021: Rs. 244.79 million) in relation to foreign currency financial liabilities. Management of the Company estimates that 5% increase / decrease in exchange rate, with all other factors remaining constant, would increase / decrease the Company's profit before tax by Rs. 12.18 million (2021: Rs. 12.24 million). However, in practice, the actual result may differ from sensitivity analysis.

(iii) Equity price risk

Equity price risk is the risk that the fair value of future cash flows of 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, or factors affecting all similar financial instruments traded in the market. As of the reporting date, the Company is not exposed to any equity price risk.

36.3 Credit risk and concentration of credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss without taking into account the fair value of any collateral.

Concentration of credit risk arises when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Company's performance to developments affecting a particular industry.

The Company is exposed to credit risk mainly on loans, deposits, trade debts, other receivables, accrued mark-up and bank balances. To reduce the exposure to credit risk on trade debts, the Company has developed a formal approval process, whereby credit limits are applied to its customers. The management continuously monitors the credit exposure towards the customers and makes provision against those balances considered doubtful of recovery. The credit risk on liquid funds such as balances with banks is limited as banks are of reasonably high credit ratings.

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

	Note	30 June 2022	30 June 2021
		----- (Rupees) -----	
Long-term loans	10	147,074	112,376
Long-term deposits	11	7,995,126	7,195,126
Trade debts	15	1,303,639,410	993,363,633
Loans	16	4,027,001	3,310,622
Trade deposits and other receivables	17	7,652,435	3,462,309
Accrued mark-up		512,746	1,008,648
Bank balances	18	232,671,547	499,303,600
		<u>1,556,645,339</u>	<u>1,507,756,314</u>

The credit quality of financial assets other than bank balances can be assessed with reference to their historical performance with no or some defaults in recent history.

The impaired trade debts and the basis of impairment are disclosed in notes 15.1 and 7.15 respectively.

Set out below is the information about the credit risk exposure on the Company's trade debts from its customers.

	30 June 2022						
	in Rupees						
	Not yet due			Past Due			Total
	Current	0-30	30-60	60-90	90-120	>120	
Expected credit loss rate	0.38%	7.96%	19.46%	38.65%	81.60%	89.20%	
Estimated total gross carrying amount at default	1,110,097,756	128,582,255	74,065,085	18,685,444	33,278,993	20,374,902	1,385,084,435
Expected credit loss	(4,247,081)	(10,235,388)	(14,411,312)	(7,221,908)	(27,155,304)	(18,174,032)	(81,445,025)
Amount past due but not impaired	1,105,850,675	118,346,867	59,653,773	11,463,536	6,123,689	2,200,870	1,303,639,410

	30 June 2021						
	in Rupees						
	Not yet due			Days Past Due			Total
	Current	0-30	30-60	60-90	90-120	>120	
Expected Credit Loss rate	0.27%	25.00%	50.00%	50.00%	100.00%	100.00%	
Estimated total gross carrying amount at default	931,910,749	56,131,275	40,105,774	3,583,422	1,454,024	18,065,750	1,051,250,994
Expected Credit Loss	(2,490,170)	(14,032,819)	(20,052,887)	(1,791,711)	(1,454,024)	(18,065,750)	(57,887,361)
Amount past due but not impaired	929,420,579	42,098,456	20,052,887	1,791,711	—	—	993,363,633

The credit quality of the Company's bank balances can be assessed with reference to external credit ratings as follows:

		30 June 2022	30 June 2021
		----- (Rupees) -----	
Bank balances			
Rating	Rating Agency		
A1+	PACRA & VIS	232,671,547	499,303,600

Financial assets other than trade debts and bank balances are not materially exposed to any credit risk.

36.4 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in raising funds to meet commitments associated with financial instruments.

Management forecasts the liquidity of the Company on the basis of expected cashflow considering the level of liquid assets necessary to mitigate the liquidity risk. The table below summarises the maturity profile of the Company's financial liabilities at the following statement of financial position dates:

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	(Rupees)				
30 June 2022					
Long-term financing	–	35,053,568	20,785,569	59,845,067	115,684,204
Lease liabilities	–	192,307	4,210,615	9,758,825	14,161,747
Trade and other payables	420,456,192	239,639,119	4,552,438	–	664,647,749
Accrued mark-up	–	6,768,218	–	–	6,768,218
Unclaimed dividend	6,969,912	–	–	–	6,969,912
	<u>427,426,104</u>	<u>281,653,212</u>	<u>29,548,622</u>	<u>69,603,892</u>	<u>808,231,830</u>
30 June 2021					
Long-term financing	–	28,609,997	99,596,098	108,412,729	236,618,824
Lease Liabilities	–	1,073,977	3,977,567	5,715,128	10,766,672
Trade and other payables	356,517,040	195,498,197	4,552,438	–	556,567,675
Accrued mark-up	–	1,583,071	–	–	1,583,071
Unclaimed dividend	6,483,287	–	–	–	6,483,287
	<u>363,000,327</u>	<u>226,765,242</u>	<u>108,126,103</u>	<u>114,127,857</u>	<u>812,019,529</u>

36.5 Unavailed Credit Facilities

The facility for short-term running finance, opening letters of credit, letters of guarantees and forward facility amounted to Rs. 910 million (2021: Rs. 750 million), Rs. 2,350 million (2021: Rs. 1,650 million), Rs. 247 million (2021: Rs. 147 million) and Rs. 22.5 million (2021: 22.5 million) respectively, of which Rs. 910 million (2021: Rs. 750 million), Rs. 1,227 million (2021: Rs. 1,145 million), Rs. 66 million (2021: Rs. 123 million) and Rs. 22.5 million (2021: 22.5 million) respectively, remained unutilized as at the statement of financial position date.

The rate of mark-up on running finance facilities ranges from one month KIBOR plus 0.50% to six months' KIBOR plus 0.75% (2021: one month KIBOR plus 0.50% to six months' KIBOR plus 0.75%) per annum, payable quarterly and are secured by joint/ first pari passu hypothecation of stores and spares, stock-in-trade and trade debts of the Company.

37. FAIR VALUE MEASUREMENT

The carrying values of the financial assets and financial liabilities approximate their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair value hierarchy

The different levels to analyse financial assets carried at fair value have been defined as follows:

Level 1: Quoted market price

Level 2: Valuation techniques (market observable); and

Level 3: Valuation techniques (non-market observables)

As of the statement of financial position date, the Company does not have any financial assets carried at fair value that required categorization in Level 1, Level 2 and Level 3.

38. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

	30 June 2022		
	Long-term financing (including deferred income)	Un-claimed dividend	Leases liabilities
	(Rupees)		
Balance at beginning of the year	251,481,362	6,483,287	10,766,672
Changes from financing cash flows			
Financing obtained during the year	—	—	—
Payments made during the year	(134,513,402)	—	(7,130,551)
Dividend paid	—	(93,875,509)	—
	(134,513,402)	(93,875,509)	(7,130,551)
Other changes			
Additions during the year	—	—	9,073,081
Finance costs	15,377,533	—	1,452,545
Amortization of government grant	(5,422,380)	—	—
Dividend declared	—	94,362,065	—
	9,955,153	94,362,065	10,525,626
Less: Accrued mark-up	(1,798,751)	—	—
Balance at end of the year	125,124,362	6,969,843	14,161,747
	30 June 2021		
	Long-term financing (including deferred income)	Un-claimed dividend	Leases liabilities
	(Rupees)		
Balance at beginning of the year	253,125,000	5,449,888	12,625,558
Changes from financing cash flows			
Financing obtained during the year	110,856,362	—	—
Payments made during the year	(127,551,703)	—	(12,432,201)
Dividend paid	—	(140,510,076)	—
	(16,695,341)	(140,510,076)	(12,432,201)
Other changes			
Additions during the year	—	—	9,063,728
Finance costs	19,796,842	—	1,509,587
Amortization of government grant	(3,264,690)	—	—
Dividend declared	—	141,543,475	—
	16,532,152	141,543,475	10,573,315
Less: Accrued mark-up	(1,480,449)	—	—
Balance at end of the year	251,481,362	6,483,287	10,766,672

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

dynea

39. CAPITAL RISK MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to remain as a going concern and continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. As of the statement of financial position date, the debt to equity ratio is as follows:

The gearing ratio as at 30 June 2022 and 30 June 2021 is as follows:

	Note	30 June 2022	30 June 2021
----- (Rupees) -----			
Long-term financing	20	115,684,204	236,618,824
Accrued mark-up		6,768,218	1,583,071
Total debt		122,452,422	238,201,895
Issued, subscribed and paid-up capital	19	94,362,065	94,362,065
Revenue reserves		2,814,740,896	2,287,598,796
Equity		2,909,102,961	2,381,960,861
Total debt plus equity		3,031,555,383	2,620,162,756
Gearing ratio		4.04%	9.09%

40. TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise associated companies, staff retirement fund, directors and key management personnel. All the transactions with related parties are entered into at agreed terms in the normal course of business as approved by the Board of Directors of the Company. Transactions with related parties are as follows:

Name of related party	Relationship	% of shareholding in the Company	Nature of transaction	30 June 2022	30 June 2021
----- (Rupees) -----					
Provident Fund	Staff retirement fund	Nil	Contribution to fund	12,089,195	10,498,631
AICA Asia Pacific Holding Pte Ltd.	Associate	24.99	Dividend paid	23,581,080	35,371,714

40.1 Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity directly or indirectly. The Company considers all members of their executive management team, including the Chief Executive Officer and Directors, to be key management personnel.

41. 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, Directors and executives of the Company are as follows:

	2022			2021		
	Chief Executive	Directors	Executives	Chief Executive	Directors	Executives
----- (Rupees) -----						
Managerial remuneration	13,614,132	—	31,310,580	13,085,185	—	24,129,486
Bonus	18,582,930	—	12,352,587	3,547,473	—	2,978,999
Retirement and other benefits	3,055,634	—	7,497,223	4,165,750	—	8,079,550
House rent	5,567,952	—	12,674,061	4,598,054	—	8,497,240
	40,820,648	—	63,834,451	25,396,462	—	43,685,275
Number of persons	1	6	14	1	6	9

- 41.1 In addition, the Chief Executive Officer and certain executives are provided with free use of Company's maintained cars as per terms of employment.
- 41.2 Directors' fee to non-executive directors for attending the board meetings amounted to Rs. 10.72 million (2021: Rs. 9.49 million).
- 41.3 No remuneration was paid to any of the directors other than the Chief Executive Officer.

42. CAPACITY AND PRODUCTION

	30 June 2022		30 June 2021	
	Rated Capacity	Actual Production	Rated Capacity	Actual Production
	----- (M. tonnes) -----			
Resin division				
Urea/ Melamine formaldehyde	77,000	34,602	77,000	40,068
Formaldehyde	119,000	93,114	109,000	86,793
	<u>196,000</u>	<u>127,716</u>	<u>186,000</u>	<u>126,861</u>
Moulding compound division				
Urea/ melamine formaldehyde moulding compound	39,000	31,987	33,000	29,327
Melamine Glazing Powder	2,000	1,546	2,000	1,870
	<u>41,000</u>	<u>33,533</u>	<u>35,000</u>	<u>31,197</u>

- 42.1 Capacity utilization is in line with market demand during the year.

43. NON-ADJUSTING EVENT AFTER THE REPORTING DATE

The Board of Directors in its meeting held on 13 September, 2022 proposed final cash dividend of Rs. 7.50 per share for the year ended 30 June 2022 amounting to Rs. 141.54 million for approval of the members at the Annual General Meeting to be held on 20 October, 2022.

