

At the Heart of the Future

Towards a **Global Consortium**



National Foods Limited
12/CL-6, Claremont Road
Civil Lines, Karachi 75530
www.nfoods.com



Annual Report 2024

About the Report

Welcome to the National Foods Limited Annual Report for 2024.

This Annual Report is a testament to our growth, innovation, and unwavering commitment to excellence. As we continue to expand our global footprint, enhance our product offerings, and build stronger routes to markets, our primary focus remains on enriching the lives of our customers and stakeholders, making every effort to bring comfort and joy to lifestyles.

At the core of our mission is you, our valued stakeholder. This annual report showcases our unwavering commitment to sustainable and ethical business practices that enhance your lives. It reflects our growth and our ambition to go even further in the future.



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At the Heart of Innovation

SEED[®]TABLE

Seed to Table embodies National Foods' visionary stride towards agricultural excellence, facilitated by strategic partnerships and advanced technology integration.

This initiative symbolizes our progressive approach and unyielding dedication, positioning us at the heart of innovation and forefront of agricultural advancements.



Our Story

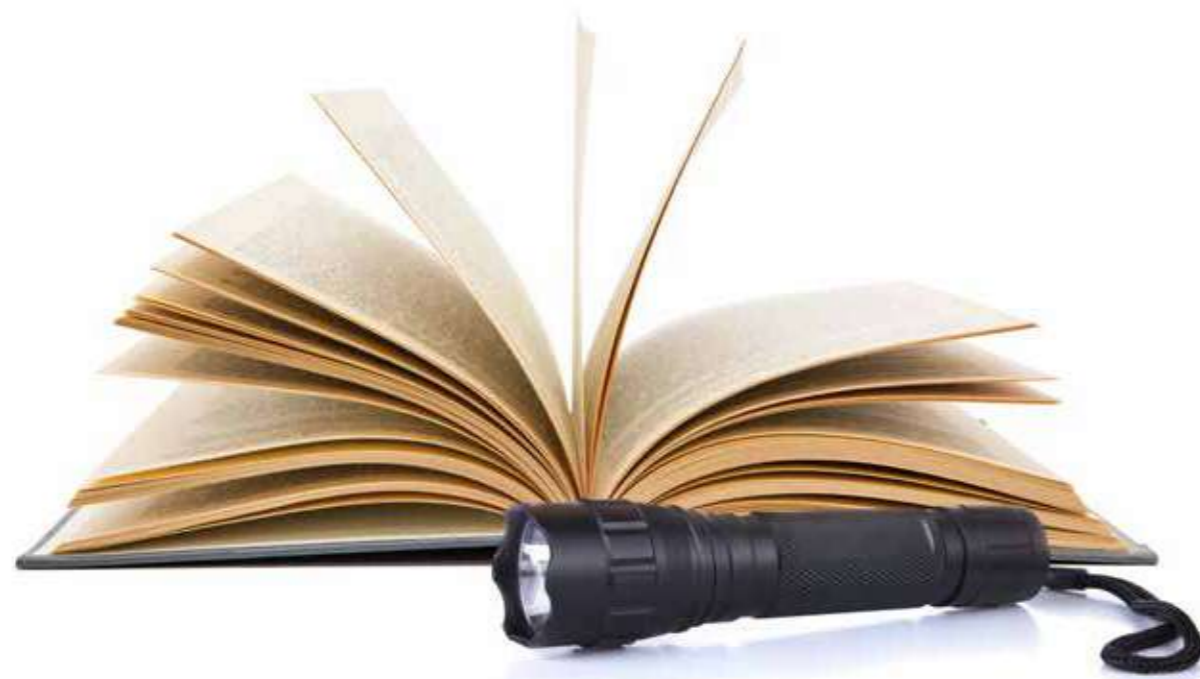
National Foods continues to spread happiness by offering authentic flavors, and re-uniting people with their long standing Pakistani heritage.

We began our journey in 1970 as a spice company with a product that brought the idea of clean and healthy foods to life. Since then, we resolved to make hygienic food, reduce time spent in the kitchens, and foster good health. And on a daily basis, we strive to elevate our communities and create a better lifestyle for those around us.

Since inception in 1970, National Foods has evolved in multiple categories as a leading food manufacturer. We are FSMS (ISO 22000), HALAL . 45001, 14001 , BRC and SEDEX certified along with SAP Business

Technologies to ensure that our customers receive the highest quality products. With a strong commitment to quality and operational excellence, we have integrated our systems with SAP S/4HANA, the latest ERP business suite.

We constantly inspire new traditions and have already successfully expanded our global footprint across 40 countries in 5 continents. At National Foods, we're creating food that enriches the lives of people everywhere.



Business Profile

National Foods Limited has successfully positioned itself as a global player in the food industry, committed to enriching lives everywhere.

The structure comprises of ATC Holdings as the parent company, with its subsidiary National Foods Limited, specializing in offering convenient, healthy, and delicious food choices. To enhance global presence, National Foods DMCC, a Dubai-based subsidiary formed in 2013 for the Middle East, has helped expand our global footprint.

National Epicure Inc. Canada, National Epicure Inc. USA, and National Foods Pakistan UK Limited help us in strategically serving North American and European markets.

In 2017, National Epicure Inc. Canada, made a significant move by acquiring 60% stakes in A-1 Bags and Supplies Inc., a company situated in Canada. A-1 Bags and Supplies Inc. specializes in the distribution of restaurant, industrial, and retail supplies.



Geographical Presence



05

Offices

05

Continents

40

Countries

300

Distributors

Founders' Philosophy

- Through building a reliable brand, National Foods must get itself recognized as a leader in Pakistan and abroad.
- National Foods must focus on customer needs and serve them with quality products that conform to international standards & local standards.
- We must strive to be leaders in all the brands that we produce.
- Our research must continuously produce new and well-researched, innovative products to promote health and nutrition.
- We must prove ourselves to be good corporate citizens, support charitable causes for betterment and focus on Triple Bottom Line for People, Planet and Profits.
- Projects to be identified and initiated that contribute to the economy of Pakistan positively.
- Reserves must be built, new factories created, sound profits made, and fair dividend should be paid to our stockholders.
- We must create an environment in our offices and factories where talent is groomed, and people have every opportunity to advance in their careers.
- With the help of Almighty Allah, the company can achieve its targets in times to come.



Vision

Creating food that enriches the lives of people everywhere.

Mission

We will achieve our vision by designing and manufacturing food and related products, conforming to international standards and guidelines for nutrition, health, wellness and quality, bringing joy and happiness to people everywhere.



Core Values



Passion

Go Above & Beyond



Customer Centric

Prioritize Customer Experience (Internal & External)



Teamwork

Trust Each Other & Achieve Together



Excellence in Execution

Lead, Commit & Deliver the Best



Ownership

Own It & Deliver It

Code of Ethics & Business Practices

National Foods Limited believes in conducting its operations with strong ethical and moral standards. NFL's statement of Code of Conduct & Business Practices aims to provide guidance on carrying out its business-related decisions and activities.

We wish to achieve excellence in all spheres of our operations for which Code of Conduct form the basis. Any party entering any form of contract with NFL is bound to comply with the given guidelines. NFL's statement of Code of Conduct & Business Practices have the following seven guidelines:

1. Unfair Means

Any use of bribery, kickbacks or any form of payment in cash/kind to obtain any undue business related or otherwise gainful benefit for the company is strictly prohibited. Excessive business gifts and entertainment also hold the same meaning and NFL does not approve of such payments.

2. Unfair Behavior

We aim to operate in a manner that discourages discrimination, harassment and/or influence. Discrimination refers to favoritism based on a particular aspect of an individual's personality. Harassment includes gender harassment creating an intimidating, hostile or offensive work environment causing interference with work performance. Influence could be an abuse of authority or the wish to alter personal beliefs.

3. Conflict of Interest

NFL prohibits actions that are in conflict with the company's business interests. This may include but is not limited to:

- i. Providing assistance to the competition or holding ownership interests with a customer, supplier, distributor or competitor
- ii. Making personal gains at company's expense

4. Confidentiality

NFL believes in confidentiality of information related to business activities.

The company expects employees not to disclose or divulge by any means the confidential and commercially sensitive information except to the authoritative employee requiring it. Furthermore, they should use their best endeavors to prevent the disclosure of such information by other people.

The obligation of confidentiality shall survive the expiration or the cessation of employment contracts with National Foods Limited and is equally applicable to intellectual property.

5. Statutory Compliance

NFL aims to comply with all the laws, rules and regulations laid down by governmental and regulatory bodies.

6. Financial Integrity

NFL believes in complete compliance with the accepted accounting rules and procedures. This includes but is not limited to:

i. **Transparency:** NFL discourages any illegal activity for the purpose of any benefit to the company or others. All information supplied to the stakeholders and/or auditors must be authentic & transparent

ii. **Disclosure:** All transactions must be fully disclosed and must be for the purpose stated

7. Health, Safety and Community Responsibility

NFL is fully committed to safety, health and responsibility towards environment and community. All activities of NFL must portray responsibility towards the community and nation as a whole. NFL seeks to employ procedures that are safe, healthy and environment friendly.



History Timeline



1970-1980

- National Food Laboratories Limited acquired.
- Launch of packaged spices.
- The office moves to Dinar Chambers West Wharf.
- Launch of branded salt.

1981-1990

- Launch of recipe mixes.
- Certified vendor of McCormick, USA, as part of their Supplier Certification Program.
- National Foods becomes a Public Listed Company.

1991-2000

- Launch of Pickle range and modernization of the Salt Plant.
- National Foods adds ketchup to portfolio and launches Jam and Jelly range.
- National Foods crosses Rs.1 billion in its sales.

2001-2010

- Launch of instant desserts and inauguration of a new production facility at Port Qasim.
- National Foods Limited gets a logo and packaging revamp.
- Celebrating 40 years of success and introduction of the instant drink category 'Fruitily'.

2011-2020

- Establishment of first international subsidiary, NF DMCC, in Dubai.
- Supply Chain remodeling for aflatoxin-free Red Chilli Crop.
- Establishment of Canadian subsidiary, National Epicure Inc.
- Launch of first range of Halal frozen meals and traditional nimco snacks.
- Inauguration of the Gujranwala Factory.
- Acquisition of 60% stakes in A-1 Bags and Supplies Inc.
- Launch of Mayonnaise.
- Inauguration of the new Corporate Office.
- Inauguration of Snacks production with launch of Scene On.
- Certification of Port Qasim Facility with BRC Global Standards.

2020-2024

- Introduction of National Crushed Pickle and Curry Powder.
- Launch of e-commerce portals across Amazon, Walmart, eBay and own storefront in both USA & Canada.
- 50-year celebration and launch of new Vision.
- Packaging revamp of Recipe Mixes.
- Launch of Premium Chunky Jams.
- ATCH & NFL Flood Relief Pledge.
- Launch of Karachi Khaas range
- Inauguration of National Centre of Excellence (NCoE)
- NFL establishes new subsidiary in Sharjah, UAE
- NFL establishes Supply Chain hub in Canada
- Launch of Seed to Table import substitution project
- NFL inaugurates flagship Faisalabad Plant



Awards & Certificates

Certification standards play a crucial role in ensuring the quality, safety, and ethical practices of organizations.

National Foods, a renowned organization operating across three locations, namely Port Qasim, Faisalabad and Nooriabad, takes great pride in upholding these standards to deliver excellence in its operations. Let's delve into the significance of each certification and how it has benefited National Foods.



BRC Issue 9:

BRC (British Retail Consortium) Issue 9 certification sets stringent requirements for food safety, quality, and operational criteria. Furthermore, it focuses on quality and food safety culture. National Foods has achieved this certification at PQ and NBD locations, which demonstrates its commitment to maintaining the highest standards in food processing. This certification has enabled National Foods to build trust with its customers, assuring them of safe and reliable products.



ISO 45001:2018:

ISO 45001:2018 is an internationally recognized standard for occupational health and safety management systems. National Foods has implemented this standard across all its locations, emphasizing its dedication to creating a safe and healthy work environment. By adhering to ISO 45001:2018, National Foods has minimized workplace hazards, reduced accidents, and enhanced employee well-being, ultimately leading to improved productivity.



ISO 9001:2015:

ISO 9001:2015 certification focuses on quality management systems, encompassing processes and procedures that ensure consistent product quality and customer satisfaction. National Foods has diligently implemented ISO 9001:2015 at all its locations, enabling the organization to streamline operations, enhance customer trust, and continuously improve its products and services.

SEDEX SMETA:



SEDEX (Supplier Ethical Data Exchange) SMETA certification focuses on ethical trade practices, including labor standards, health and safety, environmental responsibility, and business integrity. National Foods has achieved SEDEX SMETA certification at Port Qasim and Nooriabad locations, demonstrating its dedication to responsible sourcing and ethical supply chain management. This certification has enabled National Foods to strengthen its relationships with customers, suppliers, and stakeholders while ensuring sustainable and ethical business practices.



Halal Certifications:

National Foods has obtained multiple Halal certifications, including Halal PS 3733, MS 1500, GSO, and MUIS at all locations. These certifications attest to National Foods' compliance with Islamic dietary requirements and demonstrate its commitment to providing Halal-certified products to consumers. Moreover, the Halal certifications, acquired at all locations, further reinforces National Foods' adherence to globally recognized Halal standards. These certifications have significantly expanded National Foods' market reach, allowing it to cater to the diverse needs of consumers seeking Halal products.

In conclusion, National Foods' dedication to these certifications showcases its unwavering commitment to quality, safety, ethics, and customer satisfaction. By achieving and maintaining these standards, National Foods has positioned itself as a trusted and responsible organization, fostering stronger relationships with customers, suppliers, and stakeholders while continuously improving its operations and delivering exceptional products to the market.

Our People

At National Foods, our people are the cornerstone of our success and the driving force behind our innovation and growth.

Talent

At National Foods, we are dedicated to attracting, developing, and retaining top talent through strategic initiatives that enhance capabilities, foster growth, and drive innovation across the organization.

Charting Our Path Forward – Restructuring for Growth

In May 2022, we initiated a comprehensive and collaborative process, engaging the expertise of seasoned global management consultants. This transformative journey commenced with a rigorous evaluation of our strategic objectives, existing organizational structure, and corporate cultures. Our consultants conducted in-depth interviews, benchmarking exercises against local and international competitors, and thorough data analysis, providing us with invaluable insights into our strengths, weaknesses, opportunities, and threats.

After months of meticulous planning and careful deliberation, we successfully redesigned our teams and resources to align more closely with our strategic objectives. Our new organizational design is anchored in several key principles: future orientation, accountability at all levels, enhanced efficiency, compliance within the governance framework, and alignment with international best practices.

Trailblazers Program: Cultivating Fresh Talent

The Trailblazer Program remains a key part of our talent development strategy. This year, we welcomed a new group of fresh graduates, our Trailblazers, who embarked on a journey to become functional experts and strengthen our organizational capabilities. As a key component of their comprehensive

development strategy, our Trailblazers engaged in rotations within and outside their core functions. Furthermore, Trailblazers actively participated in numerous training sessions aimed at enhancing their proficiency in both functional areas and personal effectiveness.

LinkedIn Learning: Enabling Continuous Learning

At National Foods, we prioritize our employees' personal and professional development by investing in resources that promote their holistic growth. In October 2023, we launched LinkedIn Learning as our e-learning platform to make education easily accessible and empower our workforce to reach their full potential. This initiative aligns with our Founders' Philosophy of creating a nurturing environment where talent can thrive, and individuals have the opportunity to grow.



Over the past year, our employees have developed around 3,000 skills via the LinkedIn Learning platform. This initiative has successfully empowered our team to upskill and encouraged ongoing personal growth and development. Moving forward, we plan to expand our LinkedIn Learning offerings and integrate new, innovative learning paths to ensure our employees continue to thrive in an ever-evolving professional landscape.

Capability Building Programs: Developing Professional Competence

To ensure comprehensive compliance, our entire manufacturing staff was trained on the BRC Issue 9 Standard. We also collaborated with KPMG to conduct a Risk & Fraud Awareness Workshop for senior managers and above, enhancing their ability to identify, mitigate, and manage risks and fraud within the organization. Additionally, our international sales



team participated in Sales 101 and Commercial Excellence training, aimed at refining their sales strategies, improving customer engagement, and driving commercial success in global markets.



Behavioral development, especially of our emerging leaders, remains a priority at NFL. Our flagship Leadership Foundation Development Program is designed to prepare newly promoted team leads and high-potential employees for future managerial roles.

Talent Mobility: Empowering Global Growth and Development

The Mobility Framework is designed to provide employees with diverse opportunities for career development and skill enhancement. It helps us retain and engage top talent by offering meaningful and varied career paths, leveraging our internal talent pool more effectively, and cultivating a versatile and innovative workforce capable of driving our global objectives forward. The framework includes short-term, long-term, and permanent assignments, each offering unique opportunities for professional growth and organizational contribution.

Strengthening Ties with Academia: Fostering Emerging Talent

National Foods prioritizes the cultivation of relationships with academic institutions as a core component of our employer branding strategy. This proactive engagement serves to attract emerging talent and spotlight our Flagship Talent Programs,



while showcasing the abundant opportunities available within National Foods.

Leadership

At NFL, we are dedicated to nurturing a culture of visionary leadership that drives excellence, fosters innovation, and aligns with our core values to achieve sustained organizational success.

Reconnecting with Our Values: Theatre of Intent

This year, in partnership with Schuitema, we conducted values refresher sessions for the entire organization through interactive Theatre of Intent workshops. Facilitated by Omair Rana, these sessions used reenactments of real-life scenarios to illustrate how strong, value-based transactions and

behaviors can promote a culture of values at NFL. Participants gained a deeper understanding of our



five core values and how these values are integral to their roles and responsibilities, empowering them to advocate for these principles in their daily work.

Leadership Framework: Defining Excellence

This year, NFL has worked with seasoned consultants to formulate a detailed leadership framework, that outlines the behaviors that all employees must encompass and uphold as leaders of National Foods. These behaviors have been defined after rigorous research of our culture, practices and strategies and in-depth conversation with our leaders.

Talent Review Meetings: Shaping Future Leaders

The Annual Talent Review Meetings act as an important forum for the identification of key roles and individuals with immense leadership potential. This platform presents an opportunity to then discuss and chart out their growth plans, stretch assignments, career trajectories, transitions, and successions.

Diversity

Gender Pay Gap Statement

Following is gender pay gap calculated for the year ended 30 June 2024.

Mean Gender Pay Gap: -15%
Median Gender Pay Gap: -34%

The BELONG Initiative: Creating an Inclusive Workplace

At National Foods, our commitment to Diversity, Equity, and Inclusion (DEI) is embodied in our BELONG program. Launched to create a more inclusive and diverse workplace, BELONG focuses on various facets of diversity including gender, religion, and persons with disabilities. In the fiscal year 2023-2024, we implemented a series of strategic interventions aimed at fostering an inclusive environment where every employee feels valued and respected.

Leading the Charge: Our Commitment to Gender Equality

As part of our dedication to gender equality, National Foods became an SDG-5 Leader through CERB's SDG Leadership Program, reinforcing our commitment to moving towards a more equitable and equal future. Our initiatives included setting specific DEI targets to ensure representation and advocating for women within the company. We celebrated the contributions and achievements of women through various events, such as the International Day of Women & Girls in Science and International Women's Day. These celebrations not only highlighted the significance of gender diversity but also inspired our workforce to strive for excellence and equality.



To further support our employees, we introduced more family-friendly policies, such as enhanced paternal leave, providing greater flexibility for new parents. Additionally, we installed sanitary napkin dispensers at all key locations, ensuring the health and comfort of our female staff. These measures reflect our commitment to creating a supportive and equitable workplace for all employees.

Embracing Abilities: Inclusion of Persons with Disabilities

In our ongoing efforts to create an inclusive workplace, we focused on the recruitment and integration of persons with disabilities into head office roles. To support this initiative, we partnered with ConnectHear to conduct an extensive 18-hour sign language training program for teams working directly with these individuals.

Celebrating Unity: Promoting Religious Harmony

Religious harmony is a cornerstone of our DEI strategy. This year, we celebrated Interfaith Harmony Week, which featured a series of events honoring Easter, Nowruz, Holi, and Ramadan, showcasing the peaceful messages of each religion. We extended these celebrations to include Diwali, Christmas, and Eid-UI-Fitr, promoting an environment of mutual respect, unity, understanding, and inclusiveness.



Culture

Shaping Our Future Together: Employee Engagement Partner

Building upon the Culture Study that was conducted last year, National Foods onboarded Glint (now Microsoft Viva Glint) as its Employee Engagement

Partner. The aim of this was to understand the key drivers of employee engagement and enable managers and leaders throughout the organization to improve the employee experience.

With an 85% response rate, our engagement index was over that of the Global Benchmark as determined by Microsoft Viva Glint. The results were shared by the Global CEO in a Townhall titled – Your Voice in Action: Shaping the Future Together. Subsequently, over 20 org-wide action planning sessions with over 400 people were conducted to deep dive into the results and come up with Areas of Focus for the year. These sessions allowed for the organization to prioritize its Areas of Focus and start working towards them in a phased manner.

Pazeerai: Recognizing and Celebrating Excellence

In FY 22-23, the need for a comprehensive Rewards & Recognition Framework was identified through the Culture Study. This led to the development and launch of Pazeerai – NFL's Rewards & Recognition Program. The philosophy behind Pazeerai is rooted in the belief that every employee's effort, whether small or significant, deserves recognition. This continuous acknowledgment not only boosts morale but also motivates employees to excel and drives organizational results while reinforcing our core values.



Food Services Division

The Food Services Department excels in celebrating culinary talent, fostering community connections, and innovating products.

From honouring chefs at International Chef Day to hosting Chef Connect events, we prioritize culinary excellence. Strategic launches like Signature Mayo and collaborations with industry leaders demonstrate our agility and dedication to customer satisfaction. Partnerships with renowned restaurants for campaigns like Ramadan showcase our commitment to enriching cultural festivities. These achievements reflect our ethos of innovation and customer-centricity, positioning us for continued success.

Connecting with Chefs:

Chef Connect

We proudly orchestrated Six Chef Connect events, strategically situated across diverse urban landscapes, each boasting an impressive attendance of over 400 passionate individuals. These events were an immersive experience meticulously designed to unite culinary enthusiasts, from seasoned chefs to budding food entrepreneurs.

From interactive cooking demonstrations by renowned chefs to panel discussions exploring the latest trends and innovations in the food industry, every moment was curated to inspire and ignite the imagination.

The significance of these gatherings extended far beyond mere networking opportunities. By bringing together like-minded individuals who share a passion for food, we not only celebrated the artistry of cooking but also reaffirmed our dedication to pushing the boundaries of culinary creativity. Chef Connects served as a testament to the power of community, collaboration, and shared passion, embodying the true spirit of culinary excellence.



Co-Creating Value:

Portfolio Optimization

In our continuous pursuit of meeting customer needs, we have optimized our product range to better align with evolving preferences.



Our Manufacturing Excellence

Port Qasim Plant Operations

Quality & HSE compliance

National Foods Limited emphasizes on excellent quality and HSE compliance through robust systems and practices. It has been winning the hearts of consumers with its high-quality standard by embedding a systematic Quality Assurance approach in its culture. Some of the major achievements related to Quality and Compliance are as follows:

BRCGS Certification



ISO 9001 Certification



ISO 17025 Certification



ISO 14001 and 45001 Certification



SEDEX Certification



Halal (PS 3733), IFANCA & ACTS & Halal (MS 1500), PHDA



NFL PQ Plant has successfully achieved Halal certification from Halal (PS 3733), IFANCA & ACTS & Halal (MS 1500), PHDA which are crucial for ensuring that its products meet Islamic dietary laws and can be marketed to Muslim consumers globally.

Renewal of PNRA Certification for Recipe Exports Inspection Machines



Certification from PNRA is a prerequisite for operation of X-ray machines for packets inspection. There are 02 X-ray machines installed in Export Packing section and are CCP that can detect not only metal contaminants but also plastic, stones, EPDM etc. anything which is denser than good product. The certification from PNRA is for annual basis and we had successfully acquired the license for X-ray machine operation from PNRA for FY24.

Replacement of Asbestos Shed with Sheet Metal



Operational Excellence

National Foods has always preferred and encouraged its employees to have the Operational Excellence methodology incorporated in their daily task routine. It helps the company achieve its business objectives and remain competitive in the marketplace. Port Qasim has been exceptional to deliver its projects that focus on optimizing processes, reducing waste, improving efficiency, and continuously improving performance.



Nooriabad Plant Operations

Quality Management System

Nooriabad Plant has put a strong Quality Management System (QMS) in place to document the policies, business processes, and procedures necessary for an organization to create and deliver its products or services to its customers. We are winning the hearts of our consumers with our High-Quality Standard, and this is assured by embedding a systematic Quality Assurance approach in our culture. Some of the major achievements related to Quality and Compliance are as follows.

BRCGS Certification



Halal Certification



ISO 9001 Certification



Operational Excellence

Operational Excellence has been a critical component for National Foods Limited for maintaining its competitive edge and ensuring sustainable growth. It helps NFL to increase process efficiency, improve product quality, and greater customer satisfaction. This holistic approach ensures we not only meet our current operational goals but also position ourselves for long-term success and sustainability in the competitive food industry.

Faisalabad Plant Inauguration

National Foods Unveils Largest Manufacturing Facility in Faisalabad

Backed by an impressive PKR 7 billion investment, this state-of-the-art facility signifies NFL's unwavering commitment to quality and innovation, serving as a platform for international expansion. Set on a spacious 30-acre site, the Faisalabad plant boasts cutting-edge technology and a remarkable monthly production capacity of 6,000 tons. This plant is poised to make a profound impact on Pakistan's food industry by manufacturing an array of products, ensuring that NFL continues to meet the evolving tastes and demands of consumers both locally and internationally.

The grand inauguration ceremony was graced by Chairman Zahid Majeed, Global CEO Abrar Hasan, the company's Board of Directors, management personnel along with guests and employees.

The new facility isn't just about expanding production—it's about creating opportunities. With over 600 jobs generated, the plant significantly contributes to local employment, fostering economic growth in the Faisalabad region and beyond. This enhanced capacity will empower the company to substantially increase its export volume, building upon its current exports, and promising a brighter economic future for the region.

As NFL continues to broaden its horizons, the Faisalabad plant stands as a symbol of progress and ambition, representing a future where Pakistani food products can compete on the global stage and be celebrated for their quality and diversity, instilling a sense of pride and optimism.





Seed to Table

A Paradigm Shift in Pakistan's Agriculture

NFL, fueled by the vision of reshaping Pakistan's agricultural landscape, launched the 'Seed to Table' project in August 2023 with a vision to reduce the country's dependency on imported raw materials, particularly the annual import of tomato paste amounting to USD 10 million. Through the dedicated efforts of all stakeholders in the project including farmers, tomato seeds were cultivated in September 2023 over 500 acres in different parts of Sindh. The harvests started in February this year, yielding around 8,000 tons of premium-quality tomatoes so far.

The project aims to empower local farmers ensuring their continued growth and prosperity through formal partnerships with progressive farm-managing companies including Syngenta, Ibtida Ventures, Vital Green, Indus Acres, Kevlaar, Al-Rahim Agri Processing, Farmdar, Farmevo, and Salaam Takaful. We are dedicated to building upon the success of the 'Seed to Table' project by replicating this model with other key ingredients as well.

The project was also showcased at the Pakistan Agriculture Connection Expo & Conference 2024 here in Lahore. Our participation at the PAC Expo comprised of an insightful presentation by the Global CEO, Mr. Abrar Hasan, highlighted the program's pioneering approach towards agricultural development, delighting the audience with its depth of knowledge and tangible outcomes.

Our stall, distinguished by its striking design and strategic layout, effectively communicated the inspiring journey of Seed to Table, leaving attendees intrigued by our openness to share knowledge and drawing them in. Through communication materials both in print and an informative documentary, the audience was able to gain a comprehensive understanding of the subject matter, fostering engagement and facilitating meaningful discussions.