The directors have also approved appropriation of Rs. 300 million (2021: Rs. 500 million) to general reserve. These appropriations will be approved in the forthcoming Annual General Meeting. The financial statements for the year ended 30 June 2022 do not include the effect of these appropriations which will be accounted in the financial statements for the year ending 30 June 2023.

44. PROVIDENT FUND

Investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act 2017 and the rules formulated for this purpose.

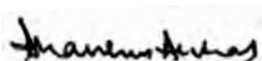
	30 June 2022	30 June 2021
45. NUMBER OF EMPLOYEES		
Total number of employees as at the reporting date	<u>231</u>	<u>228</u>
Average number of employees during the year	<u>228</u>	<u>221</u>

46. GENERAL

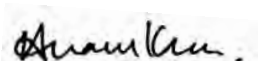
- 46.1 In these financial statements, figures have been rounded off to the nearest Pak rupee, unless otherwise stated.
- 46.2 Certain figures have been reclassified for better presentation, however there are no material reclassification to report.

47. DATE OF AUTHORISATION FOR ISSUE

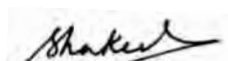
These financial statements were authorised for issue on 13 September, 2022 by the Board of Directors of the Company.



SHABBIR ABBAS
Chief Executive Officer



ANAM FATIMA KHAN
Director



SHAKEEL UDDIN
Chief Financial Officer

PATTERN OF SHAREHOLDING AS AT JUNE 30, 2022



NO.	CATEGORIES OF SHAREHOLDERS	NO. OF SHARES HELD	CATEGORY-WISE NO. OF FOLIOS / CDC ACCOUNTS	CATEGORY-WISE SHARES HELD	PERCENTAGE (%)
1	INDIVIDUALS		1,352	4,685,973	24.83
2	INVESTMENT COMPANIES		1	2,200	0.01
3	JOINT STOCK COMPANIES		12	1,373,759	7.28
4	DIRECTORS, CHIEF EXECUTIVE OFFICER AND THEIR SPOUSE AND MINOR CHILDREN Anam Fatima Khan Shabbir Abbas Andalib Alavi Tariq Ahmed	1,000 1,000 1,000 1,000	4	4,000	0.02
5	EXECUTIVES		–	–	–
6	Associated Companies, Undertakings and Related Parties AICA Asia Pacific Holding Pte Ltd.		1	4,716,216	24.99
7	PUBLIC SECTOR COMPANIES AND CORPORATIONS		–	–	–
8	BANKS, DFI'S , NBFIS, INSURANCE COMPANIES, TAKAFUL, MODARABAS AND PENSION FUNDS Financial Institutions Insurance Companies Modaraba Pension Funds	3,237 152,700 616 256,830	16	413,383	2.19
9	MUTUAL FUNDS CDC - Trustee MCB Pakistan Stock Market Fund CDC - Trustee Meezan Balanced Fund CDC - Trustee Al Meezan Mutual Fund CDC - Trustee Meezan Islamic Fund CDC - Trustee NBP Stock Fund CDC - Trustee Meezan Tahaffuz Pension Fund - Equity Sub Fund CDC - Trustee NBP Islamic Sarmaya Izafa Fund CDC - Trustee Al Habib Stock Fund CDC - Trustee Al Habib Islamic Stock Fund CDC - Trustee UBL Asset Allocation Fund CDC - Trustee Al-Ameen Islamic Asset Allocation Fund CDC - Trustee Al-Ameen Islamic Ret. Sav. Fund-Equity Sub Fund CDC - Trustee UBL Retirement Savings Fund - Equity Sub Fund CDC - Trustee National Investment (Unit) Trust CDC - Trustee NBP Islamic Stock Fund CDC - Trustee Al Ameen Islamic Dedicated Equity Fund CDC - Trustee Meezan Asset Allocation Fund CDC - Trustee - Meezan Dedicated Equity Fund CDC - Trustee Al Habib Asset Allocation Fund CDC - Trustee UBL Dedicated Equity Fund CDC - Trustee Golden Arrow Stock Fund	24,700 28,000 119,500 303,000 19,000 120,500 2,500 18,800 12,000 7,000 21,000 18,200 10,400 1,647,310 4,200 1,700 59,600 19,400 2,600 3,500 201,300	21	2,644,210	14.01
10	FOREIGN INVESTORS		18	4,859,399	25.75
11	CO-OPERATIVE SOCITIES		2	3,701	0.02
12	CHARITABLE TRUST		1	99,137	0.53
13	OTHERS		9	70,435	0.37
	TOTAL		1,437	18,872,413	100.00

SHAREHOLDERS HOLDING FIVE PERCENT OR MORE VOTING INTEREST IN THE LISTED COMPANY

TOTAL PAID-UP CAPITAL OF THE COMPANY	18,872,413	SHARES	
5% OF THE PAID-UP CAPITAL OF THE COMPANY	943,621	SHARES	
NAME(S) OF SHARE-HOLDER(S)	DESCRIPTION	NO. OF SHARES HELD	PERCENTAGE (%)
AICA Asia Pacific Holding Pte Ltd.	FALL IN CAT.# 6	4,716,216	24.99
CDC - Trustee National Investment (Unit) Trust	FALL IN CAT.# 9	1,647,310	8.73
Aylesbury International Ltd.	FALL IN CAT.# 10	1,548,715	8.21
Robert Finance Corporation AG	FALL IN CAT.# 10	1,105,169	5.86
TOTAL		9,017,410	47.78

Detail of trading in the shares by the Directors, Executive and their spouses and minor children:

None of the Directors, Executives and their spouses and minor children has traded in the shares of the Company during the year of the company.

NO. OF SHAREHOLDERS	SIZE OF HOLDING		TOTAL SHARES HELD
	FROM	TO	
569	1	100	17,571
354	101	500	101,468
158	501	1000	129,234
210	1001	5000	481,874
48	5001	10000	342,517
22	10001	15000	279,592
14	15001	20000	254,883
8	20001	25000	187,896
3	25001	30000	85,500
2	30001	35000	66,622
3	35001	40000	113,851
3	45001	50000	145,584
1	50001	55000	54,000
3	55001	60000	175,597
2	60001	65000	123,323
1	65001	70000	67,855
1	70001	75000	74,200
2	75001	80000	151,749
1	80001	85000	82,317
5	95001	100000	497,437
1	110001	115000	113,500
1	115001	120000	119,500
4	120001	125000	489,800
1	135001	140000	135,311
1	155001	160000	159,300
2	160001	165000	325,304
1	190001	195000	195,000
1	200001	205000	201,300
1	235001	240000	240,000
1	245001	250000	250,000
1	300001	305000	303,000
1	320001	325000	322,000
4	385001	390000	1,547,832
1	400001	405000	403,100
1	795001	800000	800,000
1	815001	820000	816,986
1	1105001	1110000	1,105,169
1	1545001	1550000	1,548,715
1	1645001	1650000	1,647,310
1	4715001	4720000	4,716,216
1,437			18,872,413

NOTICE OF 40TH ANNUAL GENERAL MEETING

dynea

NOTICE is hereby given that the Fortieth (40th) Annual General Meeting of the Members of the Company will be held on Thursday, October 20, 2022 at 12:00 pm at the Auditorium of Institute of Chartered Accountants of Pakistan, Chartered Accountants Avenue, Clifton, Karachi to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended June 30, 2022 together with the Chairman's Review Report and Reports of the Directors' and Auditors' thereon.
2. To approve, as recommended by the Board of Directors, the payment of final cash dividend for the year ended June 30, 2022 at Rs. 7.50 per shares i.e. 150%.
3. To appoint Auditors for the year 2022-2023 and to fix their remuneration. The present auditors - Messrs. EY Ford Rhodes, Chartered Accountants, being eligible offer themselves for re-appointment.

By Order of the Board

Karachi:
September 13, 2022

Mujtaba Hassan Ghanchi
Company Secretary

NOTES:

1. Book Closure

The share transfer books of the Company will be closed from October 13, 2022 to October 20, 2022 (both days inclusive) for the purpose of the Annual General Meeting and payment of the final dividend. Transfer requests received by M/s. FAMCO Associates (Private) Limited, 8-F Next to Hotel Faran, Nursery, Block-6, P.E.C.H.S., Shahrah-e-Faisal, Karachi. Tel: 0092-21-34380101-5, 34384621-3 (Ext-103) Fax: 0092-21-34380106, the Share Registrar of the Company at the close of business on October 12, 2022 will be treated in time for the purpose of determining above entitlement to the transferees for payment of final dividend and to attend the Annual General Meeting.

2. A) Attending the Meeting

- i) In case of individuals, the account holder or sub-account holder and / or the person whose securities and registration details as uploaded as per the Regulations, shall authenticate their identity by showing their original Computerized National Identity Card ("CNIC") or original passport at the time of attending the meeting.
- ii) In case of a corporate entity, the Board of the Director's resolution / power of attorney with specimen signature of the nominee shall be produced at the time of the meeting.

B) Appointment of Proxy

A member entitled to attend and vote at this General Meeting is entitled to appoint a Proxy to attend, speak and vote in his place at the Meeting. Instrument appointing a proxy must be deposited at the Registered Office of the Company or at the above mentioned address of Company's Share Registrar at least 48 (forty-eight) hours before the time of the meeting, alongwith attested copy of CNIC of the shareholder appointed as Proxy. For the convenience of shareholders, proxy forms (both in English and Urdu) are enclosed with this notice and also available on the company's website www.dynea.com.pk.

In the case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee along with his / her CNIC shall be provided at least 48 (forty-eight) hours before the time of the meeting. The individual members or representatives of corporate members of the Company in CDC must bring original CNIC or Passport and CDC Account and Participant ID Numbers to prove identity and verification at the time of the meeting.

CDC Account Holders will further have to follow the guidelines as laid down in Circular No. 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.

C) Virtual Participation in the AGM Proceedings

Shareholders interested in attending the AGM virtually are hereby advised to get themselves registered with the company by providing the following information through email at **agm2022@dynea.com.pk**.

Name of Shareholder	CNIC No.	Folio No. / CDC Account No.	No. of Shares	Contact No.	Email Address
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Online meeting link and login credentials will be shared with only those Members whose emails, containing all the required particulars, are received at the given email address by **05:00 pm on Wednesday, October 19, 2022**. The login facility shall remain open from 11:45 am till the end of the meeting. Shareholders can also provide their comments and questions for the agenda items of the AGM on **agm2022@dynea.com.pk** by October 13, 2022.

D) Consent for Video Conference Facility

Pursuant to Section 132(2) of the Companies Act, 2017, Members may avail video conference facility for this AGM, provided the Company receives consent from the members residing in a city holding aggregate 10% or more shareholding at least 7 days prior to the date of the meeting.

In this regard, please send a duly signed request as per the following format at the registered office of the Company within prescribed timeline.

<p>I / We, _____ of _____ being a member of Dynea Pakistan Limited holder of _____ Ordinary Share(s) as per Register Folio No. _____ hereby opt for video conference facility at _____.</p> <p>_____ Signature of member</p>
--

The Company will intimate members regarding venue of video conferencing facility at least 5 days before the date of Annual General Meeting along with complete information necessary to enable them to access such facility.

3. A) Withholding Tax on Dividend

Currently, the deduction of withholding tax on the amount of dividend paid by the companies under section 150 read with division I of Part III of the First Schedule of the Income Tax Ordinance, 2001, are as under:

- | | |
|--|-----|
| (i) For Persons appearing in Active Tax Payer List (ATL): | 15% |
| (ii) For Persons not appearing in Active Tax Payer List (ATL): | 30% |

Shareholders who have filed their return are advised to make sure that their names are entered into latest Active Tax Payers List (ATL) provided on the website of FBR at the time of dividend payment, otherwise they shall be treated as persons not appearing in ATL and tax on their cash dividend will be deducted at the rate of 30% instead of 15%.

B) Withholding tax on Dividend in Case of Joint Account Holders

In order to enable the Company to follow the directives of the regulators to determine shareholding ratio of the Joint Account Holder(s) (where shareholding has not been determined by the Principal shareholder) for deduction of withholding tax on dividend of the Company, shareholders are requested to please furnish the shareholding ratio details of themselves as Principal shareholder and their Joint Holders, to the Company's Share Registrar, enabling the Company to compute withholding tax of each shareholder accordingly. The required information must reach the Company's Share Registrar by October 12, 2022, otherwise each shareholder will be assumed to have equal proportion of shares and the tax will be deducted accordingly.

C) Payment of Cash Dividend Electronically (E-mandate)

In accordance with the provisions of section 242 of the Companies Act, 2017 and Companies (Distribution of Dividend) Regulations, 2017, it is mandatory that dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholder. Notice in this regard has already been published earlier in newspapers as per Regulations. All shareholders are once again requested to provide details of their bank mandate specifying: (i) title of account, (ii) IBAN number (iii) bank name and (iv) branch name, code & address; to Company's Share Registrar. Shareholders who hold shares with Participants / Central Depository Company of Pakistan (CDC) are advised to provide the mandate to the concerned Broker / CDC. In absence of the complete bank details, including IBAN mentioned above the company shall withhold the Dividend under the provision of Section 243 of the Companies Act, 2017. The "Electronic Dividend Mandate Form" in English and Urdu is available on the Company's website: **www.dynea.com.pk**.

D) Unclaimed Dividends and Share Certificates

The Company has previously discharged responsibility under Section 244 of the Companies Act, 2017, whereby the Company approached shareholders to claim their unclaimed dividends and undelivered share certificates in accordance with the law.

Any Shareholders whose dividends and share certificates are still unclaimed/undelivered, are hereby once again requested to approach the Company with all necessary details immediately, to claim their outstanding dividend amounts and/or undelivered share certificates. In case no claim is received, the Company shall proceed to comply in accordance with the applicable law.

4. Distribution of Annual Report through Email (Optional)

Pursuant to the provisions of section 223(6) of the Companies Act, 2017, the companies are permitted to circulate their annual financial statements, along with Auditor's Report, Directors' Report etc. ("Annual Report") and the notice of annual general meeting ("Notice"), to its shareholders by email. Shareholders of the Company who wish to receive the Company's Annual Report and Notice of Annual General Meeting by email are requested to provide the completed Electronic Communication Consent Form (available on the Company's website), to the Company's Share Registrar.

The audited financial statements of the Company for the year ended June 30, 2022 have been made available on the Company's website **www.dynea.com.pk** in addition to annual and quarterly financial statements for prior years.

5. Conversion of Physical Shares into Book-Entry Form

As per Section 72 of the Companies Act, 2017 all listed companies are required to replace shares issued by them in physical form to book-entry form within four years of the promulgation of the Companies Act, 2017.

Accordingly, all shareholders of Dynea Pakistan Limited having physical folios/share certificates are requested to convert their shares into book-entry form at the earliest. Maintaining shares in book-entry form will make the process of share handling more efficient and risk free and will facilitate shareholders in the safe custody of shares. Shareholders may contact the Company or Share Registrar, M/s. FAMCO Associates (Private) Limited for the conversion of physical shares into book-entry form.

6. Submission of copies of CNIC not provided earlier

Individual Shareholders are once again reminded to submit a copy of their valid CNIC, if not provided earlier to the Company's Share Registrar, in case of non-availability of a valid copy of Shareholders' CNIC in the records of the Company, the Company shall withhold the Dividend under the provisions of Section 243 of the Companies Act, 2017.

7. Change of Address

The Shareholders are requested to immediately notify the change in their mailing address, if any, to the Company's Share Registrar. In case of Corporate entity, the shareholders are requested to promptly notify change in their particulars of their authorized representative, if applicable.

8. Website

The Notice of Annual General Meeting has been placed on the Company's website **www.dynea.com.pk** in addition to its dispatch to the shareholders.

۴۔ سالانہ رپورٹ کی بذریعہ ای میل تقسیم (اختیاری)

کمپنیز ایکٹ، ۲۰۱۷ کے سیکشن ۲۲۳ (۶) کی شق کے مطابق کمپنیز کو اجازت دی جاتی ہے کہ وہ اپنے سالانہ مالیاتی حسابات بشمول آڈیٹرز رپورٹ اور ڈائریکٹرز رپورٹ وغیرہ (سالانہ رپورٹ) اور سالانہ اجلاس عام کی اطلاع (نوٹس) اپنے شیئر ہولڈرز کو بذریعہ ای میل ارسال کر سکتے ہیں۔ کمپنی کے ایسے شیئر ہولڈرز جو کمپنی کی سالانہ رپورٹ اور سالانہ اجلاس عام کے نوٹس بذریعہ ای میل وصول کرنے کے خواہشمند ہوں، ان سے درخواست ہے کہ وہ (کمپنی کی ویب سائٹ پر دستیاب) الیکٹرونک کیونٹیکشن کنسنیٹ فارم کو پُر کر کے کمپنی کے شیئر رجسٹرار کو ارسال کر دیں۔

۳۰ جون ۲۰۲۲ء کو ختم ہونے والے سال کیلئے کمپنی کے آڈٹ شدہ مالیاتی حسابات کمپنی کی ویب سائٹ www.dynea.com.pk پر گزشتہ سالوں کے لئے سالانہ اور سہ ماہی مالیاتی حسابات کے ساتھ دستیاب ہیں۔

۵۔ فزیکل شیئرز کی بک اینٹری کی صورت میں منتقلی

کمپنیز ایکٹ، ۲۰۱۷ کے سیکشن ۷۲ کے مطابق تمام لسٹڈ کمپنیوں کے لئے یہ لازم ہے کہ وہ کمپنیز ایکٹ، ۲۰۱۷ کے نافذ العمل ہونے کی تاریخ سے ۴ سال کے اندر ان کی جانب سے فزیکل صورت میں جاری کردہ شیئرز کو بک اینٹری کی شکل میں تبدیل کریں۔

اس کے مطابق ڈانیا پاکستان لمیٹڈ کے ان تمام شیئر ہولڈرز کو جو فزیکل فوئیوز/شیئر سرٹیفیکیٹس کے حامل ہیں، ان سے درخواست کی جاتی ہے کہ وہ اپنے شیئرز کو جلد از جلد بک اینٹری کی صورت میں تبدیل کرائیں۔ بک اینٹری کی صورت میں شیئرز ہونے سے شیئرز رکھنے کا عمل مزید بہتر اور خطرات سے پاک ہو جائے گا اور شیئر ہولڈرز کو شیئرز کی محفوظ تحویل کی سہولت بھی حاصل ہو جائے گی۔ شیئر ہولڈرز اپنے فزیکل شیئرز کی بک اینٹری کی صورت میں منتقلی کے لئے کمپنی یا اس کے شیئر رجسٹرار، میسرز فیکو ایسوسی ایٹس (پرائیویٹ) لمیٹڈ سے رابطہ کر سکتے ہیں۔

۶۔ سی این آئی سی کی نقول کا جمع کرانا اگر پہلے فراہم نہ کی گئی ہوں

انفرادی شیئر ہولڈرز کو ایک بار پھر یاد دہانی کرائی جاتی ہے کہ اپنے کارآمد سی این آئی سی کی ایک کاپی جمع کرادیں اگر یہ پہلے کمپنی کے شیئر رجسٹرار کو جمع نہیں کرائی گئی، شیئر ہولڈرز کے کارآمد سی این آئی سی کی کاپی کمپنی کے ریکارڈز میں عدم دستیابی کی صورت میں کمپنیز ایکٹ، ۲۰۱۷ کے سیکشن ۲۲۳ کی شقوں کے تحت منافع منقسمہ کو روک لے گی۔

۷۔ پتے کی تبدیلی

شیئر ہولڈرز سے درخواست کی جاتی ہے کہ اپنے ڈاک کے پتوں میں کسی بھی تبدیلی، اگر کوئی ہو، سے فوری طور پر کمپنی کے شیئر رجسٹرار کو مطلع فرمائیں۔ کارپوریٹ ادارے کی صورت میں شیئر ہولڈرز سے درخواست ہے کہ اپنے مجاز نمائندے کے کوائف میں کسی بھی تبدیلی، اگر لاگو ہو، سے فوری طور پر مطلع کریں۔

۸۔ ویب سائٹ

سالانہ اجلاس عام کی اطلاع شیئر ہولڈرز کو ارسال کرنے کے علاوہ کمپنی کی ویب سائٹ www.dynea.com.pk پر فراہم کی جا رہی ہے۔

۳۔ (اے) منافع منقسمہ پرود ہولڈنگ ٹیکس

موجودہ طور پر کمپنیز کی جانب سے ادا کی جانے والی منافع منقسمہ کی رقم پرود ہولڈنگ ٹیکس کی کٹوتی زبردفعہ ۱۵۰ ساتھ ملا کر پڑھیں انکم ٹیکس آرڈیننس، ۲۰۰۱ء کے فرسٹ شیڈول کے ڈویژن ۱ بابت III کے مطابق درج ذیل کے تحت کی جاتی ہے:

(i) ایکٹو ٹیکس پیئر لسٹ (اے ٹی ایل) پر موجود افراد کے لئے ۱۵ فیصد

(ii) ایکٹو ٹیکس پیئر لسٹ (اے ٹی ایل) پر موجود نہ ہونے والے افراد کے لئے ۳۰ فیصد

وہ شیئر ہولڈرز جو اپنے گوشوارے داخل کر چکے ہوں انہیں ہدایت کی جاتی ہے کہ وہ اپنے ناموں کی ایف بی آر کی ویب سائٹ پر فراہم کردہ تازہ ترین ٹیکس پیئر لسٹ (اے ٹی ایل) پر موجودگی کو منافع منقسمہ کی ادائیگی کے وقت یقینی بنائیں بصورت دیگر انہیں اے ٹی ایل پر موجود نہ ہونے والا فرد تصور کیا جائے گا اور ان کے نقد منافع منقسمہ پر ۱۵ فیصد کے بجائے ۳۰ فیصد کی شرح سے کٹوتی کی جائے گی۔

بی) جوائنٹ اکاؤنٹ ہولڈرز کی صورت میں منافع منقسمہ پرود ہولڈنگ ٹیکس

کمپنی کو ریگولیٹرز کی ہدایات پر عمل کرتے ہوئے جوائنٹ اکاؤنٹ ہولڈر (ہولڈرز) کے شیئر ہولڈنگ کے تناسب کا تعین (جہاں پرنسپل شیئر ہولڈرز کی جانب سے شیئر ہولڈنگ کا تعین نہ کیا گیا ہو) برائے کمپنی کے منافع منقسمہ پرود ہولڈنگ ٹیکس کی کٹوتی کے سلسلے میں شیئر ہولڈرز سے درخواست ہے کہ وہ اپنے پاس موجود شیئر ہولڈنگ کے تناسب کی تفصیل بطور پرنسپل شیئر ہولڈرز ان کے مشترکہ ہولڈرز کمپنی کے شیئر رجسٹرار کو فراہم کر دیں تاکہ کمپنی اس کے مطابق ہر ایک شیئر ہولڈر کے ود ہولڈنگ ٹیکس کا تعین کر سکے۔ مطلوبہ معلومات لازماً کمپنی کے شیئر رجسٹرار کو ۱۲ اکتوبر ۲۰۲۲ء تک موصول ہو جائیں بصورت دیگر ہر ایک شیئر ہولڈر کو شیئر کے مساوی تعداد کا حامل تصور کیا جائے گا اور اس کے مطابق ٹیکس کی کٹوتی کی جائے گی۔