Our Supply Chain

Procurement

Our procurement team prioritizes securing the finest raw materials, both locally and internationally. We forge strong relationships with reputable suppliers who share our commitment to global food compliance standards and sustainable practices. We have increased our supplier share of socially responsible packaging suppliers and are working on a POLO to BSPL board project to transform our packaging into a more sustainable product. Additionally, we recycle and resell slocs in the paper and board category to reduce environmental impact and create circular supply chains. In collaboration with QC and IRD teams, we redesigned Ketchup Cartons from stand-up to lay-flat orientations, resulting in less material used per carton and cost savings.

Reflecting our commitment to Continuous improvement and Operational Excellence, the Procurement function has introduced 3rd party manufacturer tagging in our Vermicelli Bags to eliminate waste and improve inventory accuracy. Standardization of twist caps across all products and SKUs has simplified buying and inventory management, and reduced supply risk.

We actively support the localization of agricultural raw materials to ensure a steady flow of high-quality ingredients while minimizing environmental impact and reducing dependence on imports. We are now growing tomato varieties locally and having them processed through local service providers, moving away from imports.



Integrated Business Planning

Supply Planning continued leading the cross-functional forum of SLOB (Slow Moving & Obsolete Materials) to highlight materials with potential risk of expiries. This included inventory for FG, RM, PM and SFG. SLOB forum continued promoting the consumption of materials prior to expiration, highlighting the financial risk to business, minimizing write-off, and avoiding business waste. Materials with potential write-off risks were categorized and thorough liquidation plans were implemented. Any potential losses were prevented by the agency of efforts inserted by the SLOB forum. Furthermore, Supply Planning team ensured that Customer expectations were timely met, despite tech transfer to Faisalabad and S4 HANA implementation.

In a volatile business environment, the S&OP process remained essential for forecast alignment with business outcomes. To ensure robustness, organizational processes and design were altered. This helped harmonize and integrate different planning horizons to capture demand. Additionally, the team worked with commercial teams at the Demand Supply Reconciliation meetings to guarantee product availability during the S4 HANA Transition and tech transfer to Faisalabad.

Logistics and Warehousing

National Foods Faisalabad Plant's revolutionary production and dispatch operations is complimented by induction of state-of-the-art high-racked warehousing system. This pioneering solution boasts unparalleled efficiency, streamlining processes and ensuring seamless product flow. The towering high racks, meticulously designed to maximize storage capacity, have significantly increased the plant's inventory holding capability. This translates to better product availability, enabling National Foods to cater to fluctuating market demands with greater agility.

Furthermore, the par excellence warehouse operations implemented alongside the high-racked system have further optimized logistics. The integration of advanced warehouse management systems ensures meticulous stock control and tracking. This not only minimizes errors and discrepancies but also empowers informed decision-making regarding inventory management. Additionally, the streamlined picking and packing processes minimize turnaround times, expediting dispatches and ensuring timely product deliveries to customers. National Foods' commitment to

cutting-edge warehousing solutions has undoubtedly set a new benchmark for production and dispatch efficiency within the industry.

Furthermore, addition of Automated Material Handling Equipment (MHE) bolstered the efficiency and increased the pace of the processes thus ensuring that fast-paced production can be proceeded as per the market needs.



Customer Relations Management



Seamless Customer Experience

Customer Experience is a cornerstone of National Foods' commitment to excellence, reflecting our dedication to understanding and meeting consumer needs. This year, we have answered and resolved 1,500 inbound calls and hundreds of cases related to queries, complaints, and product feedback, ensuring that every customer interaction is addressed with care and efficiency. Our proactive approach includes 25,000 outbound calls via NFL Hotlink, encompassing multi-channel surveys across multiple brands and categories, to directly engage with our consumers. This extensive outreach allows us to gather invaluable insights, fostering a deeper connection with our customers and continuously improving our products and services to exceed their expectations.

Consumer Profiling & Segmentation

National Foods is dedicated to getting to know our customers better, leveraging our CRM portfolio to gain deeper insights into customer preferences across each product category. By utilizing CRM, we can analyze consumer behavior, tailor our offerings, and enhance the overall customer experience. In the CPG and FMCG industries, customer profiling is crucial as it allows companies to segment their audience, predict trends, and create targeted marketing strategies. Understanding the unique needs and preferences of our customers enables us to deliver personalized experiences, foster brand loyalty, and stay ahead in a competitive market.



Salesforce World's #1 CRM Software

We have recently implemented Salesforce, the world's leading CRM software, to elevate our customer experience (CX) and provide a more seamless customer journey. Their state-of-the-art module allows us to automate processes and track all customer cases, catering to both domestic and international customers, ensuring that every interaction is efficiently managed and resolved. The importance of having a CRM software like Salesforce lies in its ability to centralize customer data, streamline communication, and offer personalized service, ultimately enhancing customer satisfaction and loyalty. By adopting Salesforce, NFL is committed to staying at the forefront of customer service excellence.



Khatoon-e-Khaas Loyalty Program

Khatoon-e-Khaas is an innovative consumer loyalty program launched by National Foods Limited, marking a first-of-its-kind initiative for our company. This program is specifically designed to celebrate and reward our valued female customers. Through Khatoon-e-Khaas, we offer exclusive benefits, personalized offers, and engaging experiences that resonate with the unique preferences of women. By providing tailored rewards and fostering a sense of community, we aim to deepen our connection with our female consumers, enhancing their loyalty and satisfaction. National Foods is proud to lead the way with Khatoon-e-Khaas, setting a new standard in consumer engagement and loyalty.

Brands and Campaigns

Recipe Mixes

National Foods Recipe Mix is a trusted brand with high equity and has managed to maintain its market leadership, despite growing external challenges on the global economic front impacting costs and profitability.

Portfolio Fortification:

As the market leader in Recipe Mixes, National Foods places utmost priority on product superiority. Through a continuous process of product fortification, our Core Range—including Biryani, Quorma, Karahi, and Achar Gosht—has achieved unparalleled quality and superiority. Additionally, research results obtained from HUT for Tikka Boti confirmed its product superiority and was successfully made available in market for the Bakra Eid season.



To provide consumers with added value and convenience, consumer promotions were carried out on Retail and Modern Trade stores during the Winter Season to promote cross consumption of Fish and Chat Masala. The campaign was amplified through various digital platforms reaching over 15.4 Mn views. Consumers were also offered major promotions during the Eid Season such as savers pack for Bombay Biryani Karachi Khaas and BBQ packs.



Moreover, variant extensions including Malai Boti, fried chops and meat tenderizer were added to the portfolio for Bakra Eid season as a limited time offer to provide variety to consumers while capitalizing seasonal preferences.

Another addition to the portfolio is Chicken White Karhai which was one variant that was highly demanded by the consumers and is made available.

Equity Building:

In line with our strategy of owning key occasions and seasons, the Dawat e Azadi campaign was launched to commemorate the spirit of Independence Day. This campaign was launched primarily on digital media with leading influencers being engaged, generating positive brand association for NFL.

Furthermore, product superiority of Bombay Biryani Karachi Khaas was leveraged nationwide through regionally tailored campaigns in Lahore and Islamabad

Karachi Transformation Plan

The entire Karachi Khaas range is validated by consumers to be superior than competition and is available across all outlets in Karachi. Furthermore, a new HUT study conducted to validate the claim of 'Best Biryani in Town' verified the clear superiority of Bombay Biryani Karachi Khaas over its competitors.

As part of our Route To Market expansion plan, numeric distribution was increased to ensure availability in Karachi. As a result, store productivity for the new Karachi Khaas range increased by 35% amounting to 4900M+ outlets.

To further build equity and counter competition in Karachi City, National Foods for the first time introduced tailored communication for Karachi - a copy focusing on the new Karachi Khaas Range and a supplementary copy highlighting our flagship variant; Bombay Biryani Karachi Khaas. Both communications were live on all digital platforms in Karachi and were widely appreciated by the audience for their disruptive concepts, garnering a total of 401Mn+ impressions,

on major digital platforms. This strategy effectively countered competitive inroads and was well received, achieving over 81 million impressions, and reaching more than 16 million people.

Along with digital airing, consumer experience was further amplified through Cluster Activation in Urban Markets across 11 towns nationwide. The on-ground experience was tailored for each town to create impactful brand visibility, consumer engagement and trial incentives.

195Mn+ views and 2M+ clicks. The digital campaign was also supported with various on ground activations such as door to door selling (200,000+ interceptions and 45% trial rate) and Cluster Activations across 10 markets.

The Karachi Khaas campaign was designed to capture the essence of Karachi, with the iconic W-11 bus transformed into W-Aala, creating harmony with communication. This transformation created a larger-than-life experience for consumers across all touchpoints, featuring customized Karachi Khaas branding and wet sampling of unique dishes made with the Karachi Khaas variants. The food street activations resulted in over 21,000+ interactions across 10 prime locations. Additionally, the W-Aala bus visited 11 universities, where young culinary enthusiasts participated in the Recipe Princess competition using Bombay Biryani Karachi Khaas, generating 17,200+ interceptions throughout the activity. The W-Aala bus was also a highlight at Karachi Eat, where it served customized dishes to over 376,000+ people.



KPK Attack Plan

Consumer research has shown a growing preference for a spicier taste palette. As a result, Bombay Biryani Karachi Khaas was introduced in KPK as a door opener, owing to its superiority over competition.

Following Route to Market strategy for KPK, dedicated efforts were deployed to increase numeric distribution for Bombay Biryani Karachi Khaas across all outlets in multiple towns. Store productivity has improved by 23%, amounting to 3800+ outlets.

To gain market share in KPK, door to door selling was carried out in major towns of KPK resulting in

100,000+ interceptions and with a trial rate of 45%. 95% of the consumers who tried National's Bombay Biryani Karachi Khaas expressed an intent to repurchase it. Moreover, a customised copy of the Bombay Biryani communication was aired in Pushto on digital platforms, reaching 33 Mn+ impressions and 7.5 Mn+ views. Cluster Activations were executed during the Bakra Eid season to enhance brand visibility and encourage trials, leveraging the festive spirit to boost long-term brand recognition.

CRM

In order to create consumer engagement, consumer data was also collected by the on-ground team and the consumers who tried our products were then engaged through CRM for feedback. In Karachi, 98% of the consumers expressed an intent to repurchase our Bombay Biryani Karachi Khaas and 60% expressed preference over their current brand due to the immaculate product delivery, extensive on-ground efforts and creative digital amplifications. A dedicated agent fluent in Pushto was hired for KPK consumers to create a comfortable experience for them to share their experience which resulted in 95% consumers expressing an intent to repurchase Bombay Biryani Karachi Khaas after trial and 71% showing preference over their current brand.

The promising feedback from consumers not only further strengthened brand equity, but also paved way for a dedicated engagement platform called Khatoon-e-Khaas. With an extensive pool of consumers, Khatoon-e-Khaas focuses on advocacy, engagement, and the launch of new variants. This comprehensive CRM platform enhances customer relationships by offering one-on-one communication, exclusive content, and loyalty programs which was celebrated in an event hosted by specialized chefs with over 200 Khaas women in attendance. The initiative of constantly engaging with home-makers through this platform further builds on advocacy and engagement for Recipe Mixes.



Ketchup

Amidst a challenging economic environment marked by high inflation in Pakistan, the ketchup market remains fiercely competitive. Despite these headwinds, National Foods has solidified its position as Pakistan's No.1 Tomato Ketchup, commanding an impressive 59% share of the national market. This dominant market presence underscores National Foods' commitment to quality and consumer satisfaction, setting a benchmark in the industry.

On Ground Activations

Cluster Activations

To 23 retail outlets in Faisalabad were activated with National Ketchups shop fascia, for the first time ever.

Modern Trade Activations

Taking customer engagement in our main season seriously, the trials and interceptions were amplified with Modern Trade Activations across Karachi, Lahore, and Islamabad. Shoppers were encouraged to play games and win instant gifts on the purchase of National Ketchup and Chili Garlic.

Leveraging Season

To support our main season, Ramzan Limited Edition packaging and price off on all variants of National Ketchup and Chili garlic was rolled out in March 2024. This was supported by instore branding across modern trade and traditional retail making National Ketchup the most prominent on shelves. An opportunity of PKR10M was tapped making the season a massive success!



Pickles

National Pickles Marketing Activities Overview

Throughout the fiscal year, National Pickles has undertaken a strategic approach to marketing, aiming not only to expand market share but also to support inflation-impacted consumers. Our initiatives have focused on innovation, consumer engagement, and addressing the needs of diverse market segments.

Deriving Trials of National Crushed Pickles

The Crushed Pickle Trials exemplify our commitment to innovation and consumer engagement. Two modern trade activations, coupled with gift incentivization, drove product trials and purchases. Leveraging E-Commerce platforms like PandaMart and KraveMart allowed for cost-effective trials, complemented by co-branding opportunities and seasonal visibility assets, coupled with execution of Food Competitions on renowned Facebook Groups, integrating the product on YouTube Food Channels allowed us to expand our reach while remaining accessible to consumers in a changing economic landscape.

Supporting Inflation Impacted Consumers:

In line with supporting inflation impacted consumers, consumer promotions were strategically deployed in quarter 1 and quarter 2. The promotions included Rs.50

off on Mixed Pickle 900g in Q1 and Rs.30 off on Mixed Pickle 370g in Q3. These promotions not only drove incremental sales but also provided value to consumers during the challenging times

Reinforcing Brand Equity and Imagery:

During Ramadan, we enhanced in-store and E-Commerce visibility to cater to increased consumer demand. Our strategic presence during the last ten nights of Ramadan at Eid Bazaar Activations across five cities ensured heightened brand visibility among shoppers. Additionally, our products received prominent placement on E-Commerce platforms, ensuring accessibility and convenience for consumers during this crucial period.

Furthermore, our efforts to reinforce our brand imagery and equity were evident in our participation in prominent events such as the Karachi Eat Food Festival and The Commons Karachi Eid Festival. These engagements, along with out-of-home wall artwork strategically placed at the Marriot Signal Site, enhanced our brand equity and visibility among consumers.

Capturing the Unbranded Segment:

unbranded market, providing them with a quality product at an affordable price while driving category conversion from unbranded to branded. Furthermore, the Mixed Pickle 35g was reintroduced with a focus on visibility, reaching stores nationwide.

Spreads

The Irresistible Duo: National Mayonnaise & Ketchup

This year, we introduced an exciting limited time offering for consumers to experience the taste of National Mayo through a consumer promotion with Ketchup 800g. 65,000 trials were generated of Classic Mayo in 27 Imitiaz stores across the nation. The initiative created brand awareness for Classic Mayonnaise and provided support in driving Ketchup Sales.

National Mayonnaise takes off with AirSial

National Mayo soared to new heights by partnering with AirSial, Pakistan's premier airline, with the objective of building awareness and generating trial. Over 1350 children aboard 45 domestic flights engaged with the brand via an in-flight entertainment kit, containing National Mayo & Ketchup, NFL branded coloring book and pencils, creating a flavorful and fun journey for children and their families.

Desserts

This year, the desserts category took on a mission to provide consumers with a superior experience in the custard category through extensive sampling efforts; **67,000** trials were generated nationally.

Custard door to door sampling in Peshawar

A targeted sampling drive was activated in Peshawar reaching over 10,000 households. QR codes and NFL hotlink was leveraged to collect first party data through an incentivized lucky draw. 3 Lucky winners were gifted a month's supply for National Foods products.

Building associations

Tapping into the **Mango Season**, around **42,000** units of mango custard were sampled with Fresh Mango boxes on Pandamart & Krave Mart during the summer season. This collaboration showcased the perfect harmony of mango custard and mangoes to create a delicious seasonal delight.

Celebrating Meethi Eid: Owning Occasions

To strengthen the association of National Desserts with Ramadan, Adeel Chaudhry recreated tantalizing dessert recipes featured by the social media content stars - Irfan Junejo and Hamza Bhatti. This #BiggestFoodCollab garnered significant reach of 154 Mn on social media.



Technological Developments



Enrich with SAP Integration:

We are proud to report the successful implementation of SAP S/4 HANA at National Foods Limited, marking a significant milestone in enhancing our operational efficiency and data management capabilities. This achievement signifies a major step forward in our commitment to excellence and innovation.

Looking ahead, our integration efforts will expand to include Success Factors, Ariba, IBP, GRC, and the Business Technology Platform. This comprehensive approach to SAP integration is poised to further optimize our operations, fostering seamless collaboration across various functions within our organization.

The adoption of SAP S/4 HANA has already begun to yield tangible benefits for National Foods Limited, such as improved operational efficiency, enhanced data management capabilities, and increased agility in responding to market demands. We are excited about the opportunities that lie ahead as we continue to leverage these advanced technologies to drive growth and success in the food manufacturing industry.

DDT Infrastructure Enhancement at Faisalabad Plant:

The Faisalabad Plant has undergone a remarkable transformation, thanks to cutting-edge IT infrastructure developments. This includes the establishment of key components like the Datacentre, UPS Room, Meet-Me Room, and switching & WIFI

infrastructure layers, ensuring operational readiness. Notable implementations such as the VOIP solution, integration of IT and OT Firewalls, and Secure Internet Services have been successfully executed with redundancy measures in place. Moreover, significant enhancements to the Warehouse, including a secure VPN tunnel between NFL & Gatron for secure communication, have been deployed.

These initiatives underscore our commitment to technological excellence, operational efficiency, and safety standards, setting a solid foundation for future growth and innovation.

Salesflo:

National Foods Limited's sustained growth is attributed to the successful implementation of the Citadel strategy and a proactive approach to market demands. To align our information systems with business objectives, we introduced SAP S/4HANA in April 2024. This cutting-edge ERP solution offers real-time analytics and simplified processes, enabling rapid adaptation to the digital economy's demands and enhancing decision-making agility.

In addition, we deployed Salesflo, a cloud-based platform nationwide, improving Order to Cash Cycle efficiency. To ensure seamless integration with SAP S/4HANA, we transitioned to direct API communication, eliminating delays, and ensuring data integrity.

Key enhancements in NFL Sales Automation include the Demand Based Replenishment System (DBRS), Claim Automation, Pulse for ad-hoc report design, and Salesflo Sight for market insights. Our Data Lake serves as a centralized repository for primary and secondary sales data, facilitating robust analytics processes and Power BI reporting.

IT Governance:

National Foods Limited (NFL) is proud to announce its strategic partnership with A.F. Ferguson & Co. (PwC) to bolster its cybersecurity infrastructure through Virtual Chief Security Officer (vCSO) services. PwC, a renowned leader in cybersecurity consulting, has provided NFL with a comprehensive suite of services aimed at fortifying its digital defenses and safeguarding sensitive data.

Throughout this collaboration, PwC has conducted rigorous information, security risk assessments, executed Vulnerability Assessment and Penetration Testing (VAPT), reviewed network design and configurations, and facilitated cybersecurity awareness sessions for NFL personnel. Additionally, PwC has conducted GAP analyses and updated NFL's Information Security (IS) policies and procedures to ensure alignment with industry best practices and regulatory standards.

These initiatives underscore NFL's unwavering commitment to maintaining the highest standards of cybersecurity resilience. By partnering with PwC, NFL reinforces its dedication to protecting its digital assets and maintaining the trust of its stakeholders.

DDT Service Management:

We have implemented centralised secure printing solutions to enhance data security and confidentiality across our organization. These measures mitigate the risk of unauthorized access to sensitive documents,

reinforcing our commitment to data protection, and compliance standards.

Audio-Visual system upgrade, our state-of-the-art SMD screen, upgraded sound system, and integrated microphone system set a new standard for audiovisual excellence, enhancing the learning and presentation experience for all attendees.

The successful deployment of the IP Telephony system in our Corporate and Remote Offices seamlessly integrates with various departments, enhancing communication, collaboration, and cost efficiency. These features significantly improve operational efficiency and support our long-term growth strategy.

Subsequently, we're transitioning to a new workflow ticketing portal to improve operational efficiency.

These initiatives reflect our commitment to innovation, efficiency, and user satisfaction.



National Centre of Excellence

To bring successful new products and projects to life, the development teams should be fully equipped with the necessary resources and infrastructure.

In November 23', our Innovations, Research, and Development team relocated to a state-of-the-art facility called "Centre of Excellence", signaling a new chapter in creativity. By centralizing R&D activities (Product Development, Packaging Development, Regulatory & Compliance, Innovation Management) under one roof, we are able to streamline operations, foster collaboration among teams, and accelerate the pace of innovation, ultimately enabling them to meet evolving consumer demands and stay ahead in the market. This facility is also easily accessible to internal and external stakeholders.

Central to this space is the Executive Kitchen, fully equipped and designed to infuse our products with passion and inventiveness. From cooking and grilling, chilling and freezing, to baking and frying, every creation is crafted to captivate our global audience. Adjacent to the kitchen, our Product Development Lab meticulously blends spices and seasonings, orchestrating a symphony of flavors and colors. These culinary creations undergo rigorous evaluation in our scientifically designed sensory booths, carefully assessing appearance, taste, texture, and overall experience. Within our Packaging Development Laboratory, prototypes are refined to perfection, ensuring a compelling presentation in the market. Together, we can co-create new products and concepts faster and efficiently through the "Centre of Excellence".

Numerous projects have been identified and implemented for the continuous improvement and superiority of our brands to make sure that the products remain relevant and attractive for the end consumers. The R&D team has worked extensively to develop a myriad of products this year across categories that serve consumer needs nationally as well as internationally. More exciting products are currently in the pipeline and will be available in the market soon for our consumers to enjoy.



Health Safety & Environment

Fostering a Culture of HSE Excellence:

Collective Engagement for Safety and Well-being. NFL's deeply rooted commitment, employee-centric policies, and proactive safety measures are the keystones of our success in advancing HSE standards.

Excellence in Health, Safety & Environment represents NFL's ultimate objective, and each incremental step taken in this direction brings us closer to our goals. With this vision in mind, NFL deems it essential not only to implement traditional Occupational Health and Safety Management Systems but also to extend efforts towards implementing more robust and dependable Process Safety Management standards.

Throughout the year, numerous significant measures were implemented to enhance our continuously improving safety measures. Some of these measures are outlined below:

Health and Wellbeing of Employees:

At National Foods, prioritizing the well-being of our employees stands as a foundational principle ingrained within our organizational ethos. As part of our commitment to ensuring the holistic health of our workforce, we recognize the importance of raising awareness about various health-related issues, including HIV.

Occupational Safety:



Environmental Compliance:

As part of our Environmental objectives we actively engage in tree plantation activities at Nooriabad plant and other areas of Karachi. Tree plantation is a vital component of environmental conservation, helping us offset carbon emissions, improve air quality, and conserve natural resources. By actively participating in these initiatives, we contribute to a greener environment and support sustainable development. Our tree plantation efforts align with our broader commitment to environmental stewardship and further enhance our environmental performance.



National Foods DMCC

FY 24 was a year of significant achievements and growth driven by our ongoing efforts to solidify foundational elements and build a sustainable growth platform. Despite short-term challenges, we remained committed to our long-term vision for sustained success, by strategically deploying resources, expanding our organizational structure, optimizing process, and enhancing infrastructure. While this marks just the beginning of our journey, these efforts have propelled us to new heights this year, with several initiatives still in progress and set to be rolled out over the upcoming year.

Expanding Our Distribution Footprint:

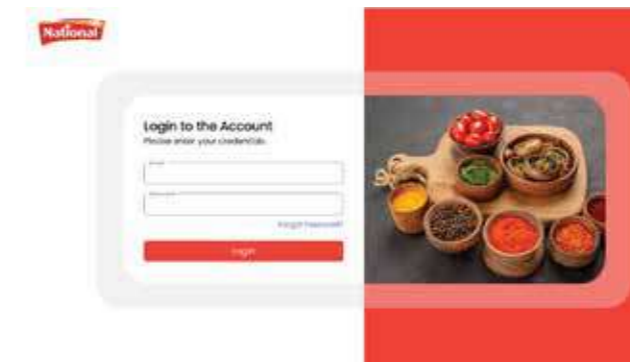
This year, we are on track to a new milestone in revenue, marking the highest sales in our Business Unit's history. This outstanding performance can be attributed to the dedication and hard work of our teams operating across various territories, particularly Europe, the Middle East, and APAC regions where we dedicated ourselves to expanding our distribution footprint, reinforcing it where necessary, capitalizing on gaps, and opening new markets. We have also made significant progress in expanding our presence in mainstream in North America, particularly in Canada, laying the foundation for future expansion that will bring our products into more homes worldwide.



Empowering Growth Through Transformation:

One of our core aims has been a holistic transformation of the business unit in terms of operations and infrastructure to enhance efficiency and build capability for sustainable growth:

- Integrated Planning:** We enhanced our operational efficiency through comprehensive optimization of our Sales and Operations Planning process. This synchronized cross functional efforts and facilitated well informed decision making through data analytics.
- Automation & Simplification:** We streamlined our order-to-dispatch process by building a cloud-based ordering portal, automating time-intensive manual tasks, developing in-house capabilities, working towards standardizing products to ensure compliance across regions, and transitioning to SAP S/4 HANA across our business ecosystem.
- Distribution Hubs:** We established a Distribution Hub in Canada to better service our target market. Through a demand-based replenishment model, this endeavor unlocks servicing agility through efficient stock management and rapid order fulfillment.



Product Promotion:

In line with our demand-driven approach, we focused our efforts on key strategic initiatives and driving the consumer funnel through sustained and consistent support. We deployed robust campaigns across target markets using a mix of ATL and BTL components such as digital marketing, in-store visibility, merchandising, sampling, and active participation in food festivals and events. These efforts were designed to expand our consumer base and reinforce our foothold in existing markets.





Showcasing Our Strengths:

In FY 24, we elevated our presence at major industry events like Gulfood 2024 and key Food Exhibitions in the USA. These platforms allowed us to showcase our portfolio and innovations, strengthening relationships with existing partners and connecting with new prospects globally.



Future Outlook:

Looking back, we have undergone significant transformative changes that have propelled us to new heights. As we advance into the next phase of our journey, we are confident in our ability to seize exciting future opportunities while remaining committed to our long-term vision for sustained success.

NF DMCC Innovations

Rejuvenating Sauces Category

This year, we undertook a strategic transformation of our Sauces category, focusing on product enhancement, packaging innovation, and brand revitalization. We streamlined our offerings to relaunch a range of seven sauces, each with improved quality and a bold, contemporary design. The new packaging exudes vibrancy and cutting-edge aesthetics, creating a visual impact that captures attention and resonates with today's consumers. As a brand known for its innovation, National Foods is committed to delivering exceptional products that resonate with diverse consumer needs. The product will be available in the market in the next FY.



Additionally, we embarked on a mission to deepen our understanding of KSA consumers by conducting a research study focused on the usage and attitudes of both Arab and non-Arab consumers regarding spice usage. This extensive research provided profound insights into consumer needs, empowering us to address them with greater precision and effectiveness. This will result in many strategic portfolio expansions across the GCC region in the years to come.



Enhancing Pickle Portfolio

Our 320g pickle range has been upgraded to a PET format with an induction foil seal to improve user experience and preserve freshness. This new packaging is easy to handle and store while presenting a premium look. The changeover has been implemented across all our markets, ensuring convenience and enhanced quality for our consumers.



Winning the KSA Market

Continuing our strategic focus from last year, our commitment to winning in the KSA market remained strong. The launch of our new Masala seasonings last year was supported by Digital and BTL initiatives to create awareness and drive product trials. This successful campaign, executed across various retail outlets in KSA, garnered an overwhelming response.

Further, building on a tactical opportunity, we introduced Mango Powder in a 100g Bag-in-box format during the Ramadan season, expanding our PSI range.