سی) نقد منافع منقسمہ کی الیکٹرانیک ادائیگی (ای۔ مینڈیٹ)

کمپنیز ایکٹ ۲۰۱۷ء کے سیکشن ۲۴۲ کی شقوں اور کمپنیز (منافع منقسمہ کی تقسیم) ریگولیشنز، ۲۰۱۷ء کے مطابق یہ لازم ہے کہ نقد کی صورت میں قابل ادائی منافع منقسمہ صرف بذریعہ الیکٹرانک طریقہ کار براہ راست استحقاق کے حامل شیئر ہولڈرز کی جانب سے نامزد کردہ بینک اکاؤنٹ میں جمع کرایا جائے۔ اس سلسلے میں ضوابط کے تحت اخبارات میں نوٹسز پہلے ہی شائع کرائے جا چکے ہیں۔ تمام شیئر ہولڈرز کو ایک بار پھر مطلع کیا جاتا ہے کہ وہ اپنے بینک مینڈیٹ کی تفصیلات جس میں (i) اکاؤنٹ کا ٹائٹل (ii) آئی بی اے این (iii) بینک کا نام (iv) برانچ کا نام، کوڈ اور پتہ شامل ہو، کمپنی کے شیئر رجسٹرار کو فراہم کر دیں۔ ایسے شیئر ہولڈرز جو پارٹنرس/سینٹل ڈپازٹری کمپنی آف پاکستان (سی ڈی سی) کے پاس شیئرز کے حامل ہوں، ان کو آگاہ کیا جاتا ہے کہ وہ اپنا مینڈیٹ متعلقہ بروکر/سی ڈی سی کو فراہم کر دیں۔ مکمل بینک تفصیلات بشمول آئی بی اے این کی عدم موجودگی میں کمپنی مذکورہ بالا کمپنیز ایکٹ، ۲۰۱۷ء کے سیکشن ۲۴۳ کی شق کے تحت منافع منقسمہ روک لے گی۔ ”الیکٹرونک ڈیویڈنڈ مینڈیٹ فارم“ انگریزی اور اردو دونوں میں کمپنی کی ویب سائٹ www.dynea.com.pk پر دستیاب ہے۔

ڈی) غیر کلیم کردہ منافع منقسمہ اور شیئر سرٹیفکیٹس

کمپنی اس سے قبل بھی کمپنیز ایکٹ، ۲۰۱۷ء کے سیکشن ۲۴۴ کے تحت اپنی ذمہ داری سے عہدہ براہ ہو چکی ہے جس کے ذریعہ کمپنی نے شیئر ہولڈرز سے رابطہ کر کے ان کو قانون کے مطابق ان کے غیر کلیم کردہ منافع منقسمہ اور غیر موصول شدہ شیئر سرٹیفکیٹس کے کلیم کرنے کی ہدایت کی تھی۔

کوئی بھی شیئر ہولڈرز جن کے منافع منقسمہ اور شیئر سرٹیفکیٹس ابھی تک غیر کلیم کردہ/غیر ترسیل شدہ ہوں، ان سے بذریعہ الیکٹرانک بار پھر درخواست کی جاتی ہے کہ تمام تضروری تفصیلات کے ساتھ فوری طور پر اپنی واجب الادا منافع منقسمہ کی رقومات اور/یا غیر ترسیل شدہ سرٹیفکیٹس کے کلیم کے لئے رابطہ کریں۔ اگر مقررہ مدت کے اندر کمپنی کو کوئی کلیم موصول نہ ہوا تو کمپنی مروجہ قوانین کے مطابق اس پر مزید کارروائی کرے گی۔

بذریعہ اطلاع دی جاتی ہے کہ کمپنی کے ممبران کا ۴۰ واں سالانہ اجلاس عام بروز جمعرات ۲۰ اکتوبر ۲۰۲۲ء کو دن کے ۱۲:۰۰ بجے بمقام انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (آئی سی اے پی) آڈیٹوریم، چارٹرڈ اکاؤنٹنٹس ایونیو، کلھٹن، کراچی میں مندرجہ ذیل امور کی انجام دہی کے لئے منعقد کیا جائے گا:

عمومی کارروائی

- ۱۔ ۳۰ جون ۲۰۲۲ء کو ختم ہونے والے سال کیلئے کمپنی کے آڈٹ شدہ حسابات مع ان پریچیز مین کی جائزہ رپورٹ، ڈائریکٹرز اور آڈیٹرز کی رپورٹس کی وصولی غور و خوض اور منظوری۔
- ۲۔ ۳۰ جون ۲۰۲۲ء کو ختم ہونے والے سال کیلئے بورڈ آف ڈائریکٹرز کی سفارش کے مطابق حتمی نقد منافع منقسمہ بشرح ۷۵۰ روپے فی شیئر یعنی ۱۵۰ فیصد ادائیگی کی منظوری دینا۔
- ۳۔ برائے سال ۲۰۲۲ء-۲۰۲۳ء آڈیٹرز کا تقرر اور ان کے معاوضے کا تعین۔ موجودہ آڈیٹرز میسرز ای وائی فورڈر ہوڈز، چارٹرڈ اکاؤنٹنٹس اہل ہونے کی بناء پر خود کو دوبارہ تقرری کے لئے پیش کرتے ہیں۔

حسب الحکم بورڈ

مجتبیٰ حسن گھانچي

کمپنی سیکریٹری

کراچی:

۱۳ ستمبر ۲۰۲۲ء

نوٹ:

۱۔ بکس کی بندش

کمپنی کی شیئر ٹرانسفر بکس ۱۳ اکتوبر ۲۰۲۲ء تا ۲۰ اکتوبر ۲۰۲۲ء (بشمول دونوں ایام) سالانہ اجلاس عام اور حتمی منافع منقسمہ کی ادائیگی کے مقاصد کے لئے بند رہیں گی۔ ہمارے شیئر رجسٹرار، میسرز فیمکو ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، 8-F، متصل ہوٹل فاران، نرسری، بلاک-6، پی ای سی ایچ ایس، شاہراہ فیصل، کراچی۔ فون: 5-34380101 (92-21)، 3-34384621 (ایکسٹینشن 103)، فیکس: 106-34380106 (92-21) پر ۱۲ اکتوبر ۲۰۲۲ء کو کاروباری اوقات کے اختتام تک موصول ٹرانسفر حتمی منافع منقسمہ کی ادائیگی اور سالانہ اجلاس عام میں شرکت کے لئے ٹرانسفریز کے تعین کے مقصد کیلئے بروقت تصور کئے جائیں گے۔

۲۔ (اے) اجلاس میں شرکت کرنا

- i انفرادی اکاؤنٹ ہولڈر یا ضمنی اکاؤنٹ ہولڈر اور/یا ایسے افراد جن کی سیکورٹیز اور رجسٹریشن تفصیلات ریگولیشنز کے مطابق اپ لوڈ کر دی گئی ہوں، انہیں اجلاس میں شرکت کے وقت اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ ("سی این آئی سی") یا اصل پاسپورٹ پیش کرنا ہوگا۔
- ii کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی مع نامزد کردہ کے نمونہ دستخط اجلاس میں شرکت کے وقت فراہم کرنا ہوں گے۔

(بی) پراکسی کا تقرر

اجلاس عام میں شرکت کرنے اور ووٹ دینے کا استحقاق رکھنے والا کوئی بھی ممبر اجلاس میں اپنی جگہ شرکت کرنے، بولنے اور ووٹ دینے کیلئے ایک پراکسی کا تقرر کر سکتا ہے۔ پراکسی کے تقرر کی دستاویز لازمی طور پر کمپنی کے رجسٹرڈ آفس میں یا کمپنی کے شیئر رجسٹرار کے مذکورہ بالا پتے پر اجلاس کے مقررہ وقت سے کم از کم ۴۸ (اٹتالیس) گھنٹے قبل پراکسی کی حیثیت کے تقرر کرنے والے شیئر ہولڈر کی سی این آئی سی کی مصدقہ کاپی کے ہمراہ موصول ہو جائے۔ شیئر ہولڈرز کی سہولت کیلئے پراکسی فارم (انگریزی اور اردو دونوں میں) نوٹس ہذا کے ساتھ منسلک کیے گئے ہیں اور کمپنی کی ویب سائٹ www.dynea.com.pk پر بھی دستیاب ہیں۔

آڈیٹرز کا تقرر

سکدوش ہونے والے آڈیٹرز میسرز EY فورڈرہورڈز، چارٹرڈ اکاؤنٹینٹس نے اہل ہونے کی بنا پر آئندہ سال کیلئے خود کو دوبارہ تقرری کے لئے پیش کیا ہے۔ انہیں انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹینٹس آف پاکستان کے کوالٹی کنٹرول ریویو پروگرام کے تحت اطمینان بخش درجہ بندی دی گئی ہے۔ ڈائریکٹرز نے بھی آنے والے سال کیلئے ان کی دوبارہ تقرری کی سفارش کی ہے۔

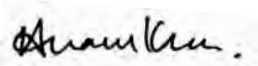
چیئر مین کا جائزہ

کمپنی کے ڈائریکٹرز چیئر مین کے جائزے، کمپنی کی مجموعی کارکردگی کے ساتھ معاملت، مستقبل کے منظر نامے اور بورڈ کی کارکردگی اور اس کے موثر ہونے کے حوالے سے تمام تر مشتملات کی توثیق کرتے ہیں۔

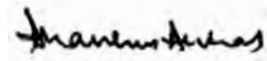
اعتراف

ڈائریکٹرز رواں مالیاتی سال کیلئے اطمینان بخش نتائج کے حصول میں بھرپور شراکت کیلئے تمام اسٹیک ہولڈرز بالخصوص صارفین اور کمپنی کے ملازمین کے بھرپور تعاون کیلئے ان کو خراج تحسین پیش کرتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے



انعم فاطمہ خان
ڈائریکٹر



شبیر عباس
چیف ایگزیکٹو آفیسر

کراچی: 13 ستمبر 2022

نوٹ:

- جناب مرتضیٰ لال نے یکم ستمبر 2021 کو استعفیٰ دے دیا تھا اور جناب طارق احمد کو مورخہ 7 ستمبر 2021 کو ان کی جگہ تعینات کر دیا گیا تھا۔
- جناب امین محمد بندوکدہ نے بورڈ کے لئے دوبارہ انتخاب میں حصہ نہیں لیا جو 28 جون 2022 کو منعقد کیے گئے تھے اور لہذا ان کو 29 جون 2022 سے ریٹائرڈ تصور کر لیا گیا، بورڈ نے کمپنی کے لئے ان کی قابل قدر خدمات کا اعتراف کیا اور ان کی جگہ مسٹر لیکن سنگ کو منتخب کر لیا گیا۔

13 آڈٹ کمیٹی نے 14 اجلاس طلب کئے اور ان میں متعلقہ ڈائریکٹرز کی شرکت درج ذیل کے مطابق رہی:

نمبر شمار	ڈائریکٹرز کے نام	اجلاسوں میں شرکت
1	جناب عدنان آفریدی (چیئر مین)	4/4
2	جناب ڈوئلڈ جان جینکن	4/4
3	جناب عنید لیب علوی	4/4

14 انسانی وسائل اور معاوضہ کمیٹی نے 11 اجلاس طلب کیا اور اس میں متعلقہ ڈائریکٹرز کی شرکت درج ذیل کے مطابق رہی:

نمبر شمار	ڈائریکٹرز کے نام	اجلاسوں میں شرکت
1	جناب عنید لیب علوی (چیئر مین)	1/1
2	جناب ڈوئلڈ جان جینکن	1/1
3	محترمہ انعم فاطمہ خان	1/1
4	جناب امین محمد بندوکدہ	0/1

جناب امین محمد بندوکدہ 28 جون 2022 کو ریٹائر ہو گئے تھے، اور جناب شبیر عباس کو ان کی جگہ منتخب کر لیا گیا تھا۔

15 بورڈ اور اس کی تمام کمیٹیوں کے اجلاس COVID-19 (کورونا وائرس) کی وبائی صورتحال کے باعث وڈیو کانفرنسنگ کے ذریعے منعقد کیے گئے تھے۔

وینڈفیس اور پرمٹ فیس کیس

ایکسٹراورٹیکسیشن ڈپارٹمنٹ، حکومت سندھ (دی ڈپارٹمنٹ) نے فارمل ڈی ہائیڈ کی تیاری میں کمپنی کی جانب سے استعمال کئے جانے والے ایک اہم خام میٹریل میٹھانول پر فروخت اور اجازت کی فیس لاگو کی ہے۔ کمپنی نے ان لیویز کو لاگو کرنے کے خلاف ایک پٹیشن معزز سندھ ہائی کورٹ (ایچ سی ایس) میں اگست 1996 میں دائر کی تھی۔ جون 2001 میں معزز سندھ ہائی کورٹ نے کمپنی کے حق میں کیس کا فیصلہ دے دیا تھا۔ تاہم ڈپارٹمنٹ نے مذکورہ حکم نامے کے خلاف معزز سپریم کورٹ آف پاکستان (ایس سی پی) میں ایک اپیل داخل کر دی۔ معزز سپریم کورٹ آف پاکستان نے سندھ ہائی کورٹ کے فیصلے کو معطل کر دیا اور سندھ ہائی کورٹ کو از سر نو سماعت کیلئے کیس دوبارہ واپس بھیج دیا۔ مارچ 2003 میں معزز سندھ ہائی کورٹ نے کمپنی کے حق میں کیس کا فیصلہ سنایا۔ ڈپارٹمنٹ نے ایک بار پھر معزز سپریم کورٹ آف پاکستان میں اپیل دائر کر دی ہے۔

دسمبر 2019 میں حکومت سندھ نے ایک درخواست دائر کی کہ محکمہ فوری اور منسلکہ پیلوں کیلئے دباؤ نہیں ڈال سکتا اور نوٹیفکیشن مورخہ 14 فروری 2002 کے بعد اور سندھ (ترمیمی) آرکائی آرڈیننس 2002 مورخہ 30 اکتوبر 2002 کے بعد تازہ ترین ڈیمانڈ کی جائے گی۔ اس کے علاوہ محکمہ 1990 سے اکتوبر 2002 تک کی مدت کیلئے انڈیمینٹی بانڈز کے ذریعے محفوظ ڈیمانڈ کو سرینڈر کرے گا۔ سپریم کورٹ نے ان شرائط پر دستبرداری کو قبول کر لیا۔ محکمہ کی جانب سے دوبارہ ڈیمانڈ کی وصولی کے تحت کمپنی کا ارادہ ہے کہ متعلقہ عدالت انصاف سے کیس کے دفاع کیلئے رابطہ کیا جائے۔ اب تک ایکسٹراورٹیکسیشن ڈپارٹمنٹ کی جانب سے کوئی ایسا مطالبہ نہیں کیا گیا ہے۔ قانونی مشیر کے نقطہ نظر کے مطابق اور معاملے کی خوبیوں کے پیش نظر کمپنی اپنے حق میں فیصلے کی توقع رکھتی ہے۔ اس کے مطابق کسی بھی مالی ذمہ داری کیلئے کوئی شق ان مالیاتی حسابات میں فراہم نہیں کی گئی ہے۔ بورڈ اور انتظامیہ پر اعتماد ہیں کہ کمپنی اپنی موجودہ حیثیت کے مطابق کام جاری رکھے گی۔

کوڈ آف کارپوریٹ گورننس

کمپنی کے ڈائریکٹرز اور انتظامیہ بہترین کارپوریٹ گورننس کیلئے پُر عزم ہیں۔ جیسا کہ کوڈ آف کارپوریٹ گورننس کے تحت لازم ہے، ڈائریکٹرز ہمسرت درج ذیل بیان جاری کر رہے ہیں:

- 1 کمپنی کی انتظامیہ کی جانب سے جاری کردہ مالیاتی حسابات کمپنی کے انتظامی امور، اس کے آپریشنز کے نتائج، کیش فلو اور ایکویٹی میں تبدیلی کو شفاف انداز میں واضح کرتے ہیں۔
- 2 کمپنی کے حسابات کی کتب باقاعدہ مرتب کی جاتی ہیں۔
- 3 مالیاتی حسابات کی تیاری میں موزوں اکاؤنٹنگ پالیسیاں مستقل طور پر لاگو کی جاتی ہیں اور اکاؤنٹنگ کے تخمینہ جات درست اور محتاط فیصلوں پر مبنی ہوتے ہیں۔
- 4 مالیاتی حسابات کی تیاری کی بنیاد بین الاقوامی فنانشل رپورٹنگ اسٹینڈرڈز کے طور پر استعمال کئے جاتے ہیں اور ان سے کسی بھی رُوگردانی کو مناسب طور پر بیان اور واضح کر دیا جاتا ہے۔
- 5 اندرونی کنٹرول کا نظام مستحکم ہے اور موثر طور پر نافذ العمل اور زیر نگرانی رہتا ہے۔
- 6 کمپنی کی صلاحیت کے بارے میں کوئی ایسا شبہ نہیں کہ یہ ترقی کے راستے پر گامزن ادارہ نہیں۔ اس سلسلے کی معلومات رپورٹ میں علیحدہ سے بیان کی گئی ہے۔
- 7 کارپوریٹ گورننس کی بہترین پریکٹس سے کوئی نمایاں رُوگردانی نہیں کی جاتی جیسا کہ لسٹنگ ریگولیشنز میں مفصل طور پر درج ہے۔ ہر ایک ڈائریکٹر اور ملازم کیلئے ایک ضابطہ اخلاق تیار اور انہیں فراہم کر دیا جاتا ہے۔
- 8 بورڈ آف ڈائریکٹرز نے وژن اور مشن اسٹیٹمنٹس رائج کر رکھے ہیں۔
- 9 ٹیکسز اور لیویز سے متعلق معلومات اکاؤنٹس کے نوٹس میں دی گئی ہیں۔
- 10 کمپنی کے پراویڈنڈ فنڈ اسکیم میں سرمایہ کاری کی مالیت جو 30 جون 2022 کو ختم ہونے والے سال کیلئے غیر آڈٹ شدہ حسابات پر مبنی ہے، وہ 103.22 ملین روپے پر موجود ہے۔
- 11 درج ذیل کے سلسلے میں بیانات منسلک ہیں:
 - i گزشتہ 6 سالوں کے لئے کلیدی فنانشل ڈیٹا۔
 - ii شیئر ہولڈنگ کا طریقہ کار
- 12 زیر جائزہ سال کے دوران بورڈ آف ڈائریکٹرز نے 6 مرتبہ اجلاس طلب کئے اور ان میں متعلقہ ڈائریکٹرز کی شرکت درج ذیل کے مطابق رہی:

نمبر شمار	ڈائریکٹرز کے نام	اجلاسوں میں شرکت
1	جناب ڈونلڈ جان جینکن (چیرمین)	6/6
2	جناب شبیر عباس	6/6
3	جناب امین محمد بندوکدہ	4/5
4	جناب عدنان آفریدی	6/6
5	محترمہ انعم فاطمہ خان	6/6
6	جناب عندلیب علوی	6/6
7	جناب طارق احمد	5/5
8	جناب لی کن سنگ	1/1

ہے اور اس پر موثر طریقے سے عملدرآمد اور نگرانی کی جارہی ہے۔ کمپنی کے ERP سسٹم کو SAP میں اپ گریڈ کرنے سے مالیاتی انتظام میں مزید بہتری آئے گی۔ ڈائریکٹرز مستقل طور پر اندرونی مالیاتی نظم و ضبط کے مناسب انتظام، اس کے موثر اور بروقت ہونے کی نگرانی کرتے رہتے ہیں۔

بورڈ آف ڈائریکٹرز اور اس کی کمیٹیوں کی کارکردگی کی جانچ پڑتال

لسڈیکٹیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے مطابق بورڈ اپنے انفرادی ممبران کی کارکردگی کی جانچ بورڈ بحیثیت مجموعی اور اپنی کمیٹیوں کی کارکردگی کا جائزہ لیتا ہے۔

مجموعی طور پر اس جانچ پڑتال کے نتائج مثبت رہے اور بورڈ کے ممبران نے محسوس کیا کہ بورڈ کے امور کمپنی کے آپریشنل امور کو خوش اسلوبی سے چلانے کے لئے موثر اور بہتر شراکت کے حامل ہیں۔

نان۔ ایگزیکٹو اور آڈائریکٹرز کیلئے معاوضہ پالیسی

بورڈ نے ڈائریکٹرز کے معاوضوں کے تعین کے لئے شفاف طریقہ کار کے ذریعے باقاعدہ ایک پالیسی تشکیل دی ہے۔ کوڈ آف کارپوریٹ گورننس کے مطابق کوئی ڈائریکٹر اپنے ذاتی معاوضے کے پیکیج کے تعین میں مداخلت نہیں کرتا جو کہ کمپنی کسی نان۔ ایگزیکٹو ڈائریکٹر کو اجلاس میں شرکت کیلئے اس کے بہترین ٹیلنٹ کے ضمن میں فیس کے طور پر ادا کرتی ہے۔ کمپنی کے معاوضے کی پالیسیاں موجودہ صنعت کے رجحانات اور کاروباری طریقہ کار کے لحاظ سے تشکیل دی جاتی ہیں۔

ایگزیکٹو ڈائریکٹرز کا معاوضہ

ڈائریکٹرز اور چیف ایگزیکٹو آفیسر کے معاوضوں کے سلسلے میں وضاحت مالیاتی حسابات کے نوٹ نمبر 41 میں بیان کی گئی ہے۔

ڈائریکٹرز ٹریننگ پروگرام

دوبارہ منتخب ہونے والے تمام ڈائریکٹرز باقاعدہ ڈائریکٹرز کے تربیتی پروگرام کی شرائط اور ریگولیشنز میں درج مقررہ اہلیت کے معیار پر پورا اُترتے ہیں۔

متعلقہ پارٹیوں کے ساتھ لین دین

تمام متعلقہ پارٹیوں کے ساتھ کمپنی کی جانب سے تمام تر معاملات کاروبار کے عمومی طریقہ کار کے مطابق کی جاتی ہے اور اس کی تمام تر وضاحت متعلقہ نوٹس کے تحت مالیاتی حسابات میں کردی گئی ہے۔

نمایاں تبدیلیاں اور معاہدے

کمپنی کے مالی سال کے اختتام سے لے کر متعلقہ بیلنس شیٹ اور رپورٹ کی تاریخ کے دوران ایسی کوئی اہم تبدیلی یا معاہدے نہیں کیے گئے جو کمپنی کی مالی پوزیشن پر اثر انداز ہوتے ہوں، ماسوائے ان کے جن کی وضاحت مالیاتی حسابات یا اس رپورٹ میں کردی گئی ہے۔