At the Heart of Progress

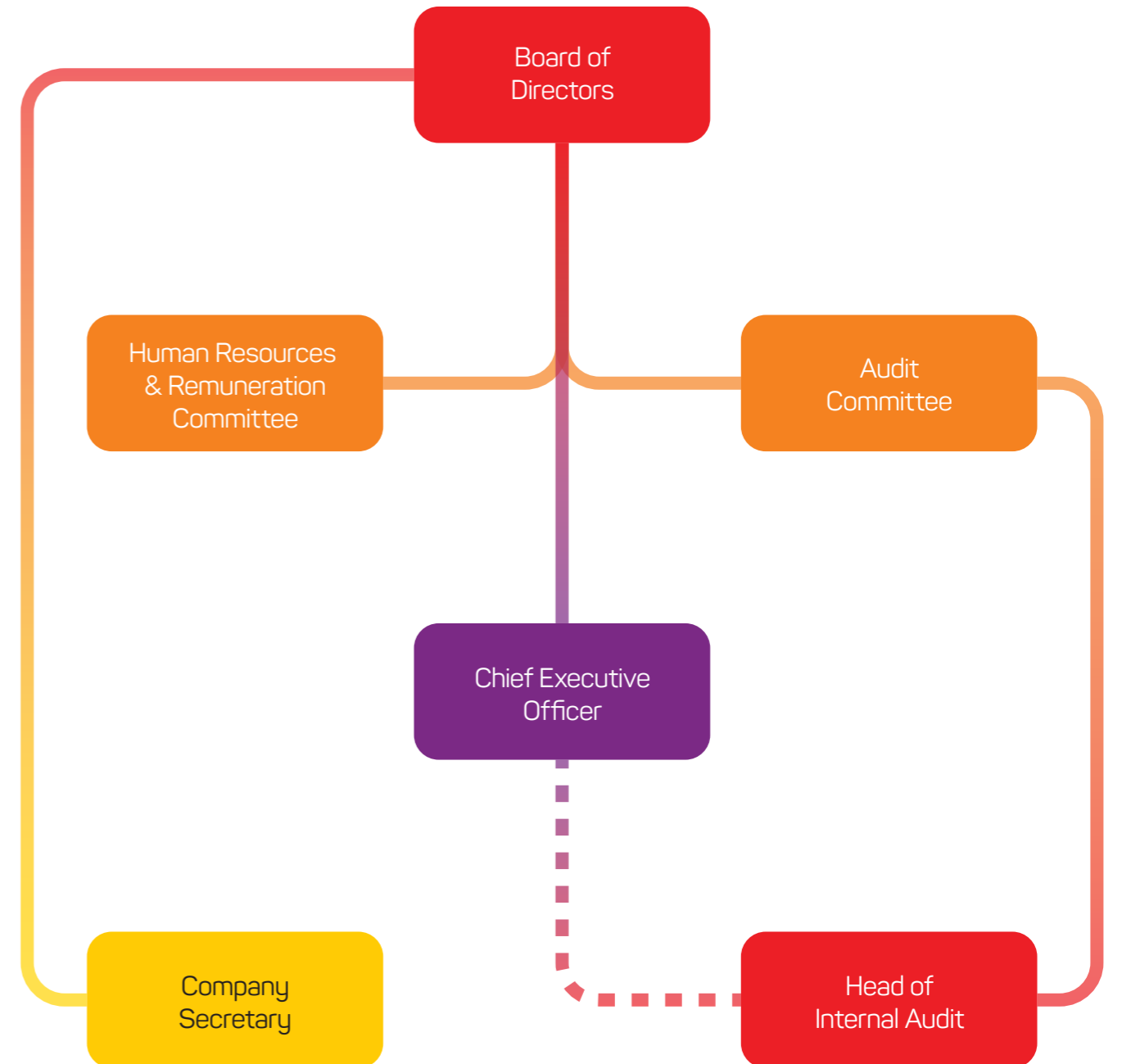
The establishment of National Foods (FZE) in Sharjah, UAE, signifies new beginnings in our global expansion journey, positioning us at the heart of growth.

As a subsidiary of National Foods DMCC in Dubai, this move propels us forward, extending our manufacturing reach and embracing the spirit of innovation and growth. It opens new pathways in GCC markets, symbolizing our continuous flow towards new horizons.

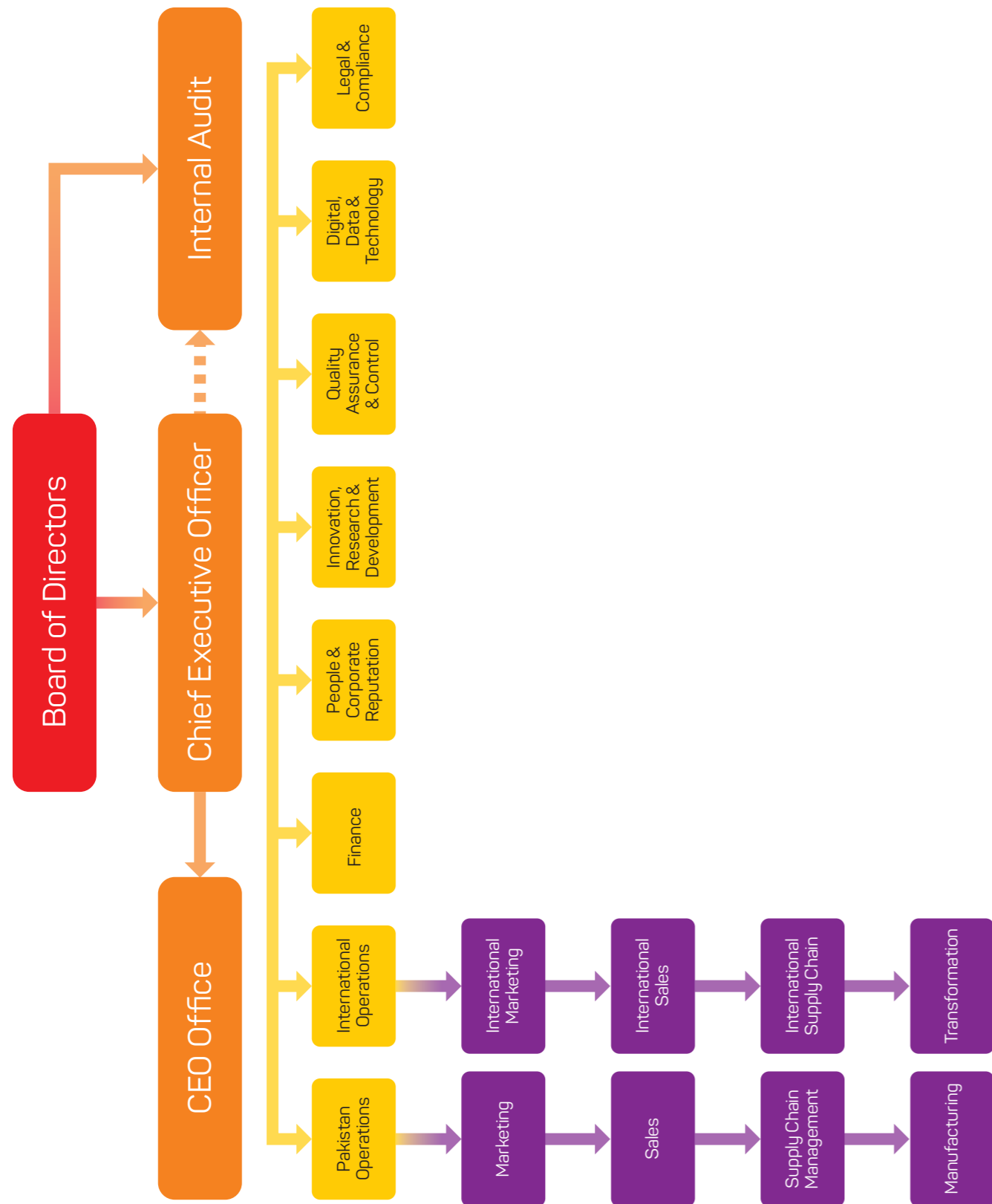




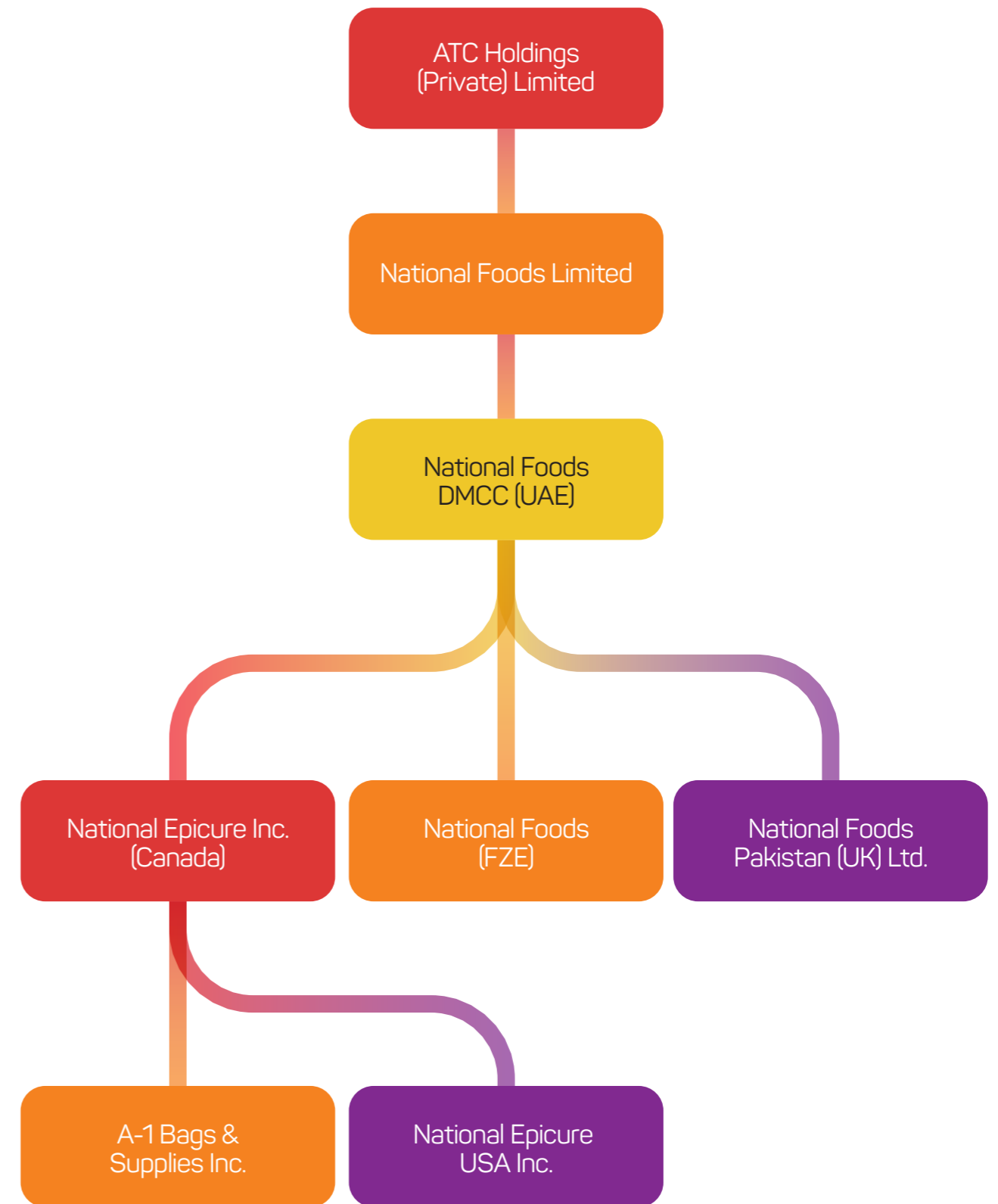
Corporate Organizational Chart



NFL Organizational Chart



NFL Subsidiaries Organizational Chart



Company Information

Board of Directors

Mr. Zahid Majeed	Chairman
Mr. Abrar Hasan	Chief Executive Officer
Mr. Ehsan Ali Malik	Independent Director
Mr. Ali H. Shirazi	Independent Director
Mr. Adam Fahy Majeed	Executive Director
Mrs. Saadia Naveed	Non-Executive Director
Mrs. Noreen Hasan	Non-Executive Director

Audit Committee

Mr. Ehsan Ali Malik	Chairman
Mrs. Saadia Naveed	Member
Mrs. Noreen Hasan	Member
Ms. Quratulain Mamsa	Secretary

Human Resources and Remuneration Committee

Mr. Ali H. Shirazi	Chairman
Mrs. Noreen Hasan	Member
Mr. Ehsan Ali Malik	Member
Ms. Asma Yusuf	Secretary

Chief Internal Auditor

Ms. Quratulain Mamsa	EY Ford Rhodes Chartered Accountant
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Management Committee

Mr. Abrar Hasan	Global Chief Executive Officer
Mr. Hasan Sarwat	Chief Operating Officer – Pakistan Operations
Mr. Dominique Charles Silvarelli	Chief Operating Officer - International Division
Syed Farhan Ali Rizvi	Global Chief Financial Officer
Ms. Ivana Bajamic	Global Chief People and Corporate Reputation Officer
Ms. Asma Yusuf	Director People & Workplace Services
Mr. Saleem Rafi Khilji	Director Manufacturing
Mr. Ali Rashid Khan	Director Marketing
Mr. Naveed Zaffar	Director Sales
Mr. Ahmed Murad Khan	Director Innovation Research & Development
Mr. Shah Abdullah Raza	Director Digital, Data & Technology
Mr. Ahmed Salman *	Director Integrated Supply Chain
Mr. Adnan Naseer Warsi	General Manager Quality
Mr. Fazal ur Rehman Hajano	Legal Counsel

Company Secretary

Mr. Fazal ur Rehman Hajano

Chief Financial Officer

Syed Farhan Ali Rizvi

* Mr Ahmed Salman resigned as Director Integrated Supply Chain National Foods Limited as at June 30, 2024

Auditors

Messrs. KPMG Taseer Hadi
& Co. Chartered Accountant

Shaikh Sultan Trust Building No. 2,
Beaumont Road, Karachi, 75530.

Share Registration Office

CDC Share Registrar
Services Limited

CDC House, 99-B, Block B, S.M.C.H.S.,
Main Shahrah-e-Faisal, Karachi-74400, Pakistan.
Tel: Customer Support Services (Toll Free) 0800-CDCPL (23275)
Fax: (92-21) 34326053
Email: info@cdcsrsl.com
Website: www.cdcsrsl.com

Company Banks

Allied Bank Limited	Habib Bank Limited (UAE)
Askari Bank Limited	Habib Metropolitan Bank Limited
Bank Al Habib Limited	MCB Bank Limited
Bank Alfalah Limited (Islamic Banking Group)	MCB Bank Limited - Dubai
Bank of Montreal	Meezan Bank Limited
Faysal Bank Limited	National Bank of Pakistan
Habib Bank AG Zurich - Dubai	Toronto Dominion Canada Trust Bank
Habib Bank Limited	United Bank Limited
Habib Bank Limited (UK)	

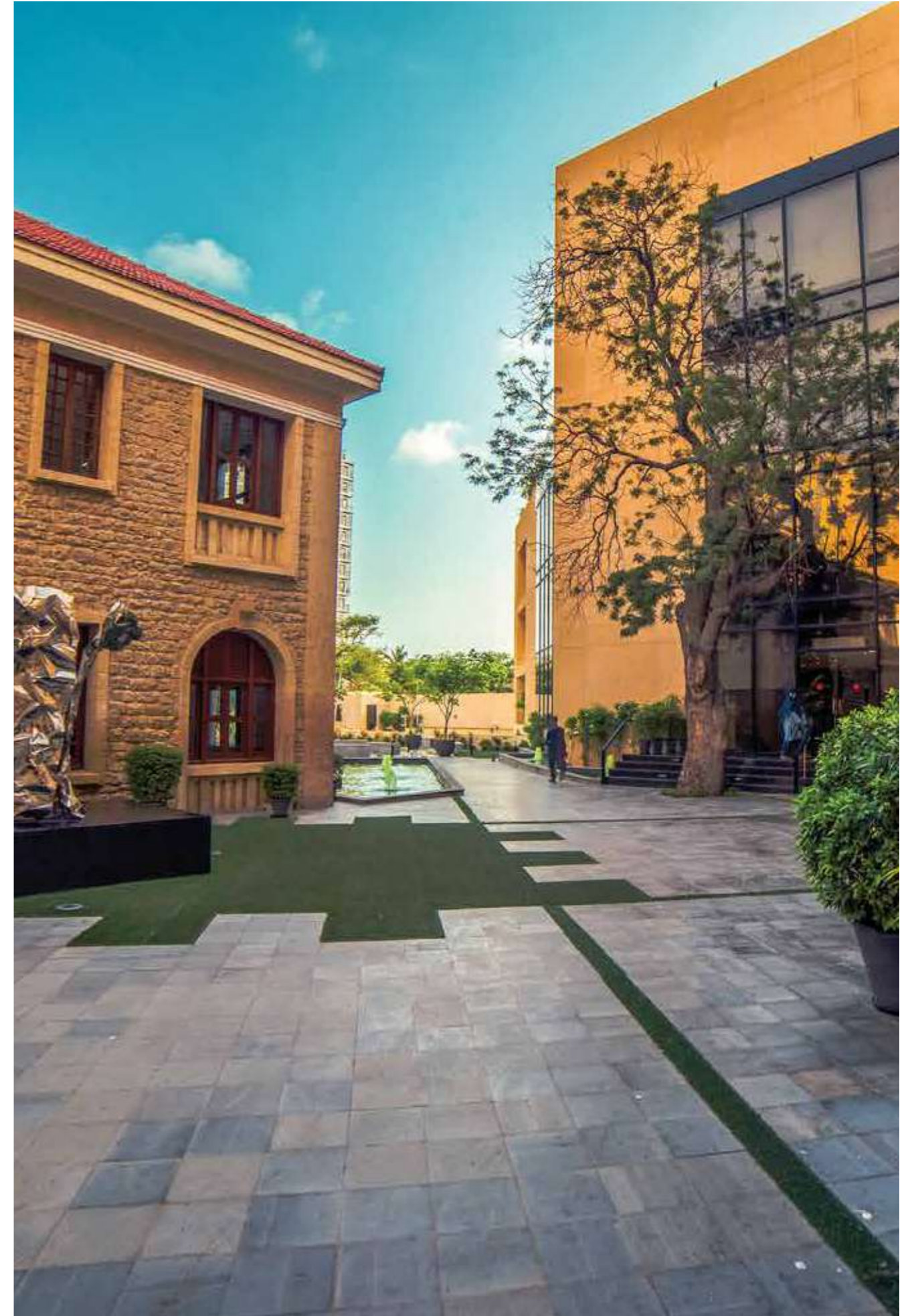
Web Presence:

Updated company information
and the latest Annual Report
can be accessed at: www.nfoods.com

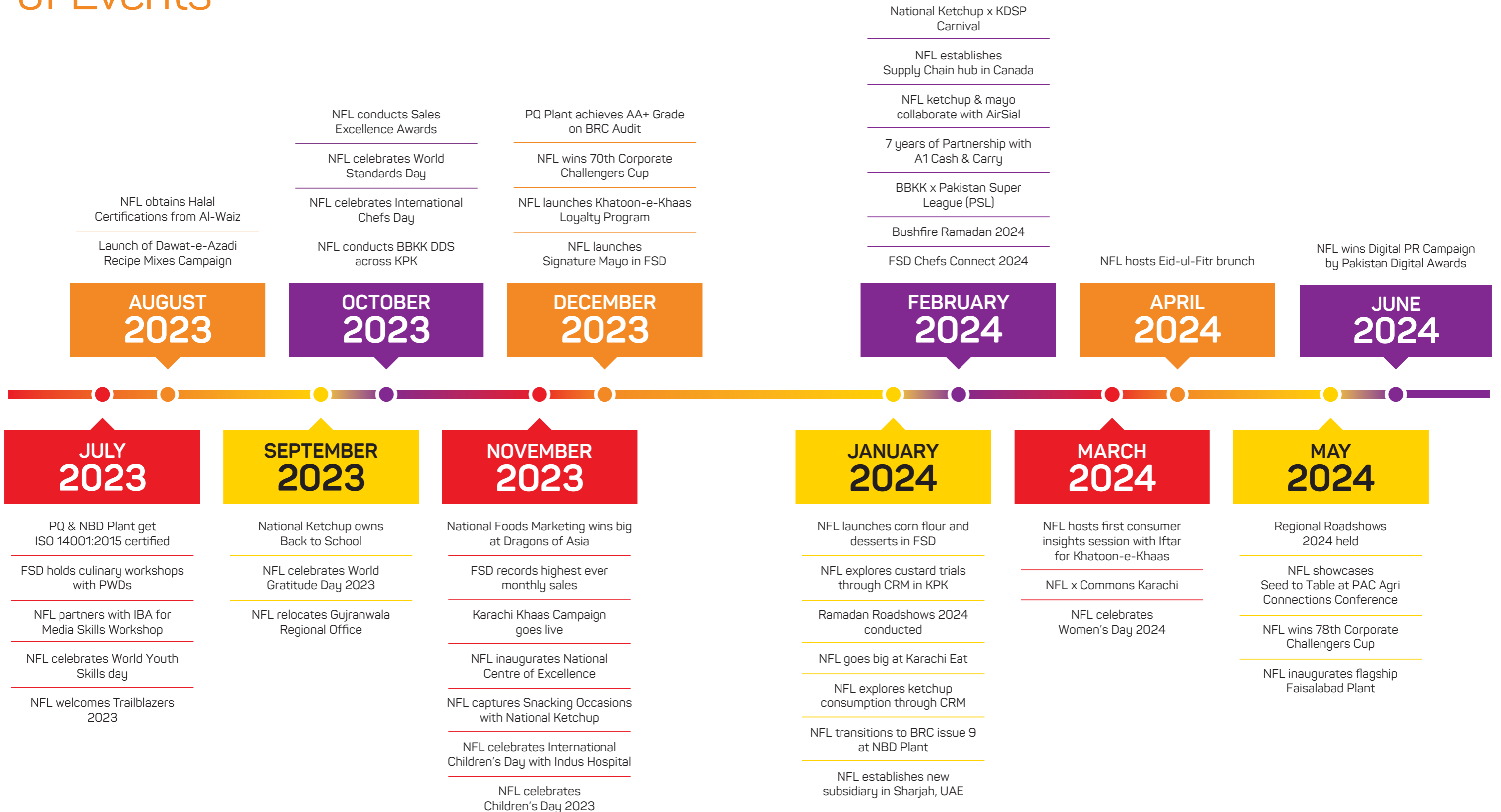


Factories & Offices

Registered Office	12/CL-6 Claremont Road, Civil Lines, Karachi-75530. Phone: (92-21) 38402022 & 36490029 Fax: (92-21) 35670996
Port Qasim Plant	A-13, North Western Industrial Zone, Bin Qasim, Karachi. Phone: 021-3475-0373 – 7
Nooriabad Plant	A-393, Nooriabad Industrial Estate, Nooriabad, Karachi. Phone: 0300-0335287
Faisalabad Plant	Plot # 346/347, Phase II, M-3, Industrial City, (M-3IC) Sahianwala Interchange, Faisalabad. Phone: 0302-5825369
SITE Plant (Non-Operational)	F- 160/ C, F- 133, S.I.T.E. Karachi, Sindh, 75000
Regional & Sales Offices	
Karachi Regional Office	Office # 107&309, 1st Floor, National Foods, Parsa Tower, Sharah-e-Faisal, Karachi.
Lahore Regional Office	418- CCA, DHA Phase 8, (Ex Park View), Lahore Cantt, Lahore.
Gujranwala Regional Office	Office # 4, Sixteenth Avenue Mall, 16-A, Industrial Estate, Grand Trunk Road, Gujranwala.
Rawalpindi Regional Office	Bilal Complex, 1st Floor Main PWD Double Road Rawalpindi.
Multan Regional Office	Office # 27, National Foods Limited, 3rd Floor, Bominji Square, Multan Cantt, Multan City.
SAP Project Office	Office # 202, 2nd Floor, Syedna Tahir Saifuddin Memorial Building, PSTD, Civil Lines Kashmir Mujahid Colony, Karachi.
National Centre of Excellence	20-C, Main Khayaban -e-Nishat, Ittehad Commercial Line 6, D.H.A Phase 6, Karachi, Sindh 75500, Pakistan Phone: 021-35842022
Peshawar Sales Office	Office # 210, National Foods Limited, 2nd Floor ,Block-C City Towers Main University Road Peshawar
Kunri Office	Babu Iqbal Village, near Civil Hospital, Nabisar Road Kunri, Sindh 69160, 0238-557277



Calendar of Events





CEO Message

National Foods has a special place in the hearts of consumers globally. Our brand's strength rests on being a familiar and trustworthy household name.

Dear Shareholders,

Reflecting on the outstanding journey National Foods Limited (NFL) has had despite challenges in 2023-24, there is immense pride to see that new paradigms of performance have been set. The year is a testament to NFL's resilience and agility, underpinned by customer-centricity and commitment to excellence. As an industry pioneer, accountability and ownership are at the core of NFL creating positive impact and driving change, which contributes to community, society, as well as the overall economy.

In line with our commitment to optimize operations and growth locally, NFL's state-of-the-art Faisalabad Plant has been fully operational in 2024. This crucial enhancement supports NFL as well as Pakistan in optimizing operations, enhancing efficiencies, and driving higher growth.

In prevailing economic challenges and supply chain disruptions, NFL stands resilient in our commitment to innovative solutions.

NFL's commitment to localization and self-sufficiency continues to drive efforts to digitize and improve farming locally with Agri-tech partners, positively impacting the agricultural landscape. We aim to not only enrich the lives of farmers but enable an infrastructure which improves agri practices, food security, and unleashes the agricultural potential of Pakistan. As a leader in the industry, we are actively engaged in policy advocacy across various aspects of the business, particularly agriculture. NFL is leading the narrative and the path to ensure unhindered growth within industries with the business

community, across public and private institutions. The "Seed to Table" initiative and Faisalabad Plant exemplify our commitment to growth beyond borders, assisting the economy through exports.

In the international arena, NFL continues to transform beyond local boundaries. A1 Cash & Carry and National Foods DMCC show remarkable growth, and we will continue to invest in the businesses to enable their promising trajectories. Moreover, NFL is mindful of the ever-changing innovation and digital trends and continues to remodel as a corporate brand and organization.

Pakistan being highly susceptible to climate change drives our efforts to build awareness and push for change through Sustainability and CSR efforts which span across our operations and our offices. This is to ensure a robust Environmental, Social, and Governance (ESG) framework is developed and maintained to create lasting impact.

For over fifty years we have combined heritage, innovation, and passion to enrich lives and impact millions of people. At the heart of the future, in 2024 our focus will remain on pioneering the industry with an intentional culture of excellence and innovation. We hope to continue delivering unmatched quality and value to our diverse stakeholders and customer bases across Pakistan, the region, and globally.

Warm regards

Ahrar Hasan

Chief Executive Officer

At the Heart of Growth

National Epicure Inc.'s Supply Chain Hub in Ontario, Canada, showcases our forward-thinking approach and global expansion commitment.

This strategic move boosts our North American presence, optimizing warehousing and enhancing market efficiency. Seizing opportunities in this thriving landscape propels us towards accelerated global growth.



Board Composition

Board Architecture

Our Board Architecture is mainly governed by Companies Act, 2017 and Listed Companies (Code of Corporate Governance) Regulations, 2019 and other good corporate governance practices, ideologies available locally and internationally.

NFL values and ensures effective, efficient, and independent decision making. The Board as a group includes competencies and diversity considered relevant in the context of Public Limited Company's operations. Our Board comprises of members who have local and international experience, giving the Board a competitive edge for effectively managing the complexities of our business. Our Board of Directors is comprised of

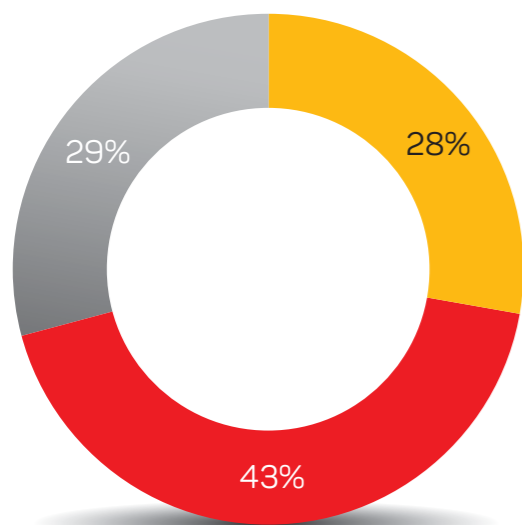
highly qualified professionals from varied disciplines, including finance, investment, legal and business management.

Our Board comprises of 7 Directors, who actively ensure that all shareholders and stakeholders' interests are fully protected. There are 3 Non-Executive Directors, 2 Executive Directors and 2 Independent Directors on our Board.