منافع منقسمہ اور اختصا

گزرے مالیاتی سال کے دوران کمپنی کی کارکردگی کے پیش نظر ڈائریکٹرز نے شیئرز ہولڈرز کے لئے 7.50 روپے فی شیئر یعنی 150 فیصد کی بطور حتمی منافع منقسمہ کی منظوری دی ہے۔ ڈائریکٹرز نے عمومی ریزرو کے لئے 300 ملین روپے کے ٹرانسفر کا بھی اعلان کیا ہے۔

کمپنی کے شیئرز کی تجارت

30 جون 2022 کو ختم ہونے والے سال کے دوران ڈائریکٹرز، ایگزیکٹو اور ان کے شریک حیات اور نابالغ بچوں کی جانب سے کمپنی کے شیئرز کی کوئی خرید و فروخت نہیں کی گئی ماسوائے ان کے جس کی وضاحت شیئرز ہولڈنگ کے پیٹرن میں کردی گئی ہے۔

ہمیں توقع ہے کہ درآمدی اشیاء پر مزید ڈیوٹیز یا محصولات عائد کیے جائیں گے، ٹیکس میں اضافہ ہوگا، اور مہنگائی مخالف اقدامات ہوں گے جن کی ہم پور طرح تلافی نہیں کر سکیں گے۔ زرمبادلہ کی شرح میں اتار چڑھاؤ اور لیٹر آف کریڈٹ کیلئے منظوری حاصل کرنے میں مشکلات بھی جاری رہنے کا امکان ہے، کیونکہ لاجسٹکس کے اخراجات میں اضافہ اور COVID-19 (کورونا وائرس) کے نتیجے میں چینی معیشت اور شپنگ میں رکاوٹوں کی وجہ سے ترسیل میں تاخیر، چین میں بجلی کی فراہمی میں رکاوٹیں اور عالمی سطح پر اعلیٰ توانائی کے اخراجات جاری ہیں۔ سپلائی کو برقرار رکھنے والی انتظامی ٹیم سپلائرز اور شپنگ کمپنیوں کے ساتھ موثر طور پر رابطے میں ہے تاکہ اہم خام مال مناسب طور پر ضرورت کے مطابق دستیاب رہے۔

انتظامیہ کو اس امر کا ادراک ہے کہ کمپنی کو کاروبار میں اندرونی اور بیرونی دونوں سطح پر مختلف نوعیت کے خطرات کا سامنا ہے۔ کمپنی خطرات سے نمٹنے کا ایک فعال میکانزم رکھتی ہے جو کہ ان خطرات کی نشاندہی کرتا ہے اور ان خطرات سے نمٹنے اور تدارک کے لئے مختلف ایکشن پلان بھی تشکیل دیتا ہے۔

مجموعی طور پر موجودہ معاشی اور موسمیاتی صورتحال نے کاروبار کے انتظامات کیلئے خطرات اور بے یقینی کو انتہائی درجہ پر پہنچا دیا ہے۔ بورڈ اور کمپنی کی انتظامیہ اپنی بہترین صلاحیتوں کو بروئے کار لاتے ہوئے ان متعدد اثرات کو کم کرنے کے لئے مناسب اقدامات کر رہی ہے۔

مستقبل کا جائزہ

COVID-19 (کورونا وائرس) اور ملک میں جاری مجموعی افراتفری کی صورتحال مستقبل قریب میں کمپنی کے آپریشنز کو متاثر کرنے کا سلسلہ جاری رکھے گی۔ اللہ تعالیٰ کے فضل و کرم سے کمپنی ایسی تمام صورتحال سے نمٹنے کی صلاحیت رکھتی ہے جو اسے درپیش ہوتی ہیں،

معاشی استحکام جاری رہنے اور COVID-19 (کورونا وائرس) کے اثرات کنٹرول میں رہنے کی صورت میں کمپنی اس امر پر مکمل یقین رکھتی ہے کہ اس کی انتظامی ٹیم اور فیکٹری کی افرادی قوت مشترکہ طور پر ہمارے صارفین کے کاروباروں کو مستحکم رکھتے ہوئے اس امر کو یقینی بنائیں گے کہ آنے والے سال میں بکری کے اہداف حاصل کر لئے جائیں۔

پلانٹ کی توسیع

ہماری مصنوعات کی طلب میں اضافے کو مد نظر رکھتے ہوئے کمپنی نے اس سال کے دوران گدون فیکٹری میں اپنی مولڈنگ کمپاؤنڈ کی گنجائش میں توسیع کی ہے۔ انتظامیہ، افسران، انجینئرز اور کمپنی کے محنت کشوں کی مشق کو ششوں اور سپلائر سے تنصیب اور کمیشننگ کی ٹیم کے ساتھ اشتراک کے ذریعے اس امر کو یقینی بنایا گیا کہ نیا پلانٹ بروقت کام شروع کر دے تاکہ صارفین کو سپلائی میں کسی قسم کی رکاوٹ نہ آئے۔ اپنے توسیعی پروگرام پر منحصر اور کارکردگی میں جاری برق رفتاری کے ساتھ کمپنی پر عزم ہے کہ آنے والے سالوں میں مزید کامیابیاں حاصل ہوں گی۔

شمسی توانائی پلانٹ

اسٹیٹ بینک آف پاکستان کی جانب سے کم لاگت کی سرمایہ کاری اور ٹیکس میں مراعات سے فائدہ اٹھاتے ہوئے بورڈ نے گدون میں شمسی توانائی سے بجلی بنانے کے لئے سہولت کے قیام میں سرمایہ کاری کی منظوری دی ہے۔ پروجیکٹ متوقع طور پر 2022-23 کی دوسری سہ ماہی تک کام کا آغاز کر دے گا جس سے کمپنی کے توانائی کے اخراجات میں کمی کے ساتھ ہمارے آپریشنل کارکردگی بہتر بنانے کے جاری پروگرام میں مزید بہتری آجائے گی۔

اندرونی مالیاتی کنٹرول کا انتظام

انٹرنل آڈٹ کی خدمات مستقل طور پر بیرونی ذرائع سے حاصل کی جا رہی ہیں۔ سال کے دوران انٹرنل اور ایکسٹرنل آڈیٹرز کے مادی نتائج کو انتظامیہ کی جانب سے ترجیحی بنیاد پر نمٹایا گیا اور ان کی حیثیت کو آڈٹ کمیٹی کے سہ ماہی اجلاسوں میں بھی زیر بحث لایا گیا۔

بورڈ فنانس، بینکنگ اور کاروباری انتظام کی مہارت کے حامل ڈائریکٹرز کی بہترین نمائندگی کا حامل ہے۔ اپنی جگہ پر موجود نظام اس امر کو یقینی بناتے ہیں کہ کمپنی کے آپریشنز کے تمام پہلوؤں کا مالیاتی انتظام انتہائی شفاف، دیانتداری اور مربوط انداز میں چلایا جا رہا ہے۔ پی ڈبلیو سی (PwC) کے لئے انٹرنل آڈٹ امور کی آؤٹ سورسنگ کمپنی کے آپریشنز کے ایک غیر جانبدار جائزہ فراہم کرنے کے ذریعے کاروبار کے مالیاتی نظام کو مزید استحکام فراہم کرتی ہے۔

جائزوں، مالیاتی رپورٹنگ کنٹرولز کی جاری جانچ اور سال کے دوران کیے گئے آڈٹس سے حاصل ہونے والے نتائج کی بنیاد پر کمپنی سمجھتی ہے کہ اندرونی کنٹرول کا موجودہ نظام کافی

کارپوریٹ سوشل ریسپانسیبیلیٹی (ادارہ جاتی سماجی ذمہ داری)

کمپنی صحت، تعلیم اور ماحولیات کے تحفظ کے اقدامات میں شرکت کے ذریعے سنجیدگی سے سماجی ماحول میں اپنی ذمہ داریاں ادا کر رہی ہے۔ کمپنی ایک طویل عرصے سے فیکٹریوں کے اطراف میں موجود آلودگی کی دیکھ بھال اور فلاح و بہبود میں بھرپور شراکت کرتی آئی ہے۔

کمپنی حب، بلوچستان میں جنسن ویلج کے اندر ایک بہترین پرائمری اسکول کو چلا رہی ہے۔ یہ اسکول ابتدائی طور پر کمپنی کے ملازمین کے بچوں کیلئے قائم کیا گیا تھا تاہم مقامی آبادی کے دیگر بچوں کو بھی اسکول میں داخلے کی اجازت دیدی گئی ہے۔ مزید برآں کمپنی منافع بعد از ٹیکس کا ایک فیصد خیراتی اداروں اور اسپتالوں کو دیتی ہے۔

آپریشنز

سال 2021-2022 کے لئے فروخت سے آمدن 9,536.32 ملین روپے رہی جبکہ اس کے مقابلے میں گزشتہ مالی سال 6,827.20 ملین روپے رہی تھی اور منافع قبل از ٹیکس 1,010.14 ملین روپے رہا جبکہ اس کے مقابلے میں گزشتہ سال 1,328.75 ملین روپے تھا۔

معیشت میں رکاوٹوں، زرمبادلہ کی شرح میں اتار چڑھاؤ اور جاری سپلائی چین کے مسائل کی وجہ سے بورڈ ان حالات میں حاصل شدہ نتائج اطمینان بخش سمجھتا ہے، اس دوران فرق کی جزوی وضاحت سال 2021 میں متوقع کریڈٹ خسارے کی واپسی کے ذریعے کی گئی ہے۔

الف۔ ریٹن (Resin) قسمت

سال 2021-2022 میں ریٹن قسمت کی مجموعی بکری 4,226.00 ملین روپے رہی جبکہ گزشتہ مالی سال میں 2,670.72 ملین روپے رہی تھی اور اس طرح 58 فیصد کا اضافہ ہوا۔ ریٹن قسمت کے شعبے سے نتائج 526.65 ملین روپے رہے جو کہ گزشتہ مالی سال کیلئے 418.71 ملین روپے رہے تھے۔

ب۔ مولڈنگ کمپاؤنڈ قسمت

سال 2021-2022 میں مولڈنگ کمپاؤنڈ قسمت کی بکری 5,310.32 ملین روپے رہی جبکہ اس کے مقابلے میں گزشتہ مالی سال کے دوران 4,156.48 ملین روپے رہی تھی اس طرح 28 فیصد کا اضافہ ہوا۔ مولڈنگ کمپاؤنڈ قسمت کے شعبے کے نتائج 853.79 ملین روپے رہے جو گزشتہ مالی سال میں 1,168.19 ملین روپے رہے تھے۔

مالیاتی کارکردگی

سال 2021-2022 کے لئے کمپنی کے مختصر مالیاتی نتائج درج ذیل ہیں:

---- (روپے ہزاروں میں) ----

2020-21	2021-22	
6,827,204	9,536,325	فروخت سے آمدنی
1,635,883	1,611,116	مجموعی منافع
1,328,754	1,010,140	منافع قبل از ٹیکس
938,609	621,504	منافع بعد از ٹیکس
49.73	32.93	آمدنی فی شیئر روپے میں

خطرات، بے یقینی کی صورتحال اور اس کا تدارک

ماحول میں COVID-19 (کورونا وائرس) کے خطرات سے نمٹنے کے شعور کے باوجود ابھی تک اس وبا کا خاتمہ نہیں کیا جاسکا ہے۔ COVID-19 (کورونا وائرس) کے باعث کاروباری صورتحال پر مضر اثرات کا امکان اب تک برقرار ہے۔ معاشی صورتحال میں جاری بحران اس وقت مزید بڑھ چکا ہے جیسا کہ ہم دیکھ رہے ہیں مولن سون کی شدید بارشوں کی وجہ سے سیلابی صورتحال کا سامنا ہے۔ خام مال اور اشیاء کی ترسیل سیلاب اور سڑکوں کے تباہ ہونے کی وجہ سے شدید متاثر ہو رہی ہیں۔

کاروباری جائزہ

اقتصادی ماحول

سال کے دوران پاکستان کو دنیا کی دیگر اہم کرنسیوں کے مقابلے میں روپے کی قدر میں کمی اور شرح سود میں اضافے سمیت متعدد چیلنجوں کا سامنا کرنا پڑا۔ معیشت میں طلب اور ترقی میں نمایاں حد تک سست روی دیکھی گئی، ان عناصر کے سبب حکومت نے معیشت کو مستحکم کرنے کے ضمن میں درج ذیل اقدامات کیے:

- تجارتی عدم توازن اور کرنٹ اکاؤنٹ خسارے کو کم کرنے کے لیے غیر ضروری اشیا کی درآمد کو بند کیا اور بعد ازاں سخت شرائط کے ذریعے پابندیاں عائد کی گئیں۔
- اس کے علاوہ اسٹیٹ بینک آف پاکستان نے بڑھتے ہوئے افراط زر کو کنٹرول کرنے اور سست روی کا شکار ترقی کے ضمن میں شرح سود کو 7.50 فیصد سے بڑھا کر 15 فیصد کر دیا۔
- مارکیٹ فورسز کے ساتھ ہم آہنگ ہونے کے لیے روپے کی قدر کم کرنے کی اجازت دی گئی۔
- حالیہ اعلان کردہ بجٹ میں کئی نئے ٹیکسز کے اقدامات تشکیل دیئے گئے اور یوٹیلٹی اور فوئل کے نرخوں میں اضافہ کیا گیا تاکہ بین الاقوامی مالیاتی فنڈ سے مالیاتی معاونت حاصل کی جاسکے۔

موجودہ سطح پر پاکستانی معیشت کو مومن سون بارشوں اور سیلاب کے نتیجے میں انتہائی کٹھن حالات اور چیلنجز کا سامنا ہے اور اس کے علاوہ کئی بیرونی عناصر بشمول روس یوکرین جنگ، عالمی سطح پر مہنگائی اور افراط زر اور ملک کے کنٹرول سے باہر معاشی و اقتصادی سست روی بھی ان عناصر میں شامل ہیں۔ جیسا کہ اوپر بیان کیا گیا کہ حکومت نے صورتحال کو سنبھالنے کے لئے کئی اقدامات کیے ہم ابھی تک ایسے نتائج حاصل نہ ہو سکے کہ یہ کہا جاسکے کہ پاکستان پائیدار ترقی کی جانب گامزن ہو گیا ہے۔

قومی خزانے میں حصہ

کمپنی نے زیر جائزہ سال کے لئے مختلف ٹیکسز اور لیویز کی صورت میں قومی خزانے میں 2,424 ملین روپے کی شراکت کی (2021-2020 میں 1,719 ملین روپے)۔

کمپنی کے امور اور بنیادی سرگرمیاں

بورڈ کے مقاصد میں اس امر کو یقینی بنانا شامل ہے کہ شیئرز ہولڈرز کو ایسے تمام اہم اُتار چڑھاؤ اور معاملات سے باخبر رکھا جائے جو کمپنی کے امور کو متاثر کرتی ہیں۔ شیئرز ہولڈرز کو تمام تر اطلاعات سالانہ رپورٹ اور عبوری سہ ماہی رپورٹس پاکستان اسٹاک ایکسچینج کے معلوماتی پورٹل کے ذریعے جب اور جہاں ضرورت ہو، باخبر رکھا جاتا ہے۔

بورڈ سالانہ اجلاس عام اور کارپوریٹ بریفنگ سیشنز میں شیئرز ہولڈرز کی شراکت کی حوصلہ افزائی کرتا ہے تاکہ شفافیت کی اعلیٰ سطح کو یقینی بنایا جائے۔ کمپنی کے تمام تر مالیاتی حسابات کمپنی کی ویب سائٹ (www.dynea.com.pk) پر دستیاب ہیں اور تمام شیئرز ہولڈرز کے استفسارات کا جواب دینے کیلئے ایک آفیسر کو نامزد کر دیا گیا ہے۔

کمپنی بنیادی طور پر فارمل ڈی ہائیڈ، فارمل ڈی ہائیڈ، میڈریشنز اور مولڈنگ کپاؤنڈ کی تیاری اور فروخت میں مصروف عمل ہے۔

صحت، تحفظ اور ان کے ماحول پر اثرات

صحت اور تحفظ کمپنی کیلئے ہمیشہ ترجیحات میں شامل ہیں اور ہم اپنے ملازمین کی صحت اور حفاظت کے بارے میں انتہائی سنجیدہ رہتے ہیں۔ ہمارے تمام ملازمین COVID-19 (کورونا وائرس) سے بچاؤ کے لئے ویکسی نیشن مکمل کرا چکے ہیں اور ہم ان ملازمین کی جانب بھر پور توجہ دیتے ہیں جو بد قسمتی سے وائرس سے متاثر ہو جاتے ہیں۔

شمسی توانائی پروجیکٹ کو پہلے بھی واضح کیا جا چکا ہے کہ یہ ہمارے کاربن کے اثرات کو مزید کم کرنے کے ساتھ دیگر شعبوں میں استعمال کے لئے دستیاب برقی توانائی کو بچائے گا اور ہم اپنے جاری فضلاتی ری سائیکلنگ پروگرام کو مزید توسیع دے رہے ہیں تاکہ ہماری کمپنی کے فضلے کی پیداوار کو کم کیا جائے۔

کمپنی کے فروغ کے ساتھ ساتھ ہم نے اپنے ایچ ایس ای مینجمنٹ سسٹم کا جائزہ بھی شروع کیا ہے تاکہ اپنی مستقبل کی ضروریات کو بہتر طور پر پورا کرنے کیلئے اسے اپ گریڈ کیا جائے۔

آپ کی کمپنی کے ڈائریکٹرز بمسرت 30 جون 2022 کو ختم ہونے والے مالی سال کیلئے سالانہ رپورٹ مع کمپنی کے آڈٹ شدہ مالیاتی حسابات پیش کر رہے ہیں۔

بورڈ کے ڈائریکٹرز

کمپنی کے بورڈ آف ڈائریکٹرز کی تفصیلات بیلنس شیٹ کی تاریخ پر درج ذیل ہے:

1	جناب ڈونلڈ جان جینکن - چیئرمین	نان - ایگزیکٹو
2	جناب شیر عباس - چیف ایگزیکٹو آفیسر	ایگزیکٹو
3	جناب عدنان آفریدی	آزاد
4	جناب عنید لیب علوی	آزاد
5	محترمہ انعم فاطمہ خان	آزاد
6	جناب طارق احمد	آزاد
7	جناب لی کن سنگ	نان - ایگزیکٹو

ڈائریکٹرز کی مجموعی تعداد 7 درج ذیل کے مطابق ہے:

a	مرد	6
b	خاتون	1

بورڈ کی تشکیل درج ذیل کے مطابق ہے:

i	آزاد ڈائریکٹرز	3
ii	خاتون آزاد ڈائریکٹر	1
iii	نان - ایگزیکٹو ڈائریکٹرز	2
iv	ایگزیکٹو ڈائریکٹر	1

بورڈ نے درج ذیل ممبران پر مشتمل کمیٹیاں تشکیل دی ہیں:

آڈٹ کمیٹی

جناب عدنان آفریدی	چیئرمین
جناب ڈونلڈ جان جینکن	ممبر
جناب عنید لیب علوی	ممبر

انسانی وسائل اور معاوضہ کمیٹی

جناب عنید لیب علوی	چیئرمین
جناب ڈونلڈ جان جینکن	ممبر
محترمہ انعم فاطمہ خان	ممبر
جناب شیر عباس	ممبر

اپنی صنعت کے اصول کے پیش نظر کمپنی کریڈٹ پر فروخت کر رہی ہے۔ غیر مستحکم کاروباری ماحول میں کریڈٹ کے مینجمنٹ پر توجہ بڑھادی گئی ہے، جبکہ کمپنی کا استحکام برقرار رکھنے کے ضمن میں کیش کی پوزیشن کو یقینی بنانے کے اقدامات بھی بروئے کار لائے جا رہے ہیں۔

نگرانی کا کردار

آڈٹ کمیٹی اور بورڈ نے ایک پروگرام پر عملدرآمد شروع کیا ہے جس کے ذریعے کمپنی کی پالیسیوں اور طریقہ کار کی ایک تعداد کو ان کے اجلاسوں میں جائزہ لینے اور اسے اپ ڈیٹ کرنے کے لئے پیش کیا جائے گا۔ کارپوریٹ گورننس پر عملدرآمد کو برقرار رکھنے کے لئے ایسے وقت میں کوششیں جاری ہیں جب ان کی ضرورت زیادہ تیزی کے ساتھ بڑھ رہی ہیں۔

معاونتی اور مشاورتی کردار

جیسا کہ اس جائزے میں پہلے بھی واضح کیا جا چکا ہے، ڈائریکٹرز اپنی خواہش کے مطابق اپنا وقت اور مہارت باقاعدگی سے فراہم کرتے ہیں اور یہ انتظامیہ کے لئے بہت اہم ہے۔ ایسے تمام امور کے لئے جو بورڈ اور انتظامیہ کی استعداد کار سے بڑھ کر ہوں ان کے لئے کمپنی بیرونی معاونتی خدمات حاصل کرتی ہے۔

چیئر پرسن کا کردار

میں بحیثیت چیئر مین اپنا کردار ایک لیڈر اور سہولت کار کے طور پر دیکھتا ہوں۔ میں پاکستان سے تعلق نہیں رکھتا اور COVID-19 (کورونا وائرس) نے پاکستان کے مسلسل دورے کرنے سے بھی مجھے روک رکھا ہے حالانکہ میں ایسا کرنا چاہتا ہوں۔ تاہم کوویڈ کے خطرات کم ہونے کے ساتھ ہی میرے دورے دوبارہ شروع ہو چکے ہیں جس کی وجہ سے میں بہتری کے کئی منصوبوں میں مزید معاونت فراہم کرنے کے قابل ہوں۔

سب سے بڑھ کر یہ کہ میں سمجھتا ہوں کہ 2021-22 کے مالی سال کے دوران کمپنی کی کارکردگی کا کریڈٹ انتظامیہ کو جاتا ہے۔ جو قطعی آسان نہیں تھا۔

میں اس موقع پر بحیثیت چیئر مین اپنے کردار پر اعتماد کرنے کے ضمن میں اپنے ساتھی ڈائریکٹرز کے بھروسے اور یقین پر ان کا شکر گزار ہوں، بورڈ آف ڈائریکٹرز کی جانب سے فراہم کی جانے والی ہدایات اور رہنمائی کا بھی بذریعہ ہذا اعتراف کرتے ہوئے ان کا مشکور ہوں۔

میں اس امر کا بھی شکریہ ادا کرتا ہوں کہ اس جائزے پر میرے دستخط شامل ہیں۔



ڈوئلڈ جان چینکن
چیئر مین

کراچی:

مورخہ 13 ستمبر 2022

بورڈ اسٹریکچر

بورڈ پیشہ ورانہ ماہرین کے ذریعے مالیاتی انتظام، قانونی امور، تکنیکی مہارت اور مینوفیکچرنگ آپریشنز کے مستحکم پس منظر کے ساتھ تشکیل دیا گیا۔ اس میں دو کمیٹیاں بنام آڈٹ کمیٹی جو کہ رسک مینجمنٹ کا احاطہ کرتی ہے اور دوسری کمیٹی انسانی وسائل اور معاوضہ کمیٹی ہے اور یہ دونوں کمیٹیاں بورڈ کو رپورٹ کرتی ہیں۔