The status of directorship e.g., non-executive, executive, independent etc. is also provided in the Statement of Compliance with the Code of Corporate Governance, issued by the Company on page 133.

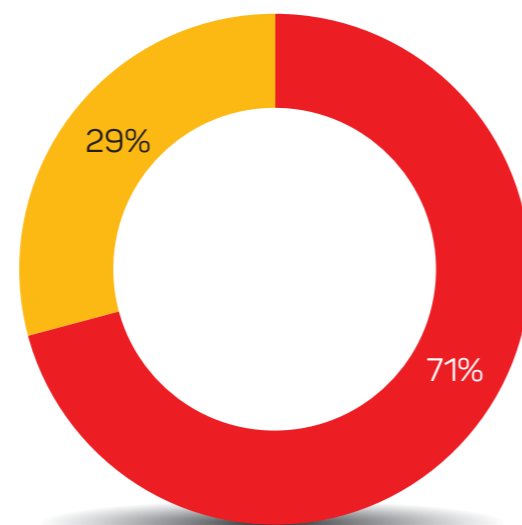
Board Composition

- Executive
- Non-Executive
- Independent



Gender Diversity

- Male
- Female



Directors' Profile



Mr. Zahid Majeed

Chairman

From 2000 onward, he led the drive towards creating a multinational business by establishing the first international subsidiary in DMCC, Dubai, UAE. This became the basis of acquiring the majority shareholding in A1 Cash & Carry, Canada in 2017. He continues to serve as the Chairman till date, partnering with the original sponsors to drive an accelerated growth model. He has also served in various group functions leading Textile, Environmental, and Investment activities.

Mr. Majeed studied Philosophy, Politics and Economics at Magdalen College, Oxford University, UK, and later studied Textile Technology from the University of New South Wales, Australia. He is a Certified Director from the Institute of Directors (IOD), London, an international certification which underpins his commitment to the highest standards of Corporate Governance. Additionally, he recently attended the Board Effectiveness Program at Harvard Business School.

Mr. Zahid Majeed is Chairman of National Foods Limited and has played an integral role in pioneering its transformation, from a small food enterprise to a leading food brand in Pakistan, exporting to multiple countries across the world. In 1987 he joined as the Plant Director and subsequently his role changed to Corporate Marketing Director.





Mr. Abrar Hasan

Global Chief Executive Officer

Recognizing the vital role of Technology, under Mr. Hasan's leadership, NFL became the first local food company to put in an ERP system (Scala), which was subsequently upgraded to SAP ERP system, in a record six-month deployment. NFL has recently upgraded SAP Systems to S/4HANA on Cloud.

A firm supporter of Corporate Social Responsibility (CSR) and Environmental Social Governance (ESG), Mr. Hasan intentionally embeds CSR and Sustainability across NFL's workforce, organization, production facilities and offices.

Mr. Hasan has played a pivotal role in NFL's "Seed to Table" initiative in partnership with major seed, nutrition and crop protection companies, progressive farm management companies and agri-tech startups to revolutionize food crop farming through advanced agritech solutions, enhancing production, and implementing scalable, responsible practices to promote self-sufficiency goals.

He is also a Director at National Foods DMCC (NFDMCC), a wholly owned subsidiary of NFL; a Director at National Epicure Inc. Canada (NEI) and National Foods Pakistan UK Ltd., and a Director at A-1 Bags & Supplies Inc. Canada, a subsidiary of NEI.

Mr. Abrar Hasan studied Industrial Management and Industrial Engineering from Purdue University, Indiana, USA, and is a Certified Director from the Pakistan Institute of Corporate Governance.

Mr. Abrar Hasan is the Global Chief Executive Officer (CEO) at National Foods Limited (NFL) and has been a Director on the Board of NFL since 2000.

In 1993, Mr. Hasan joined NFL as Plant Director; in 1997, he was elected Deputy Managing Director, and shortly after as CEO. He has steered the company to deliver steady growth year on year, from PKR 200 million in 1993 to a PKR 50 billion leading multi-category food company in Pakistan, with over 250 different products, marketed in Pakistan and exported to 40 countries.

The company currently holds Global Food safety BRCGS, HALAL, Social Compliance SEDEX, QMS ISO 9001, Food Safety Management System 22000, Environment, Health and Safety 45001 and 14001 certifications, along with Laboratory accreditation by PNAC, reflecting NFL's commitment to exceptional quality, food safety, ethical practices, workplace safety, and environmental sustainability.



Mrs. Noreen Hasan

Non-Executive Director

The degree was awarded with two First classes for her dissertation on "The Guatemalan Crisis of 1956 and Anglo American Relations", and was published by the University.

Mrs. Hasan's experience is well focused on CSR and philanthropic activities. Her present involvement includes activities for the "Children's Cancer Foundation Pakistan Trust". She has actively organized and raised funds on a continuous basis for the Trust which is now affiliated with the Indus Hospital to increase sustainability and awareness. On a smaller scale, Mrs. Hasan has also been involved in various other charity groups some of which include financially supporting the Education and Children's Health Organization (Echo) Foundations in Ghara and sponsoring underprivileged children for a school in Rashidabad.

Mrs. Noreen Hasan graduated in 1991 after completing her Bachelor's Degree with HONS in "Medieval and Modern World History" from the University of Birmingham, UK.





Mrs. Saadia Naveed

Non-Executive Director

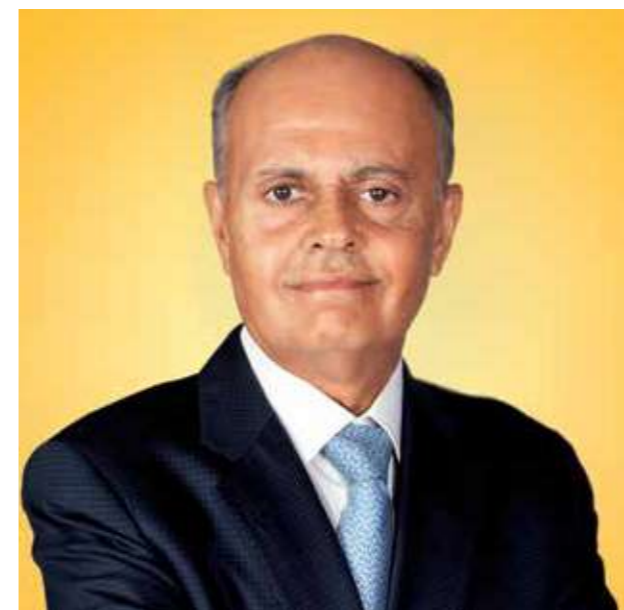
leading to the successful implementation of SAP along with its business intelligence and other value-added models. Saadia is a true team leader who works closely with Departmental Heads to further improve organizational systems, processes and policies. It is her contribution and sound knowledge of finance that made EBM a self-sufficient and debt-free organisation.

Saadia also represents the Boards of Hoechst Pakistan Limited (Formerly Sanofi-Aventis Pakistan Ltd.), Shield Corporation, Employers Federation of Pakistan (EFP), AKUH Corporate Committee for University Advancement, and Management Association of Pakistan (MAP). She was the first ever female President of MAP from June 2013 till March 2015. As President of MAP, she contributed significantly to raise the profile of what is already one of the most acclaimed management organisations in the country. She focused on creating greater awareness of good management practices, and promoted the recognition of companies who actively engaged in them.

Saadia is a great example of a dynamic leader and an inspiration for Pakistani women aspiring to take leadership roles. In 2012, she received Marketing Excellence & Wonder Women of the Year awards for her contributions to business excellence in Pakistan. Soft-spoken, a true friend and deeply interested in uplifting the lives of those around her, she is a keen supporter of various philanthropic initiatives in addition to her professional role. She is also an active member of several other professional organizations including Institute of Directors (IOD) London, National Academy of Performing Arts (NAPA), Korangi Association of Trade & Industry (KATI), and Karachi Chamber of Commerce & Industry (KCCI).

Having an experience of almost two decades, working at a senior executive position at English Biscuit Manufacturers Pvt. Ltd. (EBM), Saadia Naveed being the Director and Shareholder in the Company, is currently the Deputy Managing Director of EBM.

Saadia held the challenging position of Director Operations in the year 2002, prior to her appointment as Deputy Managing Director in 2008. Under her stewardship, EBM has witnessed remarkable achievements like exponential volume growth, enhancement of Production capabilities and Technical Advancements such as Oracle based ERP system in 2003-04 enabling the team to adapt quickly and be more responsive to the current and future challenge



Mr. Ehsan A. Malik

Independent Director

From 1st September 2006 to 31 October 2014 Mr. Malik was the Chief Executive Officer of Unilever Pakistan Limited and a director of Unilever Pakistan Foods Limited. Prior to this he was Chairman and CEO, Unilever Sri Lanka Limited. His earlier international appointments covered Unilever's regional business in Egypt, Lebanon, Jordan, Syria and Sudan as well as Unilever's Head Office in UK. These preceded senior commercial and financial roles at Unilever Pakistan. He is also a Member of the Board of Directors of Abbott Laboratories Pakistan Limited, Gul Ahmed Textiles Limited, Standard Chartered Bank Pakistan Limited, Friesland Campina Engro Pakistan Limited and the Pakistan Business Council. Mr. Malik is a Fellow of the Institute of Chartered Accountants of England and Wales and alumni of the Wharton and Harvard Business Schools.

Mr. Ehsan A. Malik is currently serving as the Chief Executive Officer of Pakistan Business Council.





Mr. Ali H. Shirazi

Independent Director

During this period, he worked for the Bank of Tokyo-California-Mitsubishi in New York as well as American Honda in Torrance, California. He is Atlas Group Director Financial Service and President/Chief Executive of Atlas Battery Limited. He serves on the Board of Atlas Asset Management Limited, Atlas Insurance Limited, Shirazi Investment (Pvt.) Limited, National Management Foundation (Sponsorship body of LUMS), Techlogix International Limited, Cherat Packaging Limited, Pakistan Cables Limited and Pakistan Society for Training and Development. Previously he has also served on the Board of National Clearing Company of Pakistan Limited (NCCPL).

He is a 'Certified Director' from the Pakistan Institute of Corporate Governance and in 2018 completed the Owner / President Management Program (OPM) from Harvard Business School.

Mr. Ali H. Shirazi graduated with a BA from Yale University, U.S.A. in 2000 and thereafter completed his Masters in Law from Bristol University, U.K. in 2005.



Mr. Adam Fahy Majeed

Executive Director

He graduated from the University of Leeds in 2019, receiving a first class Joint Honours BA in History of Art and Italian. Adam has been involved in a wide variety of artistic projects relating to his field of academic expertise, including: the first Karachi Biennale in 2017 (curatorial team member); Amin Gulgee's 7 and 7.7 solo-exhibitions, Rome, 2018 (assistant curator); The Trojan Donkey, 2020 (curator); Healing II, Karachi, 2020 (curator); The Q Rickshaw Project, Karachi, 2022 (curator). He was the curator of Amin Gulgee's most recent solo-exhibition, The Spider Speaketh in Tongues, at the South Asia Institute, Chicago, 2022. His writing has been published in numerous catalogues, as well as in the form of feature-length articles for The Friday Times.

Adam is Executive Director at National Foods Limited and Non-Executive Director at ATC Holdings (Private) Limited. Adam's role allows him to traverse all aspects of the group in the endeavour of maximising growth opportunities and expanding the business locally and internationally. This includes innovations, international expansion, new product development, and the pursuit of new business ventures.

Adam Fahy-Majeed received his Master's degree in Modern and Contemporary Art History, from the School of the Art Institute of Chicago in 2021.



Board Meetings

Scheduled Board Meetings

Our Board has established a corporate governance framework with clearly defined responsibilities and accountabilities. For our Board to operate effectively and to consider key matters, Board Committees have been established as set out on page 73.

Further, the next Board of Directors' Meeting is approved in each meeting, in which the Board Meetings, HR and Remunerations Committee and Audit Committee Meetings are scheduled for the next quarter. The Board Members are issued Meeting

Notices within statutory timelines. The Board Folder is sent seven days prior to the Board Meeting which comprises of the Notice, Agenda and Financial Documents along with other business papers on which decisions or approvals are to be considered.

Audit Committee and Human Resource & Remuneration Committee meetings are held according to the schedule to ensure maximum director participation.

Attendance at scheduled Board and Committee Meetings during 2023-24

Sr No	Name of Board Director	Status	Scheduled Board Meetings				
			07 Sep. 2023	19 Oct. 2023	27 Feb. 2024	29 Apr. 2024	13 Jun. 2024
01	Mr. Zahid Majeed	Chairman	P	P	P	P	P
02	Mr. Abrar Hasan	Executive Director	P	P	P	P	P
03	Mr. Ehsan Ali Malik	Independent Director	P	P	P	P	P
04	Mr. Ali H. Shirazi	Independent Director	P	P	P	P	P
05	Mr. Adam Fahy Majeed	Executive Director	P	P	P	P	P
06	Ms. Saadia Naveed	Non-Executive Director	P	P	P	P	P
07	Ms. Noreen Hasan	Non-Executive Director	P	P	P	P	P



OTHER DIRECTORSHIPS		
Sr No.	Director Name	Directorships Held
01	Mr. Zahid Majeed	<ul style="list-style-type: none"> I. ATC Holdings (Private) Limited. II. ATC Technology Consultants (Private) Limited III. Associated Environment & Energy Solutions (Pvt) Ltd. IV. Mungwow (Pvt.) Ltd V. Epicure DMCC
02	Mr. Abrar Hasan	<ul style="list-style-type: none"> I. Cherat Cement Limited II. Pakistan Business Council III. National Food DMCC (NFDMCC) IV. National Epicure Inc. Canada (NEI) V. National Foods Pakistan (UK) Ltd. VI. A-1 Bags & Supplies Inc. Canada VII. ATC Holdings (Pvt) Ltd VIII. ATC Technology Consultants (Pvt) Ltd IX. Associated Environment & Energy Solution (Pvt.) Ltd X. Naymat Collateral Management Company Limited XI. Epicure DMCC XII. National Epicure USA Inc. XIII. Mungwow (Private) Limited
03	Mr. Ehsan Ali Malik	<p>Public Listed</p> <ul style="list-style-type: none"> I. Abbot Laboratories (Pak) Limited II. Gul Ahmed Textiles Limited III. Friesland Campina Engro Pakistan Ltd IV. Standard Chartered Bank Pakistan Limited <p>Section 42</p> <ul style="list-style-type: none"> V. The Pakistan Business Council

OTHER DIRECTORSHIPS		
Sr No.	Director Name	Directorships Held
04	Mr. Ali H. Shirazi	<ul style="list-style-type: none"> I. Atlas Battery Limited (President & CEO)- Listed II. Atlas Insurance Limited – Listed III. Cherat Packaging Limited- Listed IV. Pakistan Cables Limited- Listed V. Shirazi Investments (Private) Limited - Unlisted VI. Shirazi Trading Company (Private) Limited – Unlisted VII. Atlas Asset Management Limited – Unlisted VIII. Atlas Solar Limited – Unlisted IX. Techlogix International Limited – Unlisted X. Atlas Venture Limited, UAE – Unlisted XI. Atlas Global FZE, UAE – Unlisted XII. Oyster International Holdings Limited, UAE – Unlisted XIII. Oyster re-brokers Limited, UAE XIV. SF Global Holdings Limited, UAE – Unlisted XV. SFM Investment DMCC XVI. Atlas Foundation XVII. Atlas Vocational Training Institute XVIII. National Management Foundation (Sponsoring body of LUMS) XIX. Pakistan Society for Training & Development
05	Mr. Adam Fahy Majeed	<ul style="list-style-type: none"> I. Director - ATC Holdings (Private) Limited.
06	Ms. Saadia Naveed	<ul style="list-style-type: none"> I. English Biscuit Manufacturers (Pvt.) Ltd. II. Shield Corporation Limited III. Employers Federation of Pakistan IV. Management Association of Pakistan V. Education Fund for Sindh VI. Hoechst Pakistan Ltd. (Formerly Sanofit-Aventis Pakistan Ltd.)
07	Ms. Noreen Hasan	<ul style="list-style-type: none"> I. Director – ATC Holdings (Private) Limited

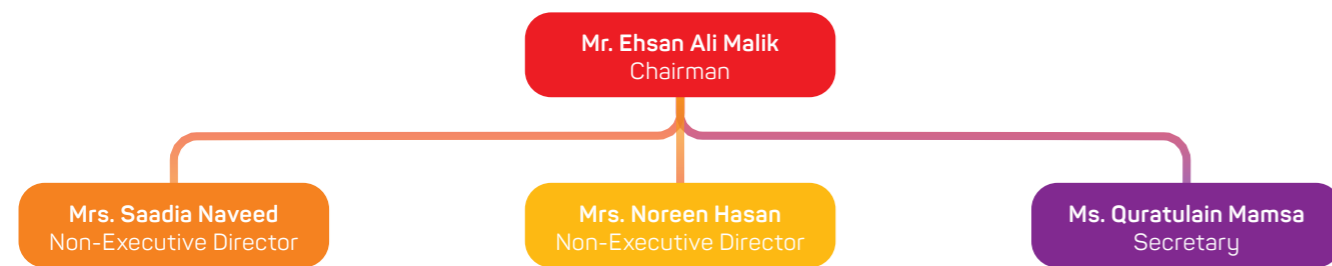
Board Committees

The Board has formed the following Committees in line with best practices and requirements of the Code of Corporate Governance:

Audit Committee

The Committee assists the Board in the effective discharge of its responsibilities for corporate governance and financial reporting. The Audit

Committee comprises of one Independent and two Non-Executive Directors. The Chairman of the Audit Committee is an Independent Director.



The brief terms of reference of the audit committee are as follows:

- Determination of appropriate measures to safeguard the Company's assets;
- Review of annual and interim financial statements of the Company, prior to their approval by the Board of Directors
- Review of preliminary announcements of results prior to external communication and publications;
- Facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of Management, where necessary)
- Review of Management letter issued by the external auditors and Management's response thereto;
- Review of the scope and extent of internal audit, audit plan, reporting framework and procedures and ensuring that the Internal Audit function has adequate resources and is appropriately placed within the Company
- Consideration of major findings of internal investigations of activities characterized by fraud or corruption and Management's response thereto;
- Determining compliance with relevant statutory requirements;
- Recommend to the Board of Directors the appointment of external auditors, their removal, audit fee, the provision of any service permissible to be rendered to the Company by the external auditors in addition to audit of its financial statements.
- Consideration any other issue or matter as may be assigned by the Board of Directors.

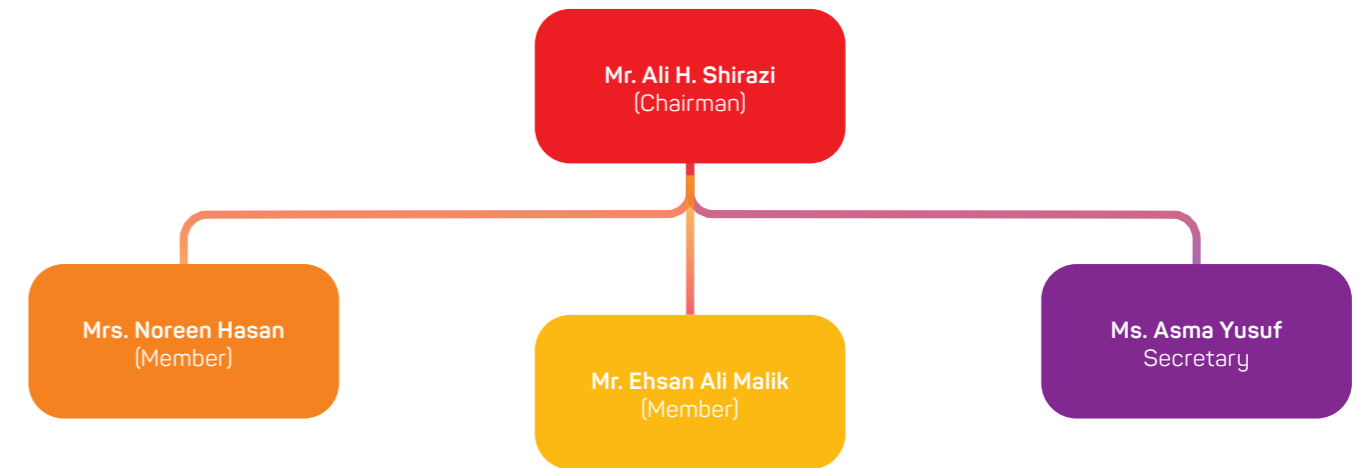
Attendance at Scheduled Committee Meetings

Sr No	Name of Committee Member	Designation	Scheduled Board Meetings			
			05 Sep. 2023	18 Oct. 2023	26 Feb. 2024	29 Apr. 2024
01	Mr. Ehsan Ali Malik	Chairman	P	P	P	P
02	Ms. Saadia Naveed	Member	P	P	P	P
03	Ms. Noreen Hasan	Member	P	P	P	P

Human Resource & Remuneration Committee

NFL has established HRRC in accordance with the requirements of the Code of Corporate Governance. HRRC assists the Board in fulfilling its responsibilities in the review, formulation, recommendation and implementation of human resource policies and the appointment and remuneration of the Chief Executive Officer (CEO), Chief Financial Officer, Company

Secretary, and Chief Internal Auditor. It also considers and approves recommendations of the CEO on matters related to succession planning of key management positions and ensuring proper compensation to NFL employees. This Committee comprises of Directors, consisting of mainly Non-Executive Directors, including one Independent Director.



The meeting of this committee has been held twice a year.

Attendance at Scheduled Committee Meetings

Sr. No	Name of Committee Member	Designation	Scheduled Board Meetings	
			15 Aug. 2023	28 Mar. 2024
01	Mr. Ali H. Shirazi	Chairman	P	P
02	Mr. Ehsan Ali Malik	Member	P	P
03	Ms. Noreen Hasan	Member	P	P

Terms of Reference of the Human Resource & Remuneration Committee

- Comprising of at least 3 members; consisting of mainly Non-Executive Directors, including two Independent Directors. A CEO can be a member, but not the Chairman of this committee. The CEO cannot participate in the proceedings of the committee on matters related directly to his performance and compensation.
- Recommend HR Management Policies to the Board
- Recommend to the Board for consideration and approval of a policy framework for determination of remuneration of Directors (both executive and non-executive directors and members of senior management).
- Recommend selection, evaluation, development, compensation (including retirement benefits) and succession planning of the CEO, COO, CFO, Company Secretary and Head of Internal Audit.
- Consider and approve recommendations of CEO on matters related to key management positions who report directly to CEO or COO.
- To approve and ensure dissemination of Company's Code of Conduct across the company.
- Undertake annually a formal process of evaluation of the performance of the Board as a whole and its committees.

Corporate Governance

Our ability to deliver our vision and create long-term value and benefit for our shareholders and stakeholders emanates from our governance structure operated by the Board across the Company.

Exceeding Legal Requirements

The Company strives to operate transparently, consistently, and timely comply with all prevailing laws and regulations of Pakistan. We take pride in proactively complying with many additional legal requirements which were not mandatory.

In addition to all the mandatory requirements of the laws and regulations of Pakistan, some examples are given below:

- The Listed Companies (Code of Corporate Governance) Regulations, 2019 encourage all directors to obtain directors' training certifications. Six (06) directors of the Company have already acquired certifications. However, the newly appointed director's training is due within this financial year.
- The Company has defined standards and guidance to the best of its ability that act as security measures to protect employees, operations, property and information against the threat of attacks, intrusions, loss, injury, damage or abuse including unauthorized disclosure or access to information. Further as per OHSAS 18000, the Company committed to prevent injury, ill health and continual improvement in Occupational Health & Safety (OH&S) management and Occupational Health & Safety performance
- The Board of Directors of the Company comprises of two female Directors.

Conflict of Interest Among Board Members

As per Code of Corporate Governance, every Director is required to bring to the attention of the Board complete details regarding any material transaction which has a conflict of interest for prior approval of the Board. The interested Directors neither participate in discussions nor vote on such matters. Further, complete details of all transactions with related parties are submitted to

the Audit Committee which recommends them to the Board for approval in each quarter. These transactions are also fully disclosed in the annual financial statements of the company.

Our Directors are reminded of insider trading and avoid in the dealing of shares during the closed period. The Company's Board has been constituted in compliance with the provisions of the Companies Act, 2017. The members of the Board, including Non-Executive and Independent Directors exercise full independence and highlight and recuse themselves in case of any possible conflict of interest as is expected from their role. All observations / suggestions of Board members during their proceedings are accordingly recorded.

Safeguarding of records

The Company effectively ensures the safety of its records which are retained as required to meet legal, administrative, operational and other requirements of the Company.

Whistle Blowing Policy

The Company is committed to conducting the business with honesty and integrity. All members of staff are expected to maintain high standards in accordance with applicable laws, regulations and the Company Code of Conduct and are encouraged to promptly raise concerns of possible misconduct, potential conflicts, or known breaches with the Company's Code of Conduct, and other company policies and procedures. In such instances, employees are encouraged to report any nonconformity through their respective HRBPs or Line Managers. In some cases, the transgression is also reported directly to the Whistleblowing Officer or Chairman Audit Committee. Action is then taken by the Company accordingly.

Protection for Whistleblower

The Company does not tolerate retaliation against whistle blowers in any way and concerns can be reported without fear of detrimental treatment. If the whistle blower raises concerns in good faith, he or she will not be subject to any detrimental treatment including dismissal, disciplinary action, threats or other unfavorable treatment.

The Company treats all questions and issues confidentially, where possible, while investigating fairly, cooperating with governments, and complying with legal obligations.

Reporting and investigating concerns

We encourage people to speak up if they have any concerns relating to illegal or unethical conduct or behavior that is inconsistent with our values. Anyone within the Company can raise concerns or speak to the Whistleblowing Officer confidentially. We take every reported concern seriously and review each one to understand whether a formal investigation is warranted. If our investigations show that an employee has breached our policies, we take appropriate disciplinary action. The Dignity at NFL portal also helps in anonymous reporting in case of a breach of code of conduct.

Inside Information Register

In compliance with the regulatory requirements, the Company ensures that it maintains Insider Information Register, which is updated on a regular basis.

Corporate Briefing Session

NFL's Investor briefing was held on October 20, 2023, Friday on MS Teams/video conferencing.

Investors attending the event displayed great interest in the affairs of the Company. The presentation was followed by a Q&A session which was well addressed to the satisfaction of the audience.

The presentation from the Corporate Briefing Session can be viewed on the Company's website under "Investors" section.

Redressal of Investors' Complaints

The Company aims to provide its shareholders, potential shareholders and other stakeholders with all relevant financial and similar information as effectively and as timely as possible, in order to provide more insight into the Company and the sector. Further, the Company is committed to ensure that grievances notified by the shareholders are handled and resolved efficiently at an appropriate level. Any complaints/reservations received from the investors are considered, discussed, resolved and communicated in due course by appropriate level of authority in the Company.

Shareholders can submit a complaint through email i.e. (corporate.secretary@nfoods.com) which is also available on the Company's website in line with

directives of SECP. The grievances can also be notified through phone call or post to the Company.

The Company adheres to the practice of responding to shareholders' complaints within prescribed time from the receipt thereof. A letter/email in this regard is sent to the shareholders with intimation to the Shares Registrar/SECP/Stock Exchange duly signed by the Company Secretary.

Investors' Section on Website

In order to provide ease of access to our shareholders and stakeholders, the Company's latest information for investors is available on our website, under the "Investor Relations" (<http://nfoods.com/>). This page is updated regularly in order to provide transparent, adequate and up to date information.

CEO Performance Review

The CEO provides an overview of the Company's performance to the Board and addresses any specific questions of the Board members. The performance of the CEO is assessed through the evaluation system set by National Foods Limited. The principle factors of evaluation include financial performance, business processes, compliance, business excellence and people management.

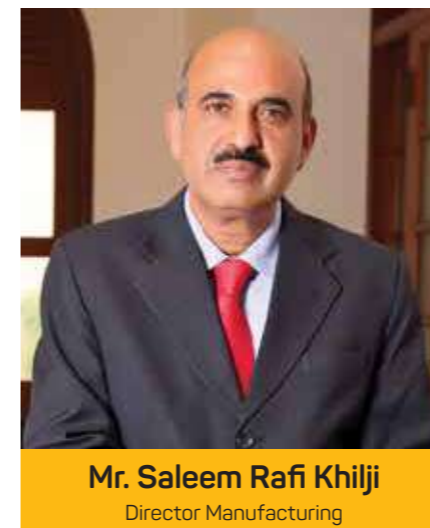
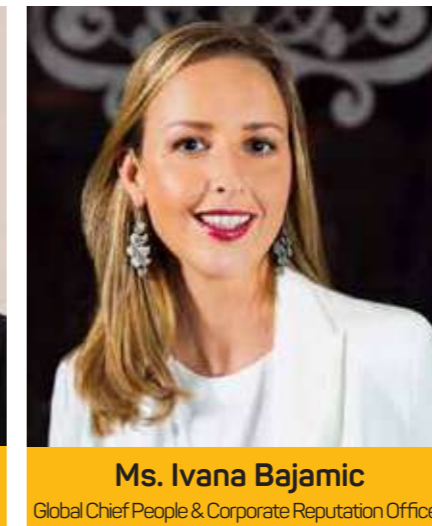
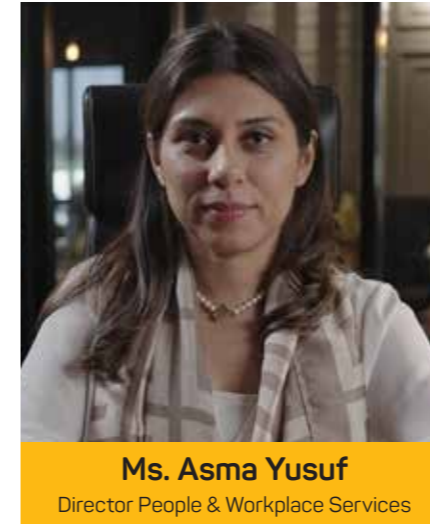
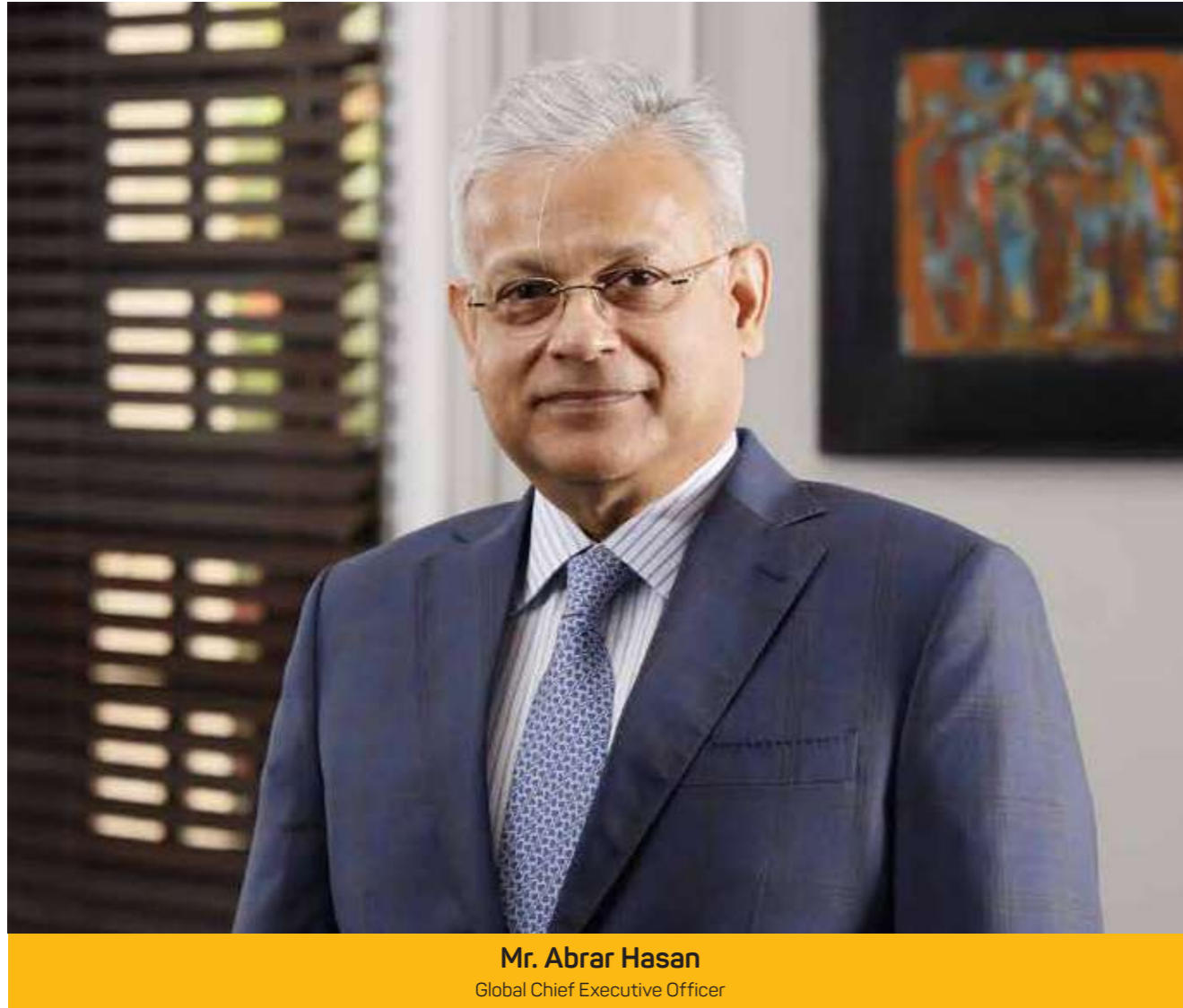
Role of Chairman

The Chairman provides leadership and governance to the Board. The Chairman has the responsibility to monitor and ensure the effective functioning of the Board. The Chairman ensures that the Board as a whole plays a full and constructive part in the development and determination of the organization's strategies and policies. Furthermore, the Chairman also ensures that the organization's strategies are being fully implemented effectively. The Chairman conducts the Board meetings and ensures that all Directors fully participate in the decision-making procedure of the Board.

Role of Chief Executive Officer

The CEO leads the management in the day-to-day running of the organization's business in accordance with the business plans and within the budgets approved by the Board. The CEO is also responsible for oversight of the directions of the Board, in accordance with the Companies Act. It is the responsibility of the CEO to ensure that the organization's resources are allocated efficiently.

Management Committee



At the Heart of Enrichment

National Foods is proud to announce the successful implementation of SAP S/4 HANA. This achievement marks a significant milestone in enhancing our operational efficiency and data management capabilities.

National Foods is expanding SAP integration to include Success Factors, Ariba, SAP, GRC, and the Business Technology Platform, optimizing operations and enhancing collaboration. The adoption of SAP S/4 HANA has already improved efficiency, data management, and market responsiveness. We are excited about leveraging these technologies to drive growth and success in the food manufacturing industry.

Even our systems come with enriched flavour.



Sustainability & CSR

At National Foods, we continue to embed sustainability into the core of our business and focus on strategic CSR initiatives that deliver more impact.

Empowering Gender-Inclusive Climate Action: National Foods' Commitment to Climate2Equal



As part of our commitment to the IFC-PBC led Climate2Equal peer learning platform, National Foods has pledged to enhance gender-inclusive business-led climate action. This year, we reaffirm our commitment to (i) increasing the participation of women leaders in our climate action initiatives and (ii) supporting women-led organizations and women climate leaders externally. We will continue to participate in workshops to track and report our progress, ensuring that our ongoing and future projects align with this pledge. Our efforts reflect our dedication to fostering greater gender-inclusive business-led climate action at National Foods.

Enabling Culinary Entrepreneurs: The National Foodpreneur Program

National Foods proudly announces the launch of its flagship social impact initiative, the National Foodpreneur Program, in partnership with MasterClass Pakistan Hospitality Business School. This innovative program aims to empower 21 young culinary enthusiasts nationwide by providing them with the opportunity to pursue their passion for cooking and elevate their skills within the food and beverage sector.

Aligned with National Foods' commitment to sustainable community development through education, the National Foodpreneur Program offers scholarships to individuals passionate about culinary arts. By investing in the next generation of culinary leaders, we continue to create a positive impact on both individuals and communities, fostering innovation and growth within Pakistan's culinary landscape.



Combating Classroom Hunger: National Foods' School Khana Program

In Pakistan, nearly 40% of children suffer from malnutrition, with over 35% of children in Punjab attending school without breakfast, adversely affecting their physical and cognitive development. To combat this, National Foods Limited continues its commitment to addressing classroom hunger through our School Khana Program in collaboration with Allah Walay Trust.



Last year, we adopted the Government Primary School in Bhatta Pind, Lahore, focusing on promoting girls' education due to the higher ratio of girls to boys. The program has shown remarkable success, with a 32% increase in attendance following the quarterly post-launch evaluation.

Building on this progress, we have expanded our efforts by signing a Memorandum of Understanding (MoU) in January to sponsor another school in Jaranwala, Faisalabad. The ongoing program in Lahore continues to thrive, with a 41% increase in enrolment and attendance rising from 85% to 97%. These improvements underscore our dedication to making education accessible and enhancing the well-being of students across Pakistan.

Celebrating Inclusivity: Sponsoring the KDSP Carnival



Recognizing the importance of diversity and inclusion, National Foods Limited proudly sponsored the Karachi Down Syndrome Program (KDSP) Carnival, held on Sunday, January 28th, 2024, at the

DHA Sports Club – Moin Khan Academy. As a silver sponsor, we joined KDSP in advocating for the value and inclusion of individuals with Down syndrome.

The KDSP Carnival welcomed over 7,000 attendees, primarily families, for a day of fun and inclusivity. The National Ketchup Platform provides a platform for young artists to express their creativity through food and colors. Witnessing their enthusiasm as they decorated pizzas and sandwiches alongside Chef Zarnak Sidhwa at the National Ketchup Station was truly heartwarming.

Our sponsorship of the KDSP Carnival reflects our commitment to supporting initiatives that promote inclusion and provide opportunities for individuals with disabilities to lead fulfilling lives. It is moments like these that remind us of the profound satisfaction and pride in contributing to our community.

Empowering Through Education: Aagahi Adult Literacy Program



In Pakistan, education is paramount for societal advancement. National Foods Limited proudly continues its long-standing collaboration with The Citizens Foundation (TCF) in the Aagahi Adult Literacy Programme. Launched under the guidance of our late co-founder Mr. Majeed, the initiative has positively impacted countless lives. Strengthening our commitment, a strategic MoU signing in January 2024 has expanded the program's reach across Pakistan.

This year, we reaffirm our support for 250 learning centers, demonstrating our dedication to community engagement and women's empowerment. The Aagahi program serves as a beacon of hope, equipping women with fundamental skills to catalyze positive change within households. The Aagahi Adult Literacy Programme exemplifies our enduring commitment to fostering lasting change, breaking barriers, and building a more inclusive and literate society.

Spreading Joy: Partnership with ChildLife Foundation on World Children's Day

On World Children's Day, National Foods renewed its commitment to children's well-being by partnering with ChildLife Foundation for a toy distribution. This collaboration underscores our dedication to creating a more equal and inclusive world, echoing our past efforts in flood relief operations. Inspired by their impactful work, we joined hands to bring joy to pediatric patients through a day of fun-filled activities and heartfelt engagements.



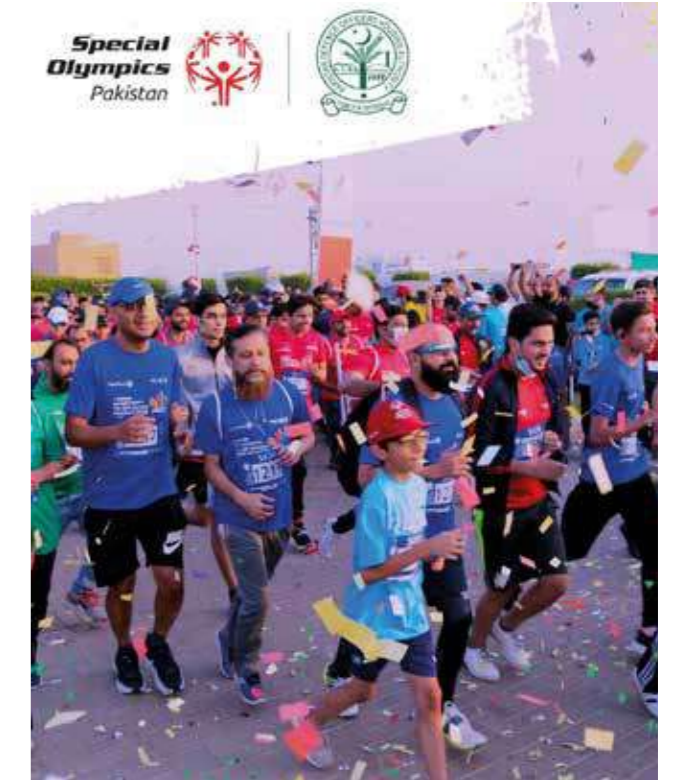
ChildLife Foundation is at the forefront of transforming healthcare accessibility for children in Pakistan, providing advanced medical care and support. Our collaboration aims to uplift spirits and contribute to the holistic well-being of pediatric patients undergoing treatment.

Support Through Sport: Special Olympics Pakistan Unified Marathon



Recognizing the transformative power of sports in promoting diversity and inclusion, National Foods Limited proudly sponsored the 9th SOP Unified Marathon 2024, organized by Special Olympics Pakistan. As a silver sponsor, we demonstrated our commitment to supporting inclusivity and social responsibility. Our employees enthusiastically participated in this event, joining thousands of

participants in celebrating diversity and showcasing the true spirit of unity and support.



Sports have the unique ability to break barriers and unite people from diverse backgrounds. At National Foods, we believe in harnessing this power to create a more inclusive society where everyone, regardless of their abilities, can thrive. Our sponsorship of the SOP Unified Marathon reflects our dedication to promoting wellness and empowerment for individuals with disabilities.

At National Foods, our commitment to community well-being is demonstrated through our support of various charitable organizations, reflecting our dedication to inclusivity, empowerment, and compassion.

Collaboration with GoRead.pk: Advancing Environmental Education Through Joyful Stories

This year, National Foods has renewed its partnership with GoRead.pk to support the development of children's book dedicated to environmental education. As a socially conscious movement, GoRead.pk is dedicated to crafting developmentally appropriate stories for children in underprivileged communities. Through joyful story read-aloud sessions and meaningful children's content, they aim to bring about social change.



By promoting environmental education from an early age, we aim to nurture environmentally conscious citizens who will work toward betterment of our planet. The development of upcoming titles ensures that the next generation understands the importance of environmental protection and conservation is equipped with the knowledge to make a positive impact.

Commitment to Communities: Support for Charitable Organizations

Our commitment to community well-being is demonstrated through our support of various charitable organizations, reflecting our dedication to inclusivity, empowerment, and compassion.

To further promote inclusivity and support neurodivergent children, we sponsored a day event for kids and teens at TDF Magnificence through BuddyClub Pakistan. This initiative aims to create a secure and nurturing environment for neurodivergent children who may struggle with social awkwardness among their peers. By providing monthly gatherings at carefully chosen venues, these individuals are offered a unique opportunity to forge connections in a relaxed and neutral setting.

To further encourage local talent and empower women entrepreneurs, we served as a Supporting Partner at The Crafter's Expo 2023, held on November 12th. This event celebrated creativity and talent, with 87% of the exhibitors representing inspiring women-led businesses. Our involvement underscores our longstanding commitment to championing women-led initiatives.



In line with our mission of making a positive impact on the community, National Foods extended its support through donations in-kind to Hisaar Foundation and Patients Aid Foundation. These contributions are part of our ongoing efforts to support organizations that provide critical services and support to those in need.

Fostering Art and Education: Partnership with Karachi Biennale Trust

To further our commitment to community enrichment and education, National Foods partnered with the Karachi Biennale Trust to sponsor the third Karachi Biennale. As the exclusive sponsor of the KB24 Primary School Education Program (PSEP), we were excited to support this year's theme, "Karachi Fruits and Family Stories," centered around the concept of "rizq."

The PSEP workshops provided students with the unique opportunity to deepen their understanding of locally grown fruits and showcase their creativity through art aligned with this theme. By fostering artistic expression and education, we aimed to enhance students' appreciation for their cultural heritage and local agriculture. Our partnership with

Karachi Biennale Trust underscored our dedication to promoting educational initiatives and nurturing young talent within our community.



At the Heart of Excellence

Fueled by an investment of PKR 7 billion, the Faisalabad plant is equipped with cutting-edge technology and marks a significant milestone in our pursuit to bring further innovation and quality to the food industry.

With over 600+ jobs creation, it has production capacity of 6,000 tons/month, and houses production of spices, recipe mixes, ketchups, mayonnaise, Chinese sauces, seasonings and Kasuri Methi.





Chairman's Review

My fellow Shareholders and Stakeholders,

National Foods Achieves a New Milestone of over PKR 106 Billion (USD \$ 375 Million) in Group Revenue

On behalf of the Board of Directors I would like to recognize the remarkable achievement by the management and team at National Foods Pakistan, NFD MCC (International Division) and A1 Cash & Carry Canada on this remarkable achievement which represents a massive growth of over 30% in a year.

I am confident that this accelerated growth will be sustained over the years to come as visualized in our Strategic Plan which was prepared for each Entity and approved by the Board this year.

Financial Highlights

Pakistan's economy showed signs of recovery in FY24, on the back of improved inflation, current account balance, and an increase in foreign exchange reserves. This recovery was supported by the stabilization of the PKR/USD exchange rate and the successful completion of a \$3 billion SBA program with the IMF.

A 25% surge in our Core Business and an incredible 42% growth in A1 Bags & Suppliers Inc. contributed to the above-mentioned substantial 34% top-line growth. Strategic focus on Cost Transformation agendas and Operational efficiency enabled the organization to sustain through inflationary pressures and challenging economic conditions. Profitability, however, dampened on account of a period of high gearing led by strategic local and international investments.

With over 50% of our turnover now generated outside Pakistan, we are well-positioned for continued success and are confident that our global reach and strategic initiatives will drive future growth and prosperity.

Culture & People Strategy

We recognize that for a strategy to succeed, we need to create a high-performance culture and attract and retain the right talent. I would like to highlight this strategy.

- **People & Culture:** In the last year, we have enhanced our focus and strengthened our commitment to fostering an environment where every individual can thrive. Our People Strategy is anchored in four pillars: Talent, Leadership, Culture, and Diversity. This strategy ensures we attract, develop, and retain top talent, cultivate visionary leaders, nurture an inclusive workplace culture, and champion diversity at all levels.
- **Talent:** Aligned with our business strategy and the vision for global expansion, we introduced a new operating model to empower NFL to navigate future challenges. In collaboration with our partner People First, we evaluated our structure and strategic objectives through interviews, benchmarking, and data analysis. This process led to a realignment of teams and resources, emphasizing future orientation, accountability, and adherence to international best practices. This reorganization, along with our improved Talent Review & Calibration processes have allowed us to identify and nurture key and emerging talent, thereby strengthening our leadership culture. Late last year we also launched LinkedIn Learning to provide employees with easy access to educational resources for their professional and personal development. This initiative complements our focus on functional talent development, with an additional 3,440 learning hours completed in areas such as Sales, Commercial Excellence, Risk & Fraud, and others.
- **Leadership:** To reinforce our Core Values and foster a sense of belonging, we conducted values refresher sessions in collaboration with our learning partner Schuitema across the organization. We have also developed a detailed

leadership framework outlining key behaviors for our current and future leaders, with 21 of these leaders embarking on a year-long growth journey as ambassadors of this model.

- **Diversity:** Our commitment to Diversity, Equity, and Inclusion (DEI) is embodied in our BELONG program, which creates an inclusive workplace by focusing on gender, religion, and disabilities. The program is supported by hiring strategies, interventions, and capability-building initiatives.
- **Culture:** Following last year's Culture Study, we partnered with Glint (now Microsoft Viva Glint) to enhance employee engagement and experience. We launched a comprehensive well-being program focused on Career, Social, Mental, Physical, Financial, and Community well-being. Additionally, we introduced Pazeerai, our Rewards & Recognition Program, to motivate employees and reinforce our core values.

This year we intend to continue enhancing our strategy through collaboration with cross-functional and global teams, and stronger partnerships and alliances with our external stakeholders. This way we aim to not only keep our internal employees motivated and engaged but also further enhance our EVP so as to attract and retain top talent who will be groomed to become future leaders at NFL.

Investing in our Vision

This year has seen significant investments in the group as highlighted by our CEO, Mr. Abrar Hasan in his report.

Once again, I would like to appreciate the efforts by NFL Pakistan, NFD MCC, and A1 Cash & Carry in executing these plans so successfully. To highlight a few: Deployment of SAP HANA, commissioning of Faisalabad mega plant, new warehousing, and outlets in Canada. The dynamism and determination to make these happen have been most impressive across the organization.

Corporate Governance – An Engaged Board

In line with global best practice, we are fortunate to have an engaged Board that actively participates in the oversight of the Business and Company's performance.

In particular, I would like to recognize the contribution of Mr. Ehsan Malik to the success of your Company. We appreciate his role as an independent Director and Chairman of the Audit Committee over the last eight years.

He has been instrumental in creating a more effective Board, and a higher level of governance. His legacy will endure well into the future.

At the end I would like to express my confidence in the capability of Management and our dedicated Employees to deliver our ambitious vision for 2030.

ہمارے نظریے میں سرمایہ کاری

اس سال نے گروپ میں نمایاں سرمایہ کاری دیکھی ہے جیسا کہ ہمارے سی ای او جناب ابرار حسن نے اپنی رپورٹ میں اس پر روشنی ڈالی ہے۔ ایک بار پھر میں نیشنل فوڈز لمیٹڈ پاکستان، این ایف ڈی ایم سی سی (NFD MCC)، اور اے ون کیش اینڈ کیری کی، ان منصوبوں کو کامیابی سے انجام دینے کی کوششوں کی تعریف کرنا چاہوں گا۔۔۔ اگر کچھ یہ روشنی ڈالی جائے: ایس اے پی ہانا (SAP HANA) کو کام میں لانا، فیصل آباد میگا پلانٹ کی تکمیل، نئے گودام اور کینیڈا میں مراکز۔ ان کو ممکن بنانے کے لئے تمام ادارے میں تحریک اور عزم سب سے زیادہ متاثر کن رہے ہیں۔

کارپوریٹ گورننس - ایک مشغول بورڈ

بہترین عالمی کارکردگی کے مطابق ہم خوش قسمت ہیں کہ ہمارا بورڈ ایک مشغول بورڈ ہے جو کاروبار اور کمپنی کی کارکردگی کی نگہداری میں فعال طور پر حصہ لیتا ہے۔

خاص طور پر میں آپ کی کمپنی کی کامیابی کے ضمن میں جناب احسان ملک کے تعاون کا اعتراف کرنا چاہوں گا۔ ہم گزشتہ آٹھ سالوں کے دوران ان کے کردار کو بطور آزاد ڈائریکٹر اور آڈٹ کمیٹی کے چیئرمین سراہتے ہیں۔

انہوں نے ایک زیادہ موثر بورڈ کی تخلیق اور اعلیٰ سطح کا نظم و ضبط قائم کرنے میں بہت اہم کردار ادا کیا ہے۔ ان کی میراث مستقبل میں بھی جاری رہے گی۔

میں آخر میں سال 2030 کے لئے اپنے پُر اہنگ نظریے کو پورا کرنے کے لئے انتظامیہ اور وقف شدہ ملازمین کی صلاحیت پر اعتماد کا اظہار کرنا چاہوں گا۔

عہدہ چیئرمین
زابد مجید

• **تنوع:** تنوع، مساوات اور شمولیت (DEI) کے ضمن میں ہماری وابستگی ہمارے بیلائنگ (BELONG) پروگرام کے اندر موجود ہے جو صنف، مذہب، اور معذوریوں کو اہمیت دیتے ہوئے کام کی ایک جامع جگہ بناتا ہے۔ ملازمت دینے کی تدابیر، مداخلتوں، اور صلاحیت سازی کے اقدامات اس پروگرام کی حمایت کرتے ہیں۔

• **ثقافت:** پچھلے سال کے ثقافت کے مطالعے (کلچر اسٹڈی) کے بعد ہم نے گلنٹ (Glint) (جو کہ اب Microsoft Viva Glint ہے) کے ساتھ شراکت داری کی تاکہ ملازمین کی وابستگی اور تجربے کو بہتر بنایا جاسکے۔ ہم نے ذریعہ معاش، سماجی، ذہنی، جسمانی، مالی، اور برادری کی فلاح و بہبود پر مرکوز ایک جامع فلاح و بہبود کا پروگرام شروع کیا۔ اس کے علاوہ ہم نے ملازمین کو متحرک کرنے اور اپنی بنیادی اقدار کو مضبوط کرنے کے لئے ”پذیرائی“ کا آغاز کیا، یہ ہمارا انعامات اور اعتراف کا پروگرام تھا۔

اس سال ہم اپنی حکمت عملی کو متفرق کارکردگی کی حامل اور عالمی ٹیموں کے ساتھ تعاون کے ذریعے بڑھانے، اور اپنے بیرونی ذی نفع افراد کے ساتھ مضبوط شراکت داری اور اتحاد کے ذریعے جاری رکھنے کا ارادہ رکھتے ہیں۔ اس طرح ہم نہ صرف اپنے اندرونی ملازمین کو متحرک اور مصروف رکھنا چاہتے ہیں بلکہ اپنے ای وی پی (EVP) کو مزید بڑھانا چاہتے ہیں تاکہ اعلیٰ ہنر کو اپنی طرف متوجہ کیا اور برقرار رکھا جاسکے جنہیں نیشنل فوڈز لمیٹڈ میں مستقبل کے رہنما بننے کے لئے تیار کیا جائے گا۔



چیئرمین کی جائزاتی رپورٹ

میرے ساتھی حصص یافتگان اور ذی نفع افراد،

نیشنل فوڈز نے گروپ ریونیو میں 106 بلین پاکستانی روپے (375 بلین امریکی ڈالر) کا ایک نیا سنگِ میل عبور کر لیا۔

میں بورڈ آف ڈائریکٹرز کی جانب سے نیشنل فوڈز پاکستان، این ایف ڈی ایم سی سی (انٹرنیشنل ڈویژن) اور اے و ن کیش اینڈ کیری کینیڈا کی انتظامیہ اور ٹیم کی جانب سے اس شاندار کامیابی کا اعتراف کرنا چاہتا ہوں جو بڑے پیمانے پر ایک سال میں 30 فیصد سے زیادہ ترقی ظاہر کرتی ہے۔

مجھے پورا اعتماد ہے کہ آنے والے برسوں میں اس افزوں ترقی کو اسی طرح برقرار رکھا جائے گا جیسا ہماری منصوبہ سازی کی حکمتِ عملی (اسٹریٹجک پلان) میں نقشہ کھینچا گیا ہے جو ہر فرد کے لئے تیار کیا گیا تھا اور اس سال بورڈ نے اس کی منظوری دی تھی۔

مالیاتی جھلیاں

پاکستان کی معیشت نے 2024 کے مالی سال میں بہتری کے آثار ظاہر کئے جس کی وجہ افراطِ زر میں بہتری، کرنٹ اکاؤنٹ بیلنس اور زر مبادلہ کے ذخائر میں اضافہ تھا۔ اس بحالی کی وجہ پاکستانی روپے / امریکی ڈالر شرح تبادلہ کے استحکام اور انٹرنیشنل مانیٹری فنڈ (آئی ایم ایف) کے ساتھ 3 بلین ڈالر کے اس سال بزنس ایڈمنسٹریشن پروگرام کی کامیاب تکمیل تھی۔

ہمارے بنیادی کاروبار میں 25 فیصد اضافے اور اے و ن بیگز اینڈ سپلائرز انکارپوریٹڈ میں 42 فیصد کے ناقابل یقین اضافے کا درجہ بالا 34 فیصد نمو میں نمایاں کردار رہا۔ لاگت کی تبدیلی کے لائحہ عمل اور عملی کارگزاری پر حکمتِ عملی نے ادارے کو افراطِ زر کے دباؤ اور مبارزتی معاشی حالات کے ذریعے استحکام دیا۔ تاہم مقامی اور بین الاقوامی تدبیری سرمایہ کاری کے زیر انتظام زیادہ گیرنگ کی مدت کی وجہ سے منافع کم رہا۔

ہماری گردش مالی کا 50 فیصد سے زیادہ اب پاکستان سے باہر پیدا ہونے کی بدولت ہم مسلسل کامیابیوں سے ہمکنار ہو رہے ہیں اور پُر اعتماد ہیں کہ ہماری عالمی رسائی اور منصوبہ سازی کے اقدامات مستقبل کی ترقی اور خوشحالی میں اضافہ کریں گے۔

ثقافت اور لوگوں کی حکمتِ عملی

ہم مانتے ہیں کہ حکمتِ عملی کو کامیاب بنانے کے لئے ہمیں اعلیٰ کارکردگی کی ثقافت کی تخلیق اور صحیح ہنر کو متاثر کرنے اور برقرار رکھنے کی ضرورت ہے۔ میں اس حکمتِ عملی پر روشنی ڈالنا چاہوں گا۔

Directors' Report

Fellow Shareholders,

The Directors of National Foods Limited (the 'Company') are pleased to present the Annual Report along with the financial results which include both stand-alone and consolidated audited financial statements, for the year ended June 30, 2024.