یہ امر میرے لئے باعث مسرت ہے کہ آیکا (Aica) ایسیا پیسیفک ہولڈنگ پرائیویٹ لمیٹڈ کے صدر مسٹر لی کن سنگ کا استقبال کر رہا ہوں جو ہمارے ایک مرکزی شیئر ہولڈر ہیں۔ اس کے ساتھ اشتراک میں سبکدوش ہونے والے ڈائریکٹر جناب امین بندو کہہ کا بھی شکریہ ادا کرنا چاہوں گا جو کئی سالوں کی خدمات کے بعد ہم سے رخصت ہو رہے ہیں۔

بورڈ اور اس کی کمیٹیوں کی ممبر شپ کی تفصیلات ڈائریکٹرز کی رپورٹ میں دی گئی ہیں۔

بورڈ کے عزائم اور امور

بورڈ کے اجلاس باقاعدگی سے سہ ماہی بنیاد پر اور دیگر صورتوں میں ضرورت پڑنے پر منعقد کئے جاتے ہیں۔ ان میں شرکت اور حاضری مناسب رہتی ہے اور ڈائریکٹرز انتظامیہ کی مدد کے لئے دیگر اوقات بالخصوص شکایات اور قانونی امور کے معاملات میں دستیاب رہتے ہیں۔ ان کی شرکت انتظامیہ اور میرے دونوں کے لئے انتہائی قابل قدر اور قابل تحسین ہے۔

COVID-19 (کورونا وائرس) ہونے کی وجہ سے بورڈ اور اس کی کمیٹیاں ذاتی طور پر اجلاس بلانے سے قاصر رہی تھیں۔ اس کے لئے یہ ضروری ہو گیا تھا کہ اجلاس زوم وڈیو کانفرنسنگ کے ذریعے طلب کئے جائیں۔ میں اس کے پس پردہ رہنے والے افراد کا مشکور ہوں جنہوں نے اجلاس بلانے کے انتظامات کئے اور ان کے سہل آپریشنز کو یقینی بنایا۔

کاروباری حکمت عملی کی گورننس

ایک مستحکم اور مربوط مارکیٹ میں جیسا کہ کمپنی خود کو اس میں موجود پاتی ہے، یہ ہمیشہ آسان نہیں ہوتا کہ آگے بڑھنے کی حکمت عملی کامیاب رہے۔ ایسی ایک حکمت عملی 2010 میں کمپنی کو از سر نو مستحکم بنانے کے لئے تشکیل دی گئی جسے بورڈ نے مکمل طور پر سپورٹ کیا اور اس کے نتائج خود اپنے منہ سے بولتے ہیں۔

کمپنی اپنے آپریشنز کو بہتر بنانے کی جدوجہد جاری رکھے گی، اس حوالے سے تازہ ترین اقدام 1.4 میگا واٹ کے مساوی دوسولر ایکٹریسٹی پلانٹ کی تنصیب ہے۔

اس کے علاوہ دیگر منصوبوں کا جائزہ لیا جا رہا ہے جن کو کمپنی اپنی گروتھ اور ترقی کے عمل کے لئے ضروری تصور کرتی ہے۔ تاہم اس وقت جاری معاشی اور اقتصادی صورتحال جس میں پاکستان گھرا ہوا ہے، بورڈ اور انتظامیہ نے معاشی استحکام اور اقتصادی بحالی کے عمل تک محتاط انداز اختیار کیا ہے اور تمام تر پروجیکٹس کی باقاعدہ جانچ پڑتال کی جا رہی ہے۔

مالیاتی رپورٹنگ کا طریقہ کار، انٹرنل آڈٹ اور انٹرنل کنٹرولز

بورڈ فننس، بینکاری اور کاروباری انتظام کے پس منظر کے ساتھ ڈائریکٹرز کی ایک مستحکم نمائندگی پر مشتمل ہے۔ سسٹمز اس امر کو یقینی بناتا ہے کہ کمپنی کے آپریشنز کے تمام پہلوؤں کا مالی انتظام شفاف، ایمانداری اور مربوط انداز میں منظم طور پر کارفرما رہے۔ میں محسوس کرتا ہوں کہ پی ڈبلیو سی کو انٹرنل آڈٹ کے امور کی آؤٹ سورسنگ کاروبار کے مالیاتی انتظام کے سلسلے میں کمپنی کے آپریشنز کے غیر جانبدار جائزہ کی فراہمی کے ذریعے اس کے استحکام میں مزید اضافہ کرے گی۔

اس مالیاتی سال کی ایک اہم بات ہمارے ای آر پی سسٹم کو ایس اے پی میں کامیابی سے اپ گریڈ کرنا تھی۔ یہ سسٹم جولائی 2022 میں لایا گیا تاکہ نئے مالیاتی سال کو ایس اے پی کے استعمال کے تحت رپورٹ کیا جائے۔ اس امر کا سہرا انتظامیہ اور سٹیمز کی ٹیم کے سر جاتا ہے کہ اس پروجیکٹ کو بروقت اور مختص کردہ بجٹ کے اندر مکمل کر لیا گیا۔

خطرات سے نمٹنے کا انتظام

بورڈ کمپنی میں درپیش خطرات کی جانچ اور اس کے انتظام کی ضرورت کے حوالے سے انتہائی محتاط ہے تاکہ کاروبار کے تسلسل کو یقینی بنایا جاسکے۔ COVID-19 (کورونا وائرس) ابھی تک ہمارے درمیان ہے اور روپے کے عدم استحکام اور سپلائی چین سے متعلق مسائل نے کاروبار پر مضر اثرات مرتب کیے ہیں، انتظامیہ ہم درآمدی ساز و سامان کے مناسب ذخیرے کو برقرار رکھنے کی ضرورت کے تحت اس میں توازن رکھے ہوئے جبکہ اس کے ساتھ آپریشنز کی ریٹ کے خطرات سے نمٹنے کی کوشش بھی کر رہی ہے۔

The Secretary
DYNEA PAKISTAN LIMITED
406, Parsa Tower, Plot No. 31/1/A,
Block-6, PECHS, Shahrah-e-Faisal,
Karachi.

dynea

FORM OF PROXY

FORTIETH ANNUAL GENERAL MEETING

I/We _____ of _____

being a member(s) of **DYNEA PAKISTAN LIMITED** and a holder of _____
_____ ordinary shares as per Share Register Folio No. _____

or CDC Participant ID No. _____ Account No. _____

hereby appoint _____ of _____

who is also member of **DYNEA PAKISTAN LIMITED** Vide Folio No. _____

or CDC Participant ID No. _____ Account No. _____

or failing him / her _____ of _____

who is also member of **DYNEA PAKISTAN LIMITED** Vide Folio No. _____

or CDC Participant ID No. _____ Account No. _____

as my / our proxy in my / our absence to attend and vote for me / us and on my / our behalf at the Fortieth Annual General Meeting of the Company to be held on Thursday, October 20, 2022 at 12:00 pm and at any adjournment thereof.

As witness my / our hand / seal this _____ day of _____ 2022

Witness _____ Witness _____
(Signature) (Signature)

Name _____ Name _____

Address _____ Address _____

CNIC No. _____ CNIC No. _____

**Please affix
Rs. 5/-
Revenue Stamp**

SIGNATURE OF MEMBER(S)

NOTES:

1. This proxy form duly completed and signed must be received at the Registered Office of the Company, Office No.406, Parsa Tower, Plot No.31/1/A, Block-6, P.E.C.H.S, Shahrah-e-Faisal, Karachi-75400, not less than 48 hours before the time of holding of the Meeting.
2. No person shall act as proxy unless he / she himself / herself is a member of the Company. Except that a corporation may appoint a person who is not a member.
3. If a member appoints more than one proxy and more than one instruments of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.

FOR CDC ACCOUNT HOLDERS / CORPORATE ENTITIES

In addition to the above the following requirements have to be met:

- a) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- b) Attested copy of CNIC or the passport of the beneficial owners shall be furnished with the proxy form.
- c) The proxy shall produce his / her original CNIC or original passport at the time of the meeting.
- d) 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.

پراکسی فارم

۴۰ واں سالانہ اجلاس عام

میں/ہم _____ ساکن _____ بحیثیت ممبر ڈائینیا پاکستان لمیٹڈ _____ عام حصص یافتہ مطابق شیئر رجسٹر فوئیو/سی ڈی سی اکاؤنٹ نمبر _____ مقرر کرتا/کرتی ہوں _____ فوئیو/سی ڈی سی اکاؤنٹ نمبر _____ کمپیوٹرائزڈ قومی شناختی کارڈ نمبر _____ یا بصورت دیگر _____ فوئیو/سی ڈی سی اکاؤنٹ نمبر _____ کمپیوٹرائزڈ قومی شناختی کارڈ نمبر _____ جو کمپنی کے ممبر بھی ہیں، کو کمپنی کے جمعرات ۲۰ اکتوبر ۲۰۲۲ء کو دوپہر ۱۲:۰۰ بجے منعقد ہونے والے ۴۰ واں سالانہ اجلاس عام میں اپنی جانب سے شرکت اور رائے دہی کیلئے اپنا قائم مقام/متبادل۔

مورخہ _____ ۲۰۲۲ء

۲۔ گواہ

۱۔ گواہ

دستخط _____	دستخط _____
نام _____	نام _____
پتہ _____	پتہ _____
کمپیوٹرائزڈ قومی شناختی کارڈ نمبر _____	کمپیوٹرائزڈ قومی شناختی کارڈ نمبر _____

۵ روپے کا
محصول ٹکٹ

ممبر (ز) کے دستخط

نوٹ:

- پراکسی فارم لمڈ اکمل اور دستخط کے ہمراہ اجلاس کے انعقاد سے کم از کم ۴۸ گھنٹے قبل کمپنی کے رجسٹرڈ آفس نمبر 406، پارسا ٹاور، پلاٹ نمبر 31/1/A، بلاک-6، پی ای سی ایچ ایس، شاہراہ فیصل، کراچی-75400 میں جمع کروایا جائے گا۔
- پراکسی کے لئے کمپنی کا ممبر ہونا ضروری ہے۔ تاہم کارپوریشن کسی بھی غیر ممبر کو اپنا پراکسی مقرر کر سکتی ہے۔
- اگر کوئی ممبر ایک سے زائد پراکسی مقرر کرتا ہے اور کمپنی کو پراکسی کی ایک سے زائد دستاویزات جمع کراتا ہے تو پراکسی کی اس طرح کی تمام دستاویزات غیر قانونی تصور ہوں گی۔

برائے سی ڈی سی اکاؤنٹ ہولڈرز/کارپوریٹ ادارے

مزید برآں درج ذیل شرائط پر عمل کرنا ہوگا:

- پراکسی فارم پر ۲ افراد کی گواہی ہونی چاہیئے جن کے نام، پتے اور کمپیوٹرائزڈ قومی شناختی کارڈ نمبر یا پاسپورٹ نمبر فارم میں درج ہوں۔
- ممبر اور پراکسی کے کمپیوٹرائزڈ قومی شناختی کارڈ نمبر یا پاسپورٹ کی تصدیق شدہ نقول پراکسی فارم کے ہمراہ منسلک کرنی ہوں گی۔
- پراکسی کو اجلاس کے وقت اپنے اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ پیش کرنا ہوگا۔
- کارپوریٹ ادارے کی صورت میں ڈائریکٹرز کی قرارداد/پاور آف اٹارنی مع نامزد فرد کے دستخط کا نمونہ (اگر پہلے فراہم نہ کئے گئے ہوں) پراکسی فارم کے ہمراہ کمپنی کو پیش کرنے ہوں گے۔