Company's Principal Activities

The Company manufactures, markets, and sells food products under the brand name "National".

Economic Overview

Pakistan's economy, post-elections has shown some signs of recovery in FY24, highlighted by a reduction in inflation, improved current account balance, and foreign exchange reserves. Comparatively stable PKR/ USD exchange rates coupled with reducing inflation numbers of 13% in June vs 28% SPLY played an important role. Consumer buying power impacted volumes and downtrading to smaller pack sizes.

Business Performance Overview

Operating and Financial Performance

The Group

The group achieved a notable 34% top-line revenue growth crossing the PKR 100B landmark – along with 52% contribution generated from the international footprint. Profitability in the short run has been impacted by high interest rates on financing for the Faisalabad manufacturing facility and investments abroad to establish a growth base for international business. The Company, however, believes that these strategic investments will yield longer-term sustainable growth.

Core Business

Local business posted a double-digit growth on the topline and operating profitability – even in times of challenged consumer purchasing power & commodity cycles impacting the cost of business. Volumes have started to recover towards the end of the year, with revenue transformations via pack size and price point activations in key categories. During the year, the

Company inaugurated the Faisalabad facility – the largest manufacturing site with PKR 7B investment. Management believes that the investment will have longer-term qualitative and quantitative strategic advantages.

On the International front, the Company increased momentum on the invest to grow model, strengthening the people structure and re-aligning distributors in certain regions. Territories including the UK, Europe, and GCC showed good traction yielding double-digit topline growth. Profitability, however, was impacted owing to investments in the business to strengthen the foundations of the international footprint.

The Company is operating at a 5-year high gearing level, and coupled with the steep interest rates, finance costs took a toll on the profitability indices. The Company is confident that the contributions from the projects, combined with the expected cuts in interest rates, will enable the achievement of projected returns in the longer term.

A1 Bags & Supplies Inc.

The business has achieved a topline growth of 42%. We've successfully expanded into additional stores and warehousing facilities. Our profitability has seen a significant improvement, with operating and net profitability increasing by 45% and 42%, respectively.

• **لوگ اور ثقافت:** گزشتہ برس ہم نے اپنی توجہ کو مرکوز کیا اور ایسے ماحول کو پروان چڑھانے کا قوی ارادہ کیا جہاں ہر فرد ترقی کی منازل طے کرے۔ لوگوں کے لئے ہماری حکمتِ عملی چار ستونوں پر ایستادہ ہے: ہنر، قیادت، ثقافت اور تغیر پذیری۔ یہ حکمتِ عملی اس امر کو یقینی بناتی ہے کہ ہم بہترین ہنر مندوں کو اپنی طرف متوجہ کرتے ہیں، فروغ دیتے ہیں اور انہیں اپنے پاس رکھتے ہیں نظریاتی قائدین کی آبیاری کرتے ہیں، کام کی جگہ کی ثقافت کو پروان چڑھاتے ہیں اور ہر سطح پر چیمپئن کو تغیر پذیر بناتے ہیں۔

• **ہنر:** اپنی کاروباری منصوبہ سازی اور عالمی توسیع سے منسلک ہم نے ایک نیا آپریٹنگ ماڈل متعارف کروایا ہے تاکہ نیشنل فوڈز مستقبل کے چیلنجز سے نبرد آزما ہو سکے۔ اپنے شریک کار ”ہیپل فرسٹ“ کے تعاون سے ہم نے انٹرویوز، معیار اور اعداد و شمار کے تجزیے کے ذریعے اپنی ساخت اور حکمتِ عملی کے مقاصد کا تخمینہ لگایا۔ اس طریقہ کار نے ٹیوں اور وسائل کی ازسر نو ترتیب کی طرف ہماری راہنمائی کی اور مستقبل شناسی، احتساب اور بہترین بین الاقوامی روایات پر زور دیا۔ اس تنظیم نو کے ساتھ ہمارے بہتر ہنر کی نظر ثانی اور پیمانہ بندی کے عمل نے ہمیں ضروری اور ابھرتے ہوئے ہنر کو پہچاننے اور اس کی تربیت کرنے کی اجازت دی، جس سے ہماری قائدانہ ثقافت کو تقویت ملی۔ پچھلے سال کے آخر میں ہم نے لکڈ ان کو سکھانے کا آغاز کیا تاکہ ملازمین کو ان کی پیشہ ورانہ اور ذاتی ترقی کے لئے تعلیمی وسائل تک آسان رسائی فراہم کی جاسکے۔ یہ اقدام ہمارے فعال ہنر کی ترقی پر توجہ مرکوز کرنے کے علاوہ 3,440 سکھنے کے اضافی گھنٹے فروخت، تجارتی امتیاز، خطرہ و دھوکہ دہی اور دیگر شعبوں میں مکمل کرتا ہے۔

• **قیادت:** اپنی بنیادی اقدار کو مضبوط کرنے اور تعلق کے احساس کو فروغ دینے کے لئے، ہم نے اپنے شریکِ تعلیم شوٹیا (Schuitema) کے ساتھ مل کر تمام ادارے میں اقدار کی تازگی بخش نشستیں منعقد کیں۔ ہم نے موجودہ اور مستقبل کے رہنماؤں کے لئے اہم رویوں کی جھلک پیش کرنے والا، قیادت کا ایک تفصیلی خاکہ بھی تیار کیا ہے جس میں 21 رہنماؤں نے اس ماڈل کے سفیروں کے طور پر ایک سال کے طویل ترقی کے سفر کا آغاز کیا ہے۔

Key financial numbers of the group for the fiscal year are summarized below:

Amounts in PKR Million

	Group			Core Business			A1 Bags & Suppliers Inc.		
	FY24	FY23	Change	FY24	FY23	Change	FY24	FY23	Change
Net sales	86,375	64,322	34%	37,961	30,315	25%	48,414	34,007	42%
Gross profit	23,570	18,194	30%	12,563	10,993	14%	11,007	7,201	53%
Operating profit*	6,223	5,504	13%	2,256	2,759	-18%	3,967	2,745	45%
Net profit after tax**	2,795	3,795	-26%	560	2,225	-75%	2,235	1,570	42%
Earnings per share (Rs.)	8.2	13.6		2.4	9.5				
Gross profit	27.3%	28.3%	-1.0%	33.1%	36.3%	-3.2%	22.7%	21.2%	1.6%
Operating profit	7.2%	8.6%	-1.4%	5.9%	9.1%	-3.2%	8.2%	8.1%	0.1%
Profit after tax ***	3.2%	5.9%	-2.7%	1.5%	7.3%	-5.9%	4.6%	4.6%	4.6%

* Excludes other income and other expenses.

** This includes amortization of Rs. 23 million (2023: Rs.20 million) on intangible recognized on consolidation of A1 Bags & Suppliers Inc.

*** Group PAT includes A1 at 100% (PAT excluding NCI: 2024 PKR 1,910 M: 2023 PKR 3,175M)
Group PAT eliminates intercompany dividends (PKR 522M vs. 287M PY).

Sales and Marketing

Key highlights of FY'24 on the brand side are as follows:

Recipe Mixes:

This year, National Foods reinforced its leadership in the Recipe Mix category by enhancing product formulations, broadening its portfolio, and making significant strides in key markets such as Karachi and KPK.

Category Core

National Foods launched "Project Fortification" to elevate its core variants above the competition. Most of these variants, including Biryani, have been significantly improved, outperforming competitors. In addition, the company upgraded its packaging standards, enhancing print quality and visual appeal. To cater to consumers seeking variety, new variants like White Karahi and seasonal options such as Fried Chops and Malai Boti were introduced.

Karachi

In Karachi, the introduction of the "Karachi Khaas" range, tailored to local taste preferences, along with expanded distribution and targeted marketing, resulted in a significant increase in in-store productivity. The

digital campaign investments for Karachi Khaas and extensive sampling of Karachi Khaas units, including door-to-door selling with an impressive trial rate, further boosted consumer engagement. Additionally, the "Recipe Princess" initiative was launched to engage with aspiring young women in universities and colleges.

KPK

In KPK, National Foods adopted a localized strategy by introducing Bombay Biryani-Karachi Khaas, leading to an improvement in store productivity across outlets. Tailored digital content in Pashto, coupled with on-ground activations, resulted in high consumer engagement.

These strategic initiatives have strengthened National Foods' market leadership, enhanced product offerings, and expanded its presence in key regions.

Savory Condiments (Pickle)

Over the fiscal year, National Pickle made strategic strides to enhance both our Core and Crushed Pickle ranges.

Core

Mixed Pickle Sachet improvement via adjusting the grammage, aligning it with consumer needs, and

promoting it through visibility drives and point-of-sale materials. Consumer promotions in the first and second quarters, including discounts on mixed pickles, drove sales and provided value for consumers during challenging times. To attract consumers shifting from unbranded to branded options due to inflation, the Mixed Pickle Pouch is launched at an appealing price of Rs.100, offering quality at an affordable cost.

Crushed Pickle

We leveraged digital and social media to enhance brand recall and top-of-mind awareness, creating content that highlights the versatility of our product. Our efforts included Modern Trade activations and collaborations with E-Commerce platforms like PandaMart and KraveMart to drive trials. Participation in high-traffic events like "Karachi Eat" and "The Commons Karachi Eid Festival" further boosted our brand presence and consumer engagement. These initiatives have strengthened National Pickle's position as a market leader, effectively meeting evolving consumer needs.

Sauces (Ketchup)

National Ketchup maintained its leadership and remains the most loved and preferred brand. Despite a competitive market and high inflation, National Ketchup solidified its position as Pakistan's No.1 tomato ketchup, capturing a major share of the market and achieving an impressive double-digit growth in secondary volume.

Core

We tapped into the Back-to-School season with a successful collaboration with Panda Mart & Bacha Party, generating trials. Engaging children and families, we also hosted a Ketchup Factory-themed activation at the Karachi Down Syndrome Program Carnival. Our cricket season campaign achieved remarkable results on Meta and YouTube, surpassing planned metrics. The Ramadan Limited Edition Pack, combined with a consumer promotion, enhanced shelf appeal and competitive differentiation. In Faisalabad, a strategic 360-degree plan, including cluster activations, improved our market share.

Spreads (Mayonnaise)

This year marked significant progress for National Mayonnaise, focusing on operational efficiency and product enhancement.

Business Sustainability

By localizing starch, we delivered a superior product, excelling in consumer tests and improving supply chain efficiencies.

Core

We drove trials with a Pandamart initiative, generating trials through burger-related orders. On-ground activations at "Karachi Eat" and "The Commons", along with a collaboration with food influencers, reinforced National Mayonnaise as a top snack partner. These efforts have notably enhanced our market position and consumer engagement.

Desserts

National Custard has made significant strides, improving to match key competitors and diversifying our starch supplier base for margin stability. With the 'New & Improved' product now available, we targeted key consumption occasions like Eid, Ramadan, and weddings, reaching new consumers through e-tailers and households in Peshawar via direct sampling. A targeted visibility drive across major outlets in Karachi, Lahore, and Islamabad further boosted awareness.

Corporate Campaign

In line with our strategy of owning key occasions and seasons, special campaigns and promotions were launched across the portfolio. These included a Recipe campaign on Independence Day "Dawat-e-Azadi", a Condiments range for Ramadan "Zaiqa Mil Bethnay Ka" and an influencers campaign on Meethi Eid for National Custards in collaboration with popular cooking channels and chefs. These were backed by CSR activation for underprivileged children in Lyari and one of the year's largest food collaborations, strengthening the connection between our condiments and Ramadan.

International

This year, our marketing efforts were driven by a focus on enhancing brand awareness, driving consumer trials, and strengthening our presence in key markets.

In the UK, we maintained consistency with quarterly promotional drives across our core categories, utilizing a mix of in-store sampling, tactical promotions, and visibility tools that effectively expanded our footprint. In Canada, our efforts centered on enhancing our mainstream presence, leveraging partnerships to bring our products to a

broader audience. In the UAE, we activated the B-Class segment, while in Saudi Arabia, we piloted Masala Seasoning, offering differentiated products that extended our reach.

We focused on being prominent during key inflection points, with comprehensive campaigns during Ramadan and Diwali that ran simultaneously across our focus markets. These campaigns not only increased our brand visibility but also facilitated consumer engagement during these significant festive periods. These efforts were complemented by aggressive seasonal consumer promotions alongside tactical deployments to strengthen in-store activations.

To elevate our brand presence globally, we participated in major industry events such as Gulfood and Fancy Food, where we showcased our product innovations, strengthened relationships with key partners, and explored new growth opportunities on an international scale.

In addition to our marketing initiatives, we took significant steps to modernize our product offerings. We completed overhauls of packaging design for several categories, aligning them with our evolving brand identity and enhancing their appeal, with launches scheduled for the upcoming fiscal year.

These concerted efforts have laid a strong foundation for sustained growth, positioning our brand for continued success in an increasingly competitive landscape. We remain committed to building on these achievements, driving further advancements, and delivering long-term value to our stakeholders.

People & Culture

Our People Strategy has progressed around four key pillars over the years which are essential for our vision and mission i.e., Talent, Leadership, Culture, and Diversity. Building onto the detailed overview from Zahid Majeed in his Chairman's report, below is a glimpse of the progression of the pillars:

Talent: We aligned our talent strategy with our global expansion goals by introducing a new operating model, realigning teams, and enhancing our Talent Review & Calibration processes. This approach has empowered us to identify and nurture future leaders while equipping employees with essential skills through platforms like LinkedIn Learning.

Leadership: We strengthened our leadership culture by conducting values refresher sessions and establishing a detailed leadership framework. This year-long growth journey has empowered 21 leaders to model these behaviors and reinforce our core values.

Diversity: Our BELONG program drives our commitment to Diversity, Equity, and Inclusion by creating an inclusive workplace focused on gender, religion, and disabilities. This initiative is supported by targeted hiring strategies, interventions, and capability-building efforts.

Culture: Partnering with Glint, we enhanced employee engagement through a comprehensive Wellbeing Program covering Career, Social, Mental, Physical, Financial, and Community aspects. Our new Rewards & Recognition Program, Pazeerai, further motivates employees by reinforcing our core values.

We will strengthen our strategy by collaborating with cross-functional and global teams and building stronger external partnerships. These efforts will keep our employees engaged and enhance our EVP to attract and develop future NFL leaders.

Sustainability & Corporate Social Responsibility

National Foods remains steadfast in its commitment to Sustainability and Corporate Social Responsibility, focusing on responsible practices that tackle critical environmental and social challenges. Aligned with the United Nations Sustainable Development Goals, our initiatives are designed to create meaningful and lasting positive impacts.

Environmental Stewardship

In Fiscal Year 2024, we proudly advanced our commitment to environmental sustainability by launching the R3 Project, which emphasizes waste reduction and recycling. This initiative underscores our alignment with the Sustainable Development Goals framework and our proactive stance on promoting sustainable practices. Additionally, our participation in the IFC-PBC Climate2Equal peer learning platform underscores our dedication to integrating gender-inclusive approaches into climate action.

National FoodPreneur Program: Cultivating Culinary Talent

Our National FoodPreneur Program is a standout initiative dedicated to sustainable community development through education. By offering training

and resources to emerging culinary talents, we are nurturing the next generation of leaders in Pakistan's culinary industry. This program reflects our commitment to fostering innovation and excellence within the local food sector.

Empowering Women through the Aagahi Adult Literacy Program

In partnership with The Citizens Foundation (TCF) and in memory of our late co-founder Abdul Majeed, we continue to support the Aagahi Adult Literacy Program. This initiative has empowered countless women with essential skills, driving positive change within their households and communities. Our efforts are focused on enhancing literacy and creating opportunities for personal and professional growth.

Promoting Inclusivity and Health through Strategic Partnerships

This year, we expanded our impact by partnering with several organizations, including the Child Life Foundation Pakistan, the Karachi Down Syndrome Program, the Behbud Welfare Organization, and the Special Olympics of Pakistan. These collaborations are aimed at advancing inclusivity, improving health outcomes, and reducing inequalities. Our partnerships underscore our core values and integrate them into our corporate culture, reinforcing our commitment to social responsibility.

Through these and other initiatives, National Foods is paving the way for a future where responsible practices deliver lasting benefits for all. With a steadfast commitment to our core principles, we are excited to build on these successes and drive continued progress toward a more inclusive, sustainable, and prosperous future for all.

Contribution to the National Exchequer

During the year, the contribution to the National Exchequer has further increased and the Company paid over Rs 9,583 million (2023: Rs 7,546 million) to the government and its various agencies on account of different government levies, including customs duty, sales tax, and income tax. Moreover, foreign exchange of Rs 3,178 million (2023: Rs 2,440 million) was also generated through the export of products, which further reflects our participation in the national economy.

Dividend

The Board of Directors has recommended a final cash dividend of Rs. 5 per share. Total standalone profit distributed by way of dividend amounts to 92% (2023: 27%)

Corporate & Financial Reporting Framework

The managerial objective of the Company is good corporate governance and compliance with best practices. As required under Listed Companies (Code of Corporate Governance) Regulations, 2019 (the 'Code'), the Company has adopted the Code in letter and spirit as follows.

- The financial statements, present fairly the state of affairs of the Company, the results of its operations, cash flows, and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies as stated in the notes to the financial statements have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting standards have been followed in the preparation of financial statements and any departure therefrom has been adequately disclosed.
- The system of internal control is sound in design and has been effectively implemented and monitored. The Board has constituted a Board Audit Committee consisting of three members, including the chairman of the committee. The chairman of the Board Audit Committee is an independent director, and the committee regularly meets as per requirements of the Code.
- There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- There are no significant doubts about the Company's ability to continue as a going concern.
- The outstanding duties, statutory charges, and taxes, if any, have been duly disclosed in the financial statements.
- A statement regarding key financial data for the last six years is annexed to this report.

Board of Directors and its Committees

The total number of Directors is 7 as per the following:
Male **05** Female **02**

Category	Names
Independent Directors	Mr. Ali H Shirazi Mr. Ehsan A Malik
Executive Director	Mr. Abrar Hasan (CEO) Mr. Adam Fahy Majeed
Female Directors	Mrs. Saadia Naveed Mrs. Noreen Hasan
Non-Executive Directors	Mr. Zahid Majeed (Chairman of the Board)

Board Committees

The Board has formed Committees comprising of members given below:

a) Audit Committee

Mr. Ehsan Ali Malik	Chairman
Mrs. Saadia Naveed	Member
Mrs. Noreen Hasan	Member

b) Human Resource and Remuneration Committee

Mr. Ali H Shirazi	Chairman
Mr. Ehsan Ali Malik	Member
Mrs. Noreen Hasan	Member

As required by the Code of Corporate Governance, extensive details related to the Board of Directors, including but not limited to, the profile of directors, board committees, training, diversity, and changes in the Board are covered under the Corporate Governance Section on Page 61 to 76.

Board of Directors Meetings and Attendance

The Board of Directors met five times during the year and all these meetings were held in Pakistan. Further details are covered under our Governance Section on page 61.

The Election of Directors will be held at the Annual General Meeting (AGM) this year. The term of the elected directors will expire on 20 October 2028.

Pattern of Shareholding

The pattern of shareholding of the Company and other related information is set out on page 279.

Trading of shares by the Chief Executive, Directors, Chief Financial Officer, Company Secretary, executives, their spouses and minor children, and substantial

Directors	Mr. Zahid Majeed	Buy Gift Out	571,367 4,714,769
	Mr. Adam Fahy Majeed	Gift In	259,800
	Mrs. Noreen Hasan	Buy	13,000
Substantial Shareholder	Millville Opportunities Master Fund, LP	Buy	4,562,654
Executive	Sagheer Ahmed	Sell	1,000
		Buy	900

Other Directors, CEO, CFO, Company Secretary and their associates and minor children did not carry out any transaction in the shares of the Company during the year.

Remuneration Policy of Non-Executive and Independent Directors

Through the Articles of the Company, the Board of Directors is authorized to fix the remuneration of Non-Executive and Independent Directors from time to time. In this regard, the Board of Directors has developed a Remuneration policy for Non-executive and Independent Directors of the Company. The details of Directors' Remuneration are disclosed in Note 38 of the Financial Statements for the year ended June 30, 2024.

Performance Evaluation of the Board of Directors and its Committees

Complying with the Listed Companies (Code of Corporate Governance) Regulations, 2019 the Board has adopted a comprehensive mechanism for evaluating its performance. The Company has introduced a questionnaire on the Board's composition, leadership, effectiveness, planning, and overall Company's strategy, performance, and monitoring. The Board evaluates all factors based on input received from every director annually.

shareholders was timely reported to the Pakistan Stock Exchange during the year.

Trading in shares of the Company during the year by the Chairman, Executive, Director's spouse, Substantial Shareholder, and Associated Company is as follows:

Related Party Transactions

The related party transactions entered into by the Company during the year are disclosed in Note 39 of the Financial Statements for the year ended June 30, 2024.

Statement of Compliance with Code of Corporate Governance

The Company has fully complied with the requirements of the Listed Compliance (Code of Corporate Governance) Regulations, 2019. The Statement of Compliance is provided under the relevant section of the report.

External Auditors

The present auditors M/S. KPMG Taseer Hadi & Co (Chartered Accountants), retired and being eligible, have offered themselves for re-appointments. The Board of Directors endorses the recommendation of the Board Audit Committee for their re-appointment as auditors of the Company for the financial year ended June 30, 2025.

Internal Auditors

The Company's internal Audit function is being looked after by the Head of Internal Audit, who is assisted by the internal auditor M/s EY Ford Rhodes. The Head of Internal Audit reports directly to the Chairman of the

Board Audit Committee. The primary responsibility of the Internal Audit Function is to assess the effectiveness of internal controls and recommend any necessary improvements. The Audit Committee receives regular periodic audit reports from the internal audit function, enabling them to review and consider the findings and recommendations for the betterment of the Company's internal controls and processes.

Adequacy of Internal Financial Control

The Board of Directors has established a comprehensive system of internal financial controls, aimed at ensuring the smooth and efficient operation of the Company. These controls encompass fraud prevention, asset protection, legal compliance, accurate financial record-keeping, and the timely generation of reliable financial information. Regular reviews and updates are conducted to maintain their effectiveness in accordance with evolving laws and regulations, reflecting our commitment to stringent financial governance and accountability.

Subsequent Events

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

Provident & Retirement Funds

The Company maintains a contributory Provident Fund for all employees and a defined Benefit Pension & Pensioners Medical Plan for the Chief Executive, a

On behalf of Board of Directors



Chief Executive Officer

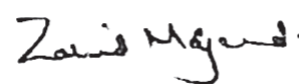
Director and spouses of late Founding Directors of the Company. Details of the assets and contributions of the funds are provided in Note 20 of Consolidated and Note 19 of Unconsolidated Financial Statements for the year ended June 30, 2024.

Forward-Looking Statement and Future Outlook

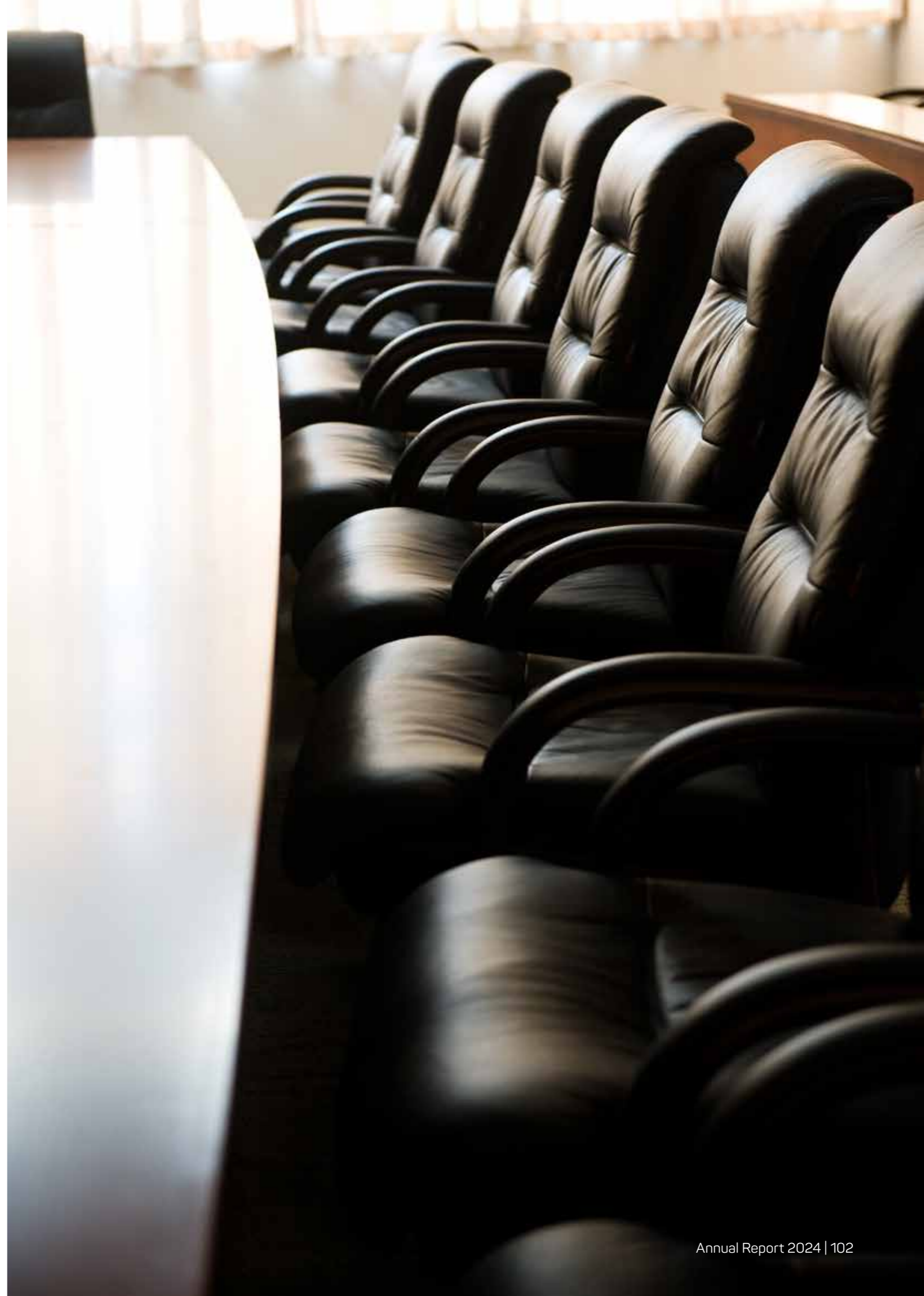
Our company approaches the future with cautious optimism, leveraging Pakistan's recent economic stabilization to enhance our global presence. While inflation has moderated and currency stability is improving, we acknowledge the challenges posed by structural economic weaknesses and potential policy shifts. Despite these hurdles, we are committed to innovation, efficiency, and strategic planning for business fundamentals improvement and maintaining the market leadership position in all major categories. By focusing on resilience, our Founder's Philosophy, and "Our Values", we aim to navigate these challenges effectively, ensuring sustainable growth and continued value creation for our stakeholders.

Acknowledgment

The Board would like to convey its earnest gratitude to all the people involved with the Company for enabling it to flourish and deliver a constant performance over the last five years. Our people are steadfast to the welfare of the Company and have shown their potential by overcoming the numerous difficulties posed by the operating environment. We treasure their dedication and feel highly obliged.



Director



حصص کی ملکیت کا طریقہ کار

کمپنی کا حصص کی ملکیت کا طریقہ کار اور اس سے متعلقہ دیگر معلومات صفحہ 279 پر دی گئی ہیں۔

چیف ایگزیکٹو ڈائریکٹرز، چیف فنانس آفیسر، کمپنی سیکریٹری، ایگزیکٹوز، ان کے شریک حیات اور نابالغ بچوں اور اہم حصص رکھنے والوں کے ذریعے

ڈائریکٹرز	جناب زاہد مجید	خرید	571,367
		بدیتاً دیا	4,714,769
	جناب آدم فانی مجید	بدیتاً لیا	259,800
	خانم نورین حسن	خرید	13,000
بڑے حامل حصص افراد	مل ول اپورچونیتیز ماسٹر فنڈ، ایل پی	خرید	4,562,654
ایگزیکٹو	صغیر احمد	فروخت	1,000
		خرید	900

دیگر ڈائریکٹرز، چیف ایگزیکٹو آفیسر، چیف فنانس آفیسر، کمپنی سیکریٹری اور ان کے شرکائے کار، اور نابالغ بچوں نے سال کے دوران کمپنی کے حصص میں کوئی لین دین نہیں کیا۔

غیر ایگزیکٹو اور آزاد ڈائریکٹرز کی مشاہرہ پالیسی

کمپنی کے آرٹیکلز کے ذریعے، بورڈ آف ڈائریکٹرز کو غیر ایگزیکٹو اور آزاد ڈائریکٹرز کا مشاہرہ وقتاً فوقتاً مقرر کرنے کا اختیار دیا گیا ہے۔ اس ضمن میں بورڈ آف ڈائریکٹرز نے کمپنی کے غیر ایگزیکٹو اور آزاد ڈائریکٹرز کے لئے ایک مشاہرہ پالیسی تیار کی ہے۔ ڈائریکٹرز کے مشاہرے کی تفصیلات مالی سال 30 جون 2024 کو ختم ہونے والے مالیاتی بیانات کے نوٹ 38 میں ظاہر کی گئی ہیں۔

بورڈ آف ڈائریکٹرز اور اس کی کمیٹیوں کی کارکردگی کی ارزیابی

اندراج شدہ کمپنیز (مجموعی نظم و ضبط کا ضابطہ) ریگولیشنز 2019 کی تعمیل کرتے ہوئے، بورڈ نے اپنی کارکردگی کی ارزیابی کے لئے ایک جامع طریقہ کار اپنایا ہے۔ کمپنی نے بورڈ کی تشکیل، قیادت، اثر پذیری، منصوبہ بندی، اور مجموعی طور پر کمپنی کی حکمت عملی، کارکردگی، اور نگرانی پر ایک سوالنامہ متعارف کرایا ہے۔ بورڈ ہر سال ہر ڈائریکٹر سے موصول ہونے والے تبصرے کی بنیاد پر تمام عوامل کی ارزیابی کرتا ہے۔

حصص کی تجارت کی تفصیل، سال کے دوران پاکستان اسٹاک ایکسچینج کو بروقت فراہم کی گئی۔

حصص کی تجارت سال کے دوران چیئرمین، ایگزیکٹو، ڈائریکٹر کے شریک حیات، بڑے حامل حصص افراد، اور ایسوسی ایٹڈ کمپنی کے ذریعہ کمپنی کے حصص کی تجارت درج ذیل ہے:

خرید	571,367
بدیتاً دیا	4,714,769
بدیتاً لیا	259,800
خرید	13,000
خرید	4,562,654
فروخت	1,000
خرید	900

متعلقہ پارٹی کے لین دین

کمپنی کے ذریعے سال کے دوران کئے گئے متعلقہ پارٹی کے لین دین مالی سال 30 جون 2024 کو ختم ہونے والے مالیاتی بیانات کے نوٹ 39 میں ظاہر کئے گئے ہیں۔

اجتماعی نظم و ضبط کے ضابطہ کے ساتھ تعمیل کا بیان

کمپنی نے اندراج شدہ (اجتماعی نظم و ضبط کا ضابطہ) تعمیل کے ریگولیشنز 2019 کے تقاضوں کی مکمل تعمیل کی ہے۔ تعمیل کا بیان رپورٹ کے متعلقہ سیکشن میں فراہم کیا گیا ہے۔

بیرونی پڑتال کنندگان

موجودہ پڑتال کنندگان میسرز کے پی ایم جی (KPMG) تاثیر ہادی اینڈ کو (چارٹرڈ اکاؤنٹنٹس) ریٹائر ہو چکے ہیں اور اپنی اہلیت کی بنیاد پر دوبارہ تقرری کے لئے اپنے آپ کو پیش کیا ہے۔ بورڈ آف ڈائریکٹرز نے کمپنی کے مالی سال 30 جون 2025 کو ختم ہونے والے سال کے لئے ان کی دوبارہ تقرری کے لیے بورڈ آڈٹ کمیٹی کی سفارش کی توثیق کی ہے۔

اندرونی پڑتال کنندگان

اندرونی پڑتال کے سربراہ، کمپنی کی اندرونی پڑتال کے معاملات کی نگرانی کر رہے ہیں، جو اندرونی پڑتال کنندہ میسرز ای وائے فورڈ

رہوڈز (M/s EY Ford Rhodes) کے زیر معاونت ہیں۔ اندرونی پڑتال کے سربراہ، براہ راست بورڈ آڈٹ کمیٹی کے چیئرمین کو مطلع کرتے ہیں۔ اندرونی پڑتال کے معاملات کی بنیادی ذمہ داری اندرونی اختیارات کی اثر پذیری کا تجزیہ کرنا اور کسی بھی ضروری بہتری کی سفارش کرنا ہے۔ آڈٹ کمیٹی کو اندرونی پڑتال کے معاملات کی پڑتال کی رپورٹس باقاعدہ وقفے وقفے سے موصول ہوتی ہیں، جو انہیں کمپنی کے اندرونی اختیارات اور کارکردگی کو بہتر بنانے کے لئے نتائج اور سفارشات کا تجزیہ کرنے اور غور کرنے کے قابل بناتی ہیں۔

اندرونی مالیاتی اختیارات کی موزونیت

بورڈ آف ڈائریکٹرز نے کمپنی کے ہموار اور موثر عمل کو یقینی بنانے کے لئے اندرونی مالیاتی اختیارات کا ایک جامع نظام قائم کیا ہے۔ ان اختیارات میں دھوکہ دہی کی روک تھام، اثاثوں کا تحفظ، قانون کی تعمیل، درست مالیاتی ریکارڈ کی نگہداری، اور قابل اعتماد مالیاتی معلومات کی بروقت فراہمی شامل ہیں۔ ان کی اثر پذیری کو برقرار رکھنے کے لئے بدلتے ہوئے قوانین اور ضوابط کے مطابق باقاعدہ جائزے لئے جاتے ہیں اور تجدید کی جاتی ہے، جو سخت مالیاتی نظم و ضبط اور احتساب کے ضمن میں ہماری وابستگی کی تمثیل پیش کرتے ہیں۔

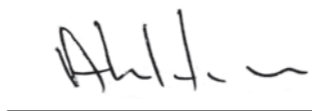
بعد کے واقعات

کمپنی کے مالی سال کے اختتام اور اس رپورٹ کی تاریخ کے درمیان کمپنی کی مالی حالت کو متاثر کرنے والی کوئی مادی تبدیلیاں یا وعدے نہیں ہوئے ہیں۔

پراویڈنٹ اور ریٹائرمنٹ فنڈز

کمپنی نے تمام ملازمین کے لئے ایک شراکتی پراویڈنٹ فنڈ اور چیف ایگزیکٹو ایک ڈائریکٹر اور کمپنی کے مرحوم بانی ڈائریکٹرز کے شریک

از طرف بورڈ آف ڈائریکٹرز



چیف ایگزیکٹو آفیسر

حیات کے لئے ایک متعین بینیفٹ پنشن اور پنشنرز میڈیکل پلان جاری رکھا ہوا ہے۔ اثاثوں اور فنڈز کی شراکتوں کی تفصیلات 30 جون 2024 کو اختتام مالی سال کے لئے پیش کردہ مالیاتی بیانات کے مرکب مالی بیانات کا نوٹ 20 اور غیر مرکب مالی بیانات کا نوٹ 19 میں فراہم کی گئی ہیں۔

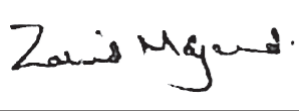
پیش بین بیان اور مستقبل کا نقطہ نظر

پاکستان کے حالیہ معاشی استحکام کا فائدہ اٹھاتے ہوئے اپنی عالمی موجودگی کو بڑھانے کے لئے ہماری کمپنی احتیاط اور نیک بینی کے ساتھ مستقبل کی طرف دیکھتی ہے۔ اگرچہ افراط زر میں کمی آئی ہے اور کرنسی کے استحکام میں بہتری آ رہی ہے، ہم ساختی اقتصادی کمزوریوں اور ممکنہ پالیسی تبدیلیوں سے پیدا ہونے والے چیلنجوں کو تسلیم کرتے ہیں۔ ان رکاوٹوں کے باوجود، ہم جدت، کارکردگی، اور بنیادی کاروباری اصولوں کی بہتری کے لئے اسٹریٹیجک منصوبہ بندی کے لئے پرعزم ہیں اور تمام اہم زمروں میں مارکیٹ میں قائدانہ حیثیت کو برقرار رکھتے ہیں۔

لچک، اپنے بانی کے فلسفے اور ”ہماری اقدار“ پر توجہ مرکوز کرتے ہوئے ہم ان چیلنجوں کو موثر طریقے سے تدبیر کر کے، پائیدار ترقی کو یقینی بنانے اور اپنے ذی نفع افراد کے لئے مسلسل ارزش کا ارادہ رکھتے ہیں۔

سپاس گزاری

بورڈ کمپنی کے ساتھ شامل تمام لوگوں کا پُر خلوص شکریہ ادا کرنا چاہتا ہے کہ جنہوں نے کمپنی کی نشوونما میں اہم کردار ادا کیا اور گزشتہ پانچ سالوں میں مسلسل اچھی کارکردگی کے قابل بنایا۔ ہمارے لوگ کمپنی کی فلاح و بہبود کے لئے ثابت قدم ہیں اور آپریٹنگ ماحول کی طرف سے پیش کردہ بے شمار مشکلات پر قابو پا کر اپنی صلاحیت کا مظاہرہ کیا ہے۔ ہم ان کی لگن کو سراہتے ہیں اور ان کے بہت زیادہ مشکور ہیں۔



ڈائریکٹر

اور وسائل فراہم کر کے، ہم پاکستان کی کھانا پکانے کی صنعت میں اگلی نسل کے رہنماؤں کی پرورش کر رہے ہیں۔ یہ پروگرام مقامی فوڈ سیکٹر میں جدت اور نفاست کو فروغ دینے کے لئے ہمارے عہد کی عکاسی کرتا ہے۔

آگاہی بالغ خواندگی پروگرام کے ذریعے خواتین کو باختیار بنانا

دا سٹیزن فاؤنڈیشن (TCF) کے ساتھ شراکت میں اور ہمارے مرحوم شریک بانی جناب عبدالجید مرحوم کی یاد میں ہم آگاہی بالغ خواندگی پروگرام کی اعانت جاری رکھتے ہیں۔ اس اقدام نے بے شمار خواتین کو ضروری مہارتوں کی بدولت باختیار بنایا ہے جو ان کے گھروں اور برادریوں میں مثبت تبدیلی لا رہی ہیں۔ ہماری کوششیں خواندگی کو بڑھانے اور ذاتی اور پیشہ ورانہ ترقی کے مواقع پیدا کرنے پر مرکوز ہیں۔

حکمتِ عملی کی شراکت داری کے ذریعے شمولیت اور صحت کو فروغ دینا

اس سال ہم نے کئی تنظیموں کے ساتھ شراکت داری کے اپنے اثرات کو بڑھایا جن میں چائلڈ لائف فاؤنڈیشن پاکستان، کراچی ڈاؤن سنڈروم پروگرام، بہبود ویلفیئر آرگنائزیشن اور پاکستان کے خصوصی اولمپکس شامل ہیں۔ اس تعاون کا مقصد شمولیت کو آگے بڑھانا، صحت کے نتائج کو بہتر بنانا اور عدم مساوات کو کم کرنا ہے۔ ہماری شراکت داری ہماری بنیادی اقدار کو اجاگر کرتی ہے اور انہیں ہماری اجتماعی ثقافت میں ضم کرتی ہے جو سماجی ذمہ داری کے لئے ہمارے عہد کو تقویت دیتی ہے۔

ان اقدامات اور دیگر اقدامات کے ذریعے، نیشنل فوڈز ایک ایسے مستقبل کے لئے راہ ہموار کر رہا ہے جہاں ذمہ دارانہ طریقے سب کے لئے دیرپا فوائد فراہم کرتے ہیں۔ ہمارے بنیادی اصولوں کے لئے ثابت قدم عہد کے ساتھ ہم ان کامیابیوں پر تعمیر کرنے اور سب کے لئے ایک زیادہ مکمل، پائیدار اور خوشحال مستقبل کی طرف مسلسل پیش رفت کو آگے لے جانے کے لئے پرجوش ہیں۔

قومی خزانے میں شراکت

سال کے دوران قومی خزانے میں شراکت مزید بڑھ گئی ہے اور کمپنی نے مختلف سرکاری ایجنسیوں کو مختلف سرکاری لیویز، بشمول سسٹم ڈیوٹی، سیلز ٹیکس اور انکم ٹیکس کی مد میں 9,583 ملین روپے (2023: 7,546 ملین روپے) سے زیادہ ادا کئے ہیں۔ مزید برآں مصنوعات کی برآمد کے ذریعے 3,178 ملین روپے (2023: 2,440 ملین روپے) کا زرمبادلہ بھی پیدا ہوا، جو قومی معیشت میں ہماری شرکت کو مزید ظاہر کرتا ہے۔

ڈیویڈنڈ

بورڈ آف ڈائریکٹرز نے فی شیئر 5 روپے کے حتمی نقد ڈیویڈنڈ کی سفارش کی ہے۔ ڈیویڈنڈ کے ذریعے تقسیم ہونے والا کل اسٹیٹنڈ آکون منافع 92% (2023: 27%) ہے۔

اجتماعی اور مالیاتی اندراج کا خاکہ:

کمپنی کا انتظامی مقصد اچھا اجتماعی نظم و ضبط اور بہترین طریقوں کی تعیل ہے۔ جیسا کہ اندراج شدہ کمپنیز (اجتماعی نظم و ضبط کا ضابطہ) ریگولیشنز، 2019 (کوڈ) کے تحت درکار ہے، کمپنی نے ضابطے کو خط کی صورت میں اپنایا ہے اور اس کی روح درج ذیل ہے:

- مالیاتی بیانات، کمپنی کے حالات، اس کی کارکردگی کے نتائج، نقد بہاؤ اور ایکویٹی میں تبدیلیوں کی منصفانہ عکاسی کرتے ہیں۔
- کمپنی کے حسابات کے مناسب کھاتے رکھے گئے ہیں۔
- مالیاتی بیانات کی تیاری میں نوٹس میں بیان کردہ مناسب حساب کتاب کی پالیسیوں کو مستقل طور پر لاگو کیا گیا ہے اور حساب کتاب کے تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔

• مالیاتی بیانات کی تیاری میں بین الاقوامی مالیاتی اندراج کے معیارات پر عمل کیا گیا ہے اور اس سے کسی بھی انحراف کو معقول انداز سے ظاہر کیا گیا ہے۔

• اندرونی اختیارات کا نظام نقشے کے حوالے سے مضبوط ہے اور موثر طریقے سے لاگو کیا گیا ہے، اور اس کی نگرانی کی گئی ہے۔ بورڈ نے تین ارکان پر مشتمل بورڈ آڈٹ کمیٹی تشکیل دی ہے، جس میں کمیٹی کے چیئرمین بھی شامل ہیں۔ بورڈ آڈٹ کمیٹی کے چیئرمین ایک آزاد ڈائریکٹر ہیں اور کمیٹی ضابطے کی ضروریات کے مطابق باقاعدگی سے ملاقات کرتی ہے۔

• اندراج کے ضابطوں میں تفصیل سے بیان کردہ بہترین اجتماعی نظم و ضبط کے طریقوں سے کوئی ماڈی انحراف نہیں ہوا ہے۔

• کمپنی کے جاری رہنے کی صلاحیت کے بارے میں کوئی قابل ذکر شکوک و شبہات نہیں ہیں۔

• بقایا محصول، قانونی خرچے اور ٹیکس، اگر کوئی ہیں، کو مالیاتی بیانات میں واضح طریقے سے ظاہر کیا گیا ہے۔

• پچھلے چھ سالوں پر محیط کلیدی مالیاتی اعداد و شمار کے بارے میں ایک بیان اس رپورٹ کے ساتھ منسلک ہے۔

بورڈ آف ڈائریکٹرز اور اس کی کمیٹیاں

ڈائریکٹرز کی کل تعداد 7 ہے جیسا کہ درج ذیل ہے:
مرد 05 خاتون 02

نام	زمرہ
جناب علی ایچ شیرازی جناب احسان اے ملک	آزاد ڈائریکٹرز
جناب ابرار حسن (چیف ایگزیکٹو آفیسر) جناب آدم فانی مجید	ایگزیکٹو ڈائریکٹر
خانم سعدیہ نوید خانم نورین حسن	خواتین ڈائریکٹرز
جناب زاہد مجید (چیئرمین بورڈ)	غیر ایگزیکٹو ڈائریکٹر

بورڈ کمیٹیاں

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

(ا) آڈٹ کمیٹی

جناب احسان اے ملک	(چیئرمین)
خانم سعدیہ نوید	(رکن)
خانم نورین حسن	(رکن)

(ب) انسانی وسائل اور مشاہرہ کمیٹی

جناب علی ایچ شیرازی	(چیئرمین)
جناب احسان اے ملک	(رکن)
خانم نورین حسن	(رکن)

اجتماعی نظم و ضبط کے ضابطہ کے مطابق بورڈ آف ڈائریکٹرز سے متعلق جامع تفصیلات، بشمول لیکن ان تک محدود نہیں، اجتماعی نظم و ضبط کے ضابطے کے صفحات نمبر 61 سے 76 تک ڈائریکٹرز کے سوانحی خاکوں، بورڈ کمیٹیوں، تربیت، تعمیر پذیری، اور بورڈ میں تبدیلیوں کا احاطہ کیا گیا ہے۔

بورڈ آف ڈائریکٹرز کے اجلاس اور حاضری

بورڈ آف ڈائریکٹرز نے مذکورہ سال کے دوران پانچ مرتبہ ملاقات کی اور یہ تمام ملاقاتیں پاکستان میں کی گئیں۔ مزید تفصیلات کا احاطہ ہمارے نظم و ضبط کے ضابطے میں صفحہ نمبر 61 پر کیا گیا ہے۔

ڈائریکٹرز کا انتخاب اس سال سالانہ اجلاس عام (اے جی ایم) میں ہوگا۔ منتخب ڈائریکٹرز کی مدت 20 اکتوبر 2028 کو تمام ہوگی۔

روایتی اچار

لکسڈ اچار ساسٹے کی بہتری، وزن کو متناسب کر کے، صارفین کی طلب کے مطابق، اور اسے واضح نظر آنے اور فروخت کے مراکز(پوائنٹ آف سیل) پر آویزاں مواد کے ذریعے فروغ دینا۔ پہلی اور دوسری سہ ماہی میں صارفین کے لئے ترویج (پروموشن)، بشمول مرکب (لکسڈ) اچار پر رعایت نے فروخت میں اضافہ کیا اور مشکل وقتوں میں صارفین کو فائدہ پہنچایا۔ افراط زر کی وجہ سے غیر برانڈڈ سے برانڈڈمصنوعات کی طرف منتقل ہونے والے صارفین کو راغب کرنے کے لئے، لکسڈ اچار پانچ کو 100 روپے کی پُرکشش قیمت پر متعارف کیا گیا، جس نے باکفایت قیمت پر معیار فراہم کیا۔

پسا بوا (کرشڈ) اچار

ہم نے برانڈ کی یادتازہ کرنے اور ذہن میں آگاہی پیدا کرنے کے لئے ڈیجیٹل اور سوشل میڈیا کا فائدہ اٹھایا، ایسا مواد تخلیق کیا جو ہماری مصنوعات کی ہمہ گیری کو اجاگر کرتا ہے۔ ہماری کوششوں میں جدید تجارت کی سرگرمیاں اور ای کامرس پلیٹ فارمز، جیسے کہ پانڈا مارٹ اور کریو مارٹ کے ساتھ معاونت شامل تھی تاکہ آزمائشی مہمات کو فروغ دیا جاسکے۔ ”کراچی ایٹ“ اور ”دی کامنز کراچی عید فیٹیول“ جیسی پُر ہجوم تقریبات میں شرکت نے ہمارے برانڈ کی موجودگی اور صارفین کی توجہ اور دلچسپی میں اور بھی اضافہ کیا۔ ان اقدامات نے مارکیٹ لیڈر کے طور پر نیشنل اچار کی پوزیشن کو مضبوط کیا جو صارفین کی بدلتی ہوئی ضروریات کو مؤثر طریقے سے پورا کر رہا ہے۔

چٹنی (کیچپ)

نیشنل کچپ نے اپنی قائدانہ حیثیت کو برقرار رکھا اور سب سے زیادہ پسند کیا جانے والا اور ترجیحی برانڈ رہا۔ مسابقتی مارکیٹ اور بلند افراطِ زر کے باوجود نیشنل کچپ نے پاکستان کے نمبر 1 ٹائر کچپ کے طور پر اپنی حیثیت کو مضبوط کیا، مارکیٹ کا بڑا حصہ حاصل کیا اور ثانوی حجم میں متاثر کن دوہرے ہندسے کی ترقی حاصل کی۔

خلاصہ

ہم نے بیک ٹو اسکول سیزن میں پانڈا مارٹ اور بچہ پارٹی کے ساتھ کامیاب تعاون سے آزمائشی مہمات شروع کیں۔ بچوں اور خاندانوں کو شامل کرتے ہوئے، ہم نے کراچی ڈاؤن سنڈروم پروگرام کارنیول میں کچپ فیکٹری تقسیم والی سرگرمی کی میزبانی بھی کی۔ ہماری کرکٹ سیزن کی مہم نے بیٹا اور یوٹیوب پر شاندار نتائج حاصل کئے، توقع سے زیادہ کامیابی رہی۔ رمضان کے محدود ایڈیشن پیک نے صارفین کے لئے ترویج (پروموشن) کے ساتھ شیلف میں کشش اور مسابقتی فرق کو بڑھایا۔ فیصل آباد میں ایک منصوبہ جاتی 360 ڈگری پلان بشمول کلکسٹر کی سرگرمیوں نے ہمارے مارکیٹ شیئر کو بہتر بنایا۔

اسپرिڈز (مایونیز)

اس سال نیشنل مایونیز کے لیے نمایاں پیش رفت ہوئی، آپریشنل کارکردگی اور مصنوعات میں بہتری پر توجہ مرکوز رہی۔

کاروباری استحکام

نثاستہ کو مقامی حیثیت دے کر، ہم نے ایک اعلیٰ صنع (مصنوعات) فراہم کی ہے، صارفین کے تجزیوں میں بہترین کارکردگی کا مظاہرہ کیا اور تقسیم کے سلسلے کی کارکردگی کو بہتر بنایا۔

خلاصہ

ہم نے پانڈا مارٹ آغاز کے ساتھ تجزیاتی نشستیں کیں برگر سے متعلق آرڈرز کے ذریعے تجزیئے کئے۔ ”کراچی ایٹ“ اور ”دی کامنز“ میں عملی سرگرمیوں، غذا کو موثر کرنے والی ایشیائی (فوڈ انفو نمنرز) کی معاونت سے نیشنل مایونیز کی حیثیت ایک اعلیٰ اسٹیک پارٹنر کے طور پر خوب مستحکم ہوئی۔ ان کوششوں نے مارکیٹ میں ہماری حیثیت اور صارفین کی شمولیت اور دلچسپی کو نمایاں طور پر بڑھایا ہے۔

شیرینی یا میٹھے پکوان

نیشنل کسٹرڈ نے نمایاں پیش رفت کی ہے، اہم حریفوں کی مطابقت سے بہتر ہوا ہے اور منافع کے استحکام کے لئے ہمارے اسٹارچ سپلائر میں کو متنوع بنایا ہے۔ اب ”نئی اور بہتر“ مصنوعات کے ساتھ دستیاب ہے، ہم نے عید، رمضان اور شادی بیاہ جیسے اہم مواقع پر توجہ مرکوز کی، پشاور میں انٹرنیٹ ذرائع (ای۔ ٹیلرز) اور اہل خانہ کے ذریعے براہ راست سپپلنگ سے صارفین تک پہنچا۔ کراچی، لاہور اور اسلام آباد کے فروخت کے بڑے مراکز میں ایک بدنی رویت کی مہم نے آگاہی کو مزید بڑھایا۔

اجتماعی مہم

اہم مواقع اور موسموں سے استفادہ کرنے والی اپنی حکمتِ عملی کے مطابق، خصوصی تشہیری مہمات کا آغاز کیا گیا۔ ان میں یوم آزادی پر ”دعوت آزادی“ کے نام سے ایک ریسیپی مہم، رمضان کے لئے ”ذائقہ مل بیٹھے کا“ کے نام سے مختلف چٹنیاں، اور میٹھی عید پر نیشنل کسٹرڈ کے لئے معروف کوکنگ چیلنجز اور شیفس کے تعاون سے ایک موثر مہم شامل تھی۔ ان مہمات کو لیاری میں پسماندہ بچوں کے لئے اجتماعی سماجی ذمہ داری (CSR) کی سرگرمی اور سال کی سب سے بڑی غذائی معاون میں سے ایک کی حمایت حاصل تھی، جس نے ہماری چٹنیوں اور رمضان کے باہمی تعلق کو مضبوط کیا۔

بین الاقوامی

اس سال، ہماری مارکیٹنگ کی کوششیں برانڈ کے بارے میں آگاہی بڑھانے، صارفین کے تجزیوں کو فروغ دینے اور اہم بازاروں میں ہماری موجودگی کو مستحکم کرنے پر مرکوز تھیں۔

برطانیہ میں ہم نے اپنے بنیادی زُمروں میں سہ ماہی تشہیری سفر کے ساتھ ان اسٹور سپپلنگ، ماہرانہ تشہیر، اور رویت کے اوزاروں کو امتزاج کے ساتھ استعمال کرتے ہوئے اپنی مستقل مزاجی برقرار رکھی جس نے موثر طریقے سے ہمارے

نقش پا کو اور گہرا کر دیا۔ شراکت داریوں کا فائدہ اٹھاتے ہوئے اپنی مصنوعات کو زیادہ سے زیادہ سامعین تک پہنچانے کے لئے کینیڈا میں ہماری کوششیں مرکزی دھارے میں اپنی موجودگی کو بڑھانے پر مرکوز تھیں۔ متحدہ عرب امارات میں، ہم نے دوسرے درجے (Class=B) کے حصے کو فعال کیا، جبکہ سعودی عرب میں ہم نے مصلحہ کی آمیزش کا مظاہرہ کیا، مختلف مصنوعات پیش کیں جنہوں نے ہماری رسائی کو بڑھایا۔

ہم نے اہم مواقع جیسے کہ رمضان اور دیوالی کے دوران جامع مہمات کے ساتھ نمایاں ہونے پر توجہ مرکوز کی، جو ہماری منتخب کردہ مارکیٹوں میں بیک وقت چلائی گئیں۔ ان مہمات نے نہ صرف ہماری برانڈ کی رویت میں اضافہ کیا بلکہ ان اہم تہواروں کے دوران صارفین کی شمولیت کو بھی آسان بنایا۔ ان کوششوں کو موسمی صارفین کی جراثمندانہ تشہیری مہمات کے ساتھ ساتھ ان اسٹور سرگرمیوں کو مضبوط کرنے کے لئے حکمتِ عملی کو کام میں لاتے ہوئے مکمل کیا گیا۔

عالمی سطح پر اپنی برانڈ کی موجودگی کو بڑھانے کے لئے ہم نے گل فوڈ اور فینسی فوڈ جیسی بڑی صنعتی تقاریب میں حصہ لیا جہاں ہم نے اپنی مصنوعات کی جدتوں کا مظاہرہ کیا، اہم شراکت داروں کے ساتھ تعلقات مضبوط کئے، اور بین الاقوامی سطح پر ترقی کے نئے مواقع تلاش کئے۔

مارکیٹنگ کے سلسلے میں اپنے اقدامات کے علاوہ ہم نے اپنی مصنوعات کو جدید طریقے سے پیش کرنے کے لئے اہم اقدامات کئے۔ ہم نے کئی کیلنگریز کے لئے پیکیجنگ ڈیزائن کو مکمل طور پر تبدیل کیا، انہیں اپنی ارتقا پذیر برانڈ شناخت کے ساتھ ہم آہنگ کیا اور ان کی کشش میں اضافہ کیا، اس کے ساتھ ساتھ ان کے آغاز آئندہ مالی سال کے لئے ترتیب دیئے ہیں۔

ان مشرکہ کوششوں نے پائیدار ترقی کے لئے ایک مضبوط بنیاد رکھی ہے، جو ہمارے برانڈ کو ایک بڑھتے ہوئی مسابقتی منظر نامے میں مسلسل کامیابی کے درجے پر فائز کر رہی ہے۔ ہم ان کامیابیوں کو برقرار رکھنے، مزید جدت طرازی، اور اپنے ذی نفع افراد کو طویل مدتی قدر فراہم کرنے کے لیے پرعزم ہیں۔

لوگ اور ثقافت

لوگوں کے لئے ہماری حکمتِ عملی نے برسوں چار اہم ستونوں کے ارد گرد ترقی کی ہے جو ہمارے نظریئے اور مقصدکے لئے لازم ہیں یعنی ہنر، قیادت، ثقافت اور تعمیر پذیری۔ جناب زاہد مجید کی چیئرمین کی رپورٹ کا تفصیلی جائزہ لیتے ہوئے، ان ستونوں کی ترقی کی ایک جھلک ذیل میں دکھائی جا رہی ہے:

ہنر: سلسلے میں ایک نیا عملی نمونہ متعارف کروا کے، ٹیموں کو دوبارہ منظم کر کے، اور ہمارے ہنر کے جائزے اور بیپانہ بندی کے عمل کو بہتر بنا کے ہم نے اپنی حکمتِ عملی کو اپنے عالمی توسیعی اہداف کے ساتھ ہم آہنگ کیا۔ اس نقطہ نظر نے ہمیں مستقبل کے رہنماؤں کی شناخت اور تربیت کرنے کے قابل بنایا ہے جبکہ ملازمین کو لکھڈ ان لرننگ جیسے پلیٹ فارمز کے ذریعے ضروری مہارتوں سے لیس کیا ہے۔

قیادت: ہم نے اقدار کی تازہ کاری کی نشستوں کا انعقاد کر کے اور قیادت کا ایک تفصیلی خاکہ تیار کر کے اپنی قیادت کی ثقافت کو مضبوط کیا۔ اس سال بھر کی ترقی کے سفر نے 21 رہنماؤں کو ان رویوں کی نمائش کرنے اور ہماری بنیادی اقدار کو تقویت دینے کے قابل بنایا ہے۔

تنوع: تنوع، مساوات اور شمولیت کے ضمن میں ہماری وابستگی ہمارے بیلائگ (BELONG) پروگرام کے اندر موجود ہے جو صنف، مذہب، اور معذوریوں کو اہمیت دیتے ہوئے کام کی ایک جامع جگہ بناتا ہے۔ ملازمت دینے کی تدابیر، مداحلتوں، اور صلاحیت سازی کے اقدامات اس پروگرام کی حمایت کرتے ہیں۔

ثقافت: Glint کے ساتھ شراکت داری کرتے ہوئے، ہم نے ذریعہ معاش، سماجی، ذہنی، جسمانی، مالی، اور برادری کے پہلوؤں کا احاطہ کرنے والے ایک جامع فلاح وبہود پروگرام کے ذریعے ملازمین کی شمولیت کو بڑھایا۔ ہمارا نیا انعامات اور اعتراف کا پروگرام ”پنڈیرائی“ ملازمین کو ہماری بنیادی اقدار کو تقویت دے کر مزید متحرک کرتا ہے۔

ہم متفرق کارکردگی کی حامل اور عالمی ٹیموں کے ساتھ تعاون کر کے اور مضبوط بیرونی شراکت داری بنا کر اپنی حکمتِ عملی کو مضبوط کریں گے۔ یہ کوششیں ہمارے ملازمین کو مشغول رکھیں گی اور مستقبل کے نیشنل فوڈز لمیٹڈ کے رہنماؤں کو اپنی طرف متوجہ کرنے اور ترقی دینے کے لئے ہمارے ای وی پی (EVP) کو بڑھائیں گی۔

پائیداری اور کارپوریٹ سماجی ذمہ داری

نیشنل فوڈز پائیداری اور اجتماعی سماجی ذمہ داری کے لئے اپنے عہد میں ثابت قدم ہے، جو اہم ماحولیاتی اور سماجی چیلنجز سے نبرد آزما ہونے کے لئے ذمہ دارانہ طریقوں پر توجہ مرکوز کرتا ہے۔ اقوام متحدہ کے پائیدار ترقی کے اہداف کے ساتھ ہم آہنگ، ہمارے اقدامات بامعنی اور دیرپا مثبت اثرات پیدا کرنے کے لئے ترتیب دیئے گئے ہیں۔

ماحولیاتی تحفظ

مالی سال 2024 میں ہم نے فضلہ میں کمی اور دوبارہ استعمال پر زور دینے والے R3 پروجیکٹ کا آغاز کر کے ماحولیاتی پائیداری کے لئے اپنے عہد کو فخر کے ساتھ آگے بڑھایا۔ یہ اقدام پائیدار ترقی کے اہداف کے خاکے کے ساتھ ہماری ہم آہنگی اور پائیدار طریقوں کو فروغ دینے کے لئے ہمارے فعال مونتھف کو اجاگر کرتا ہے۔ اس کے ساتھ Climate2Equal PBC-IFC پیئر لرننگ پلیٹ فارم میں ہماری شرکت صنفی شمولیت کے طریقوں کو موسمیاتی کارروائی میں ضم کرنے کے لئے ہماری وابستگی کو اجاگر کرتی ہے۔

نیشنل فوڈپرینیور پروگرام: کھانا پکانے کی صلاحیت کو فروغ دینا

ہمارا نیشنل فوڈپرینیور پروگرام تعلیم کے ذریعے برادری کی پائیدار ترقی کے لئے وقف ایک نمایاں اقدام ہے۔ کھانا پکانے کے اُبھرتے ہوئے ہنر مندوں کو تربیت

ڈائریکٹرز رپورٹ

ساتھی شیئر ہولڈرز،

نیشنل فوڈز لمیٹڈ (“کمپنی”) کے ڈائریکٹرز 30 جون 2024 کو اختتامِ سال کے لئے کمپنی کا سالانہ بیان معہ پڑتال شدہ مالیاتی نتائج پیش کرتے ہوئے خوش محسوس کرتے ہیں، جن میں علیحدہ علیحدہ اور مجموعی مالیاتی بیانات شامل ہیں۔

کمپنی کی اُولین سرگرمیاں

کمپنی اپنے نام ”نیشنل“ کے تحت اشیائے خورد و نوش تیار کرتی ہے، مارکیٹ کرتی ہے اور فروخت کرتی ہے۔

معاشی جائزہ

مالی سال 2024 میں انتخابات کے بعد پاکستانی معیشت میں بحالی کے کچھ آثار نمایاں ہوئے ہیں جن میں افراط زر میں کمی، کرنٹ اکاؤنٹ بیلنس میں بہتری اور زر مبادلہ کے ذخائر واضح ہیں۔ نسبتاً مستحکم پاکستانی روپے / امریکی ڈالر شرح مبادلہ کے ساتھ جون میں افراط زر کے شمار میں گزشتہ برس اسی دورانیے میں 28 فیصد کے مقابلے میں 13 فیصد کمی واقع ہونے نے اہم کردار ادا کیا ہے۔ صارفین کی قوتِ خرید سے حجم متاثر ہوا اور پیک کے حجم چھوٹے ہو گئے۔

کاروباری کارکردگی کا جائزہ

آپریٹنگ اور مالی کارکردگی

گروپ

گروپ نے 100 ملین پاکستانی روپے کے خط کو عبور کرتے ہوئے 34 فیصد بالائی خط کی آمدنی میں نمو حاصل کی، اس کے ساتھ بین الاقوامی فٹ پرنٹ سے پیدا ہونے والی 52 فیصد شراکت بھی ہے۔ فیصل آباد میں تیاری کی سہولت کے لئے سرمایہ کاری کی بھاری شرح سود مختصر مدت میں منافع پر اثر انداز ہوئی ہے اور بیرون ملک سرمایہ کاری تاکہ بین الاقوامی کاروبار کے لئے افزائش کی بنیاد قائم ہو سکے۔ تاہم کمپنی اس امر پہ یقین رکھتی ہے کہ سرمایہ کاری کی یہ حکمتِ عملی طویل مدتی پائیدار نمو پائے گی۔

بنیادی کاروبار

مقامی کاروبار میں ٹاپ لائن اور آپریٹنگ منافع میں دوہرے ہندسوں میں اضافہ ہوا۔ یہاں تک کہ صارفین کی قوتِ خرید اور اجناس کے سلسلے کے چیلنج کے وقت بھی، جو کہ کاروبار کی لاگت کو متاثر کرتے ہیں۔ پیک کے سائز اور اہم

گروپ کے مالیاتی سال کے اہم مالیاتی اعداد و شمار کا خلاصہ ذیل میں درج ہے:

رقومات پاکستانی روپے ملین میں

گروپ	بنیادی کاروبار			اے وِن بیگز اینڈ سپلائرز انکارپوریٹڈ		
	مالی سال 24	مالی سال 23	تبدیلی	مالی سال 24	مالی سال 23	تبدیلی
خالص فروخت	86,375	64,322	34%	37,961	30,315	25%
مجموعی منافع	23,570	18,194	30%	12,563	10,993	14%
آپریٹنگ منافع*	6,223	5,504	13%	2,256	2,759	-18%
بعد از ٹیکس خالص منافع**	2,795	3,795	-26%	560	2,225	-75%
فی حصص آمدنی (روپے)	8.2	13.6		2.4	9.5	
مجموعی منافع	27.3%	28.3%	-1.0%	33.1%	36.3%	-3.2%
آپریٹنگ منافع	7.2%	8.6%	-1.4%	5.9%	9.1%	-3.2%
بعد از ٹیکس منافع***	3.2%	5.9%	-2.7%	1.5%	7.3%	-5.9%

* دیگر آمدنی اور دیگر اخراجات شامل نہیں ہیں۔

** اس میں اے وِن بیگز اینڈ سپلائرز انکارپوریٹڈ کے انضمام پر تسلیم شدہ غیر ماڈی اثاثوں کی 23 ملین روپے (2023: 20 ملین روپے) کی اثاثوں کی مالیاتی فرسودگی شامل ہے۔

*** گروپ منافع بعد از ٹیکس میں اے وِن کو 100% شامل کیا گیا ہے (NCI کو چھوڑ کر منافع بعد از ٹیکس: 2024: 1,910 ملین پاکستانی روپے: 2023 3,175 ملین پاکستانی روپے) گروپ منافع بعد از ٹیکس اتر کمپنی ڈیویڈنڈز کو ختم کرتا ہے (522 ملین پاکستانی روپے بمقابلہ 287 ملین سالانہ)۔

سیلز اور مارکیٹنگ

برانڈ پر مالی سال 2024 کی اہم جھلکیاں درج ذیل ہیں:

ریسیپی مکسرز

اس سال نیشنل فوڈز نے مصنوعات کے مرکبات کو بہتر بنا کر، اپنی مصنوعات کی فہرست کو وسیع کر کے، اور کراچی اور خیبر پختونخوا کے جیسے اہم بازاروں میں نمایاں پیش رفت کر کے ریسیپی کس کیلنگری میں اپنی قیادت کو مضبوط کیا۔

درجے کی بنیاد

نیشنل فوڈز نے اپنی بنیادی متنفرق مصنوعات کو مقابلے سے اوپر اٹھانے کے لئے منصوبے کے تحفظ (پروجیکٹ فورٹیفیکیشن) کا آغاز کیا۔ ان میں سے زیادہ تر متنفرق مصنوعات بشمول بریانی کو واضح طور پر بہتر بنایا گیا ہے جو حریف سے بہتر کارکردگی کا مظاہرہ کر رہی ہیں۔ اس کے علاوہ کمپنی نے لیٹی ٹیکنیکلنگ کے معیار کو مزید بہتر بنایا ہے، چھپائی کے معیار اور ظاہری کشش کو بڑھایا ہے۔ وہ صارفین جو مختلف اقسام کی تلاش میں رہتے ہیں، اُن کے لئے، نئی اقسام جیسے وائٹ کڑاہی اور موسمی پکوان جیسے کہ فرائیڈ چوپس اور ملائی بوٹی متعارف کرائے گئے۔

کراچی

مقامی ذائقوں کی ترجیحات کے مطابق کراچی میں ”کراچی خاص“ کی اقسام کے تعارف تقسیم میں توسیع اور ہدف کے مطابق کاروبار کے نتیجے میں ”اِن اسٹور“

پیداواری صلاحیت میں واضح طور پر اضافہ ہوا۔ کراچی خاص کے لئے ڈیجیٹل مہم کی سرمایہ کاری اور کراچی خاص یونٹس کی وسیع پیمانے پر سیمپلنگ، بشمول دروازے سے دروازے تک فروخت کے ساتھ آزمائش کی متاثر کن شرح نے صارفین کی دلچسپی اور وابستگی کو اور بھی بڑھایا۔ اس کے علاوہ ”ریسیپی پرنس“ کا اقدام کیا گیا تاکہ جامعات اور کالجوں میں آرزومند نوجوان خواتین کے ساتھ مصنوعات کے سلسلے میں وابستگی اور مشغولیت پیدا کی جا سکے۔

خیبرپختونخوا

خیبر پختونخوا میں نیشنل فوڈز نے ہمیں بریانی-کراچی خاص متعارف کروا کر مقامی حکمت عملی اپنائی، جس سے خریداری مراکز میں اسٹور کی پیداواری صلاحیت میں بہتری ہوئی۔ پشتو زبان میں تیار کردہ ڈیجیٹل مواد اور دیگر سرگرمیوں کی وجہ سے صارفین کی شمولیت اور دلچسپی میں اضافہ ہوا۔

حکمت عملی کے ساتھ کئے گئے اِن اقدامات نے نیشنل فوڈز کی مارکیٹ میں قائدانہ حیثیت کو مضبوط کیا، مصنوعات کی پیشکشوں کو بہتر بنایا اور اہم علاقوں میں اپنی موجودگی کو بڑھایا۔

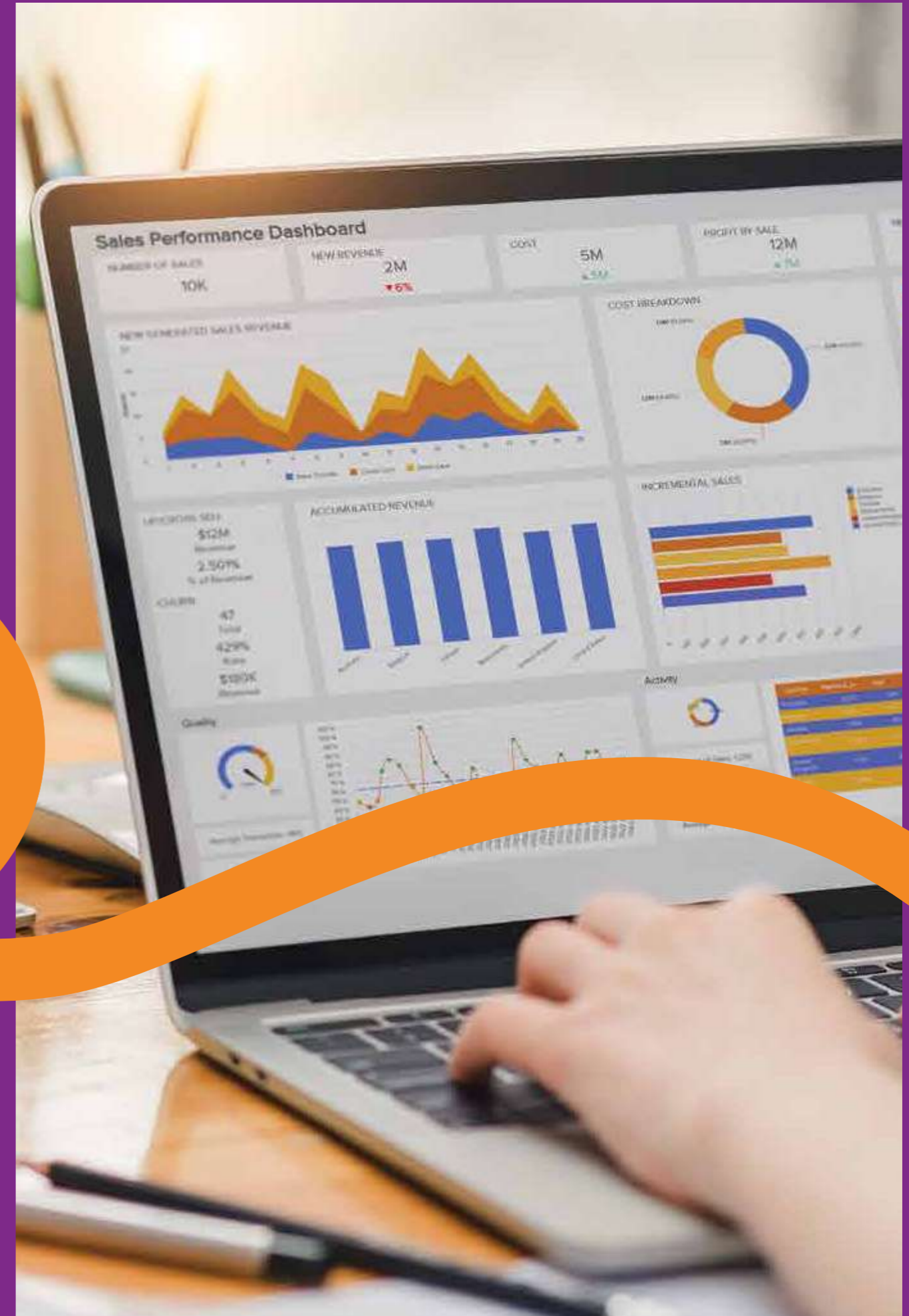
ذائقہ دار چٹنی (اچار)

اس مالی سال کے دوران نیشنل اچار نے ہمارے روایتی اور پسے ہوئے (کرسٹڈ) اچار کے سلسلوں کو بہتر بنانے کے لئے حکمتِ عملی کے ساتھ اقدامات کئے۔

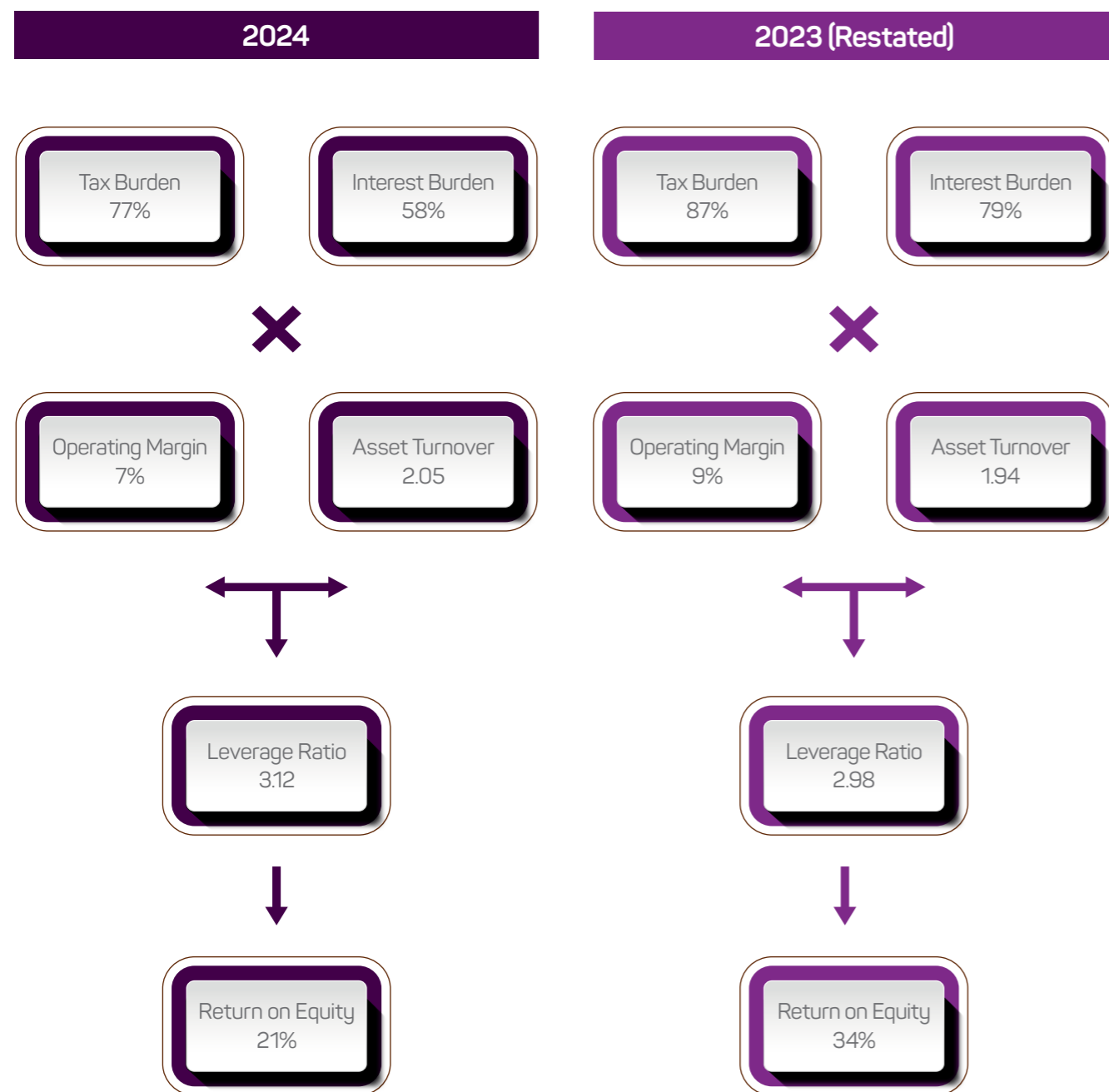
At the Heart of Driving Value

Through disciplined financial management and a commitment to innovation, we have sustained the trajectory of driving value for stakeholders.

The financial performance reflects dedication to fostering sustainable growth while reinforcing our leadership position in the industry.



DuPont Analysis



Formula

Tax Burden	Net Profit / Profit before tax
Interest Burden	Profit before tax / Profit before interest & tax
Operating Margin	Profit before interest & tax / Net Sales
Asset Turnover	Net Sales / Average Total Assets
Leverage Ratio	Average Total Assets / Average Equity
Return on Equity	Profit after tax / Average Shareholder Equity

Financial Ratios

	Unit	2024	2023 (Restated)	2022 (Restated)	2021	2020	2019
Profitability Ratios							
Gross Profit Ratio	%	27.3	28.3	28.5	28.2	29.1	28.8
Operating Profit to Sale	%	7.2	8.6	9.0	8.5	9.2	8.3
Net Profit before Tax to Sales	%	4.2	7.7	7.9	7.6	8.0	7.1
Net Profit after Tax to Sales	%	3.2	5.9	6.0	5.7	5.7	5.7
EBITDA Margin to Sales	%	9.9	11.0	11.5	11.0	12.1	10.5
Operating Leverage Ratio	%	61.0	85.3	118.1	48.6	193.1	351.3
Return on Equity ^{N1}	%	16.1	28.4	28.5	26.5	26.6	27.2
Return on Capital Employed	%	24.2	27.6	34.4	31.4	32.0	31.7
Return on Assets	%	6.2	9.7	10.0	9.9	10.9	10.3
Liquidity Ratios							
Current Ratio	Times	1.3	1.2	1.1	1.2	1.2	1.1
Quick / Acid Test Ratio	Times	0.5	0.4	0.4	0.6	0.5	0.3
Cash to Current Liabilities	Times	0.1	(0.1)	(0.1)	0.1	0.2	0.03
Cash Flow from Operations to Sales	%	8.0	4.6	3.2	7.3	10.4	7.9
Working Capital Turnover	Times	19.1	25.5	32.8	21.1	30.8	(131.0)
Efficiency Ratios							
No. of Days in Inventory	Days	83.1	96.0	89.3	85.3	90.4	91.1
No. of Days in Receivables	Days	13.7	16.9	14.8	12.4	15.7	17.0
No. of Days in Payables	Days	26.8	24.3	20.9	22.7	24.5	25.7
Operating Cycle	Days	70.0	88.6	83.2	75.0	81.7	82.4
Asset Turnover	Times	2.0	1.9	1.9	2.0	2.0	2.0
Inventory Turnover	Times	4.4	3.8	4.1	4.3	4.0	4.0
Receivables Turnover	Times	26.7	21.6	24.6	29.4	23.2	21.5
Payables Turnover	Times	13.6	15.0	17.5	16.1	14.9	14.2
Revenue / Employee	Rs.	111,088	85,524	68,526	59,126	54,422	44,269
Net Income / Employee	Rs.	2,933	4,085	3,163	2,506	2,286	1,820
No. of Employees	No.	953	929	859	788	722	753
Investment / Market Ratios							
Earnings Per Share ^{N1 & N2}	Rs.	8.2	13.6	10.4	7.5	6.3	5.6
Price Earning Ratio	Times	21.3	7.2	13.9	24.3	25.4	17.2
Dividend Yield Ratio	%	3.7	2.5	3.5	2.2	2.0	2.2
Dividend Payout Ratio ^{N1}	%	79.3	18.4	48.1	53.0	50.7	38.4
Dividend Cover Ratio ^{N1}	Times	1.3	5.5	2.1	1.9	2.0	2.6
Cash Dividend Per Share	Rs.	6.5	2.5	5.0	5.0	5.0	4.0
Cash Dividend	%	130	50	100	100	100	80
Stock Dividend Per Share	Rs.	-	-	-	1.3	1.3	1.2
Stock Dividend	%	-	-	-	25	25	20
Market Value Per Share at the end of the year	Rs.	174.7	98.4	144.8	229.0	250.5	179.0
Low during the year	Rs.	97.0	89.9	141.9	188.6	133.0	147.5
High during the year	Rs.	186.1	164.8	230.6	304.0	267.5	310.0
Breakup Value Per Share without Surplus on Revaluation of Fixed Assets ^{N2}	Rs.	60.3	55.6	39.7	31.2	26.0	40.5
Market Capitalisation (in millions)	Rs.	40,728	22,939	33,751	42,711	37,366	22,256
Capital Structure Ratios							
Financial Leverage Ratio	%	120.3	98.6	87.7	77.9	49.9	63.5
Weighted Average Cost of Debt	%	16.7	10.8	6.7	7.2	10.9	9.4
Gearing Ratio							
(Total debt / Total debt + Shareholders Equity)	%	44.1	42.9	39.4	38.2	27.1	38.5
Interest Coverage Ratio	Times	2.4	4.7	8.8	9.4	7.7	7.1
No. of Ordinary Shares (in millions)	EA	233	233	233	186	149	124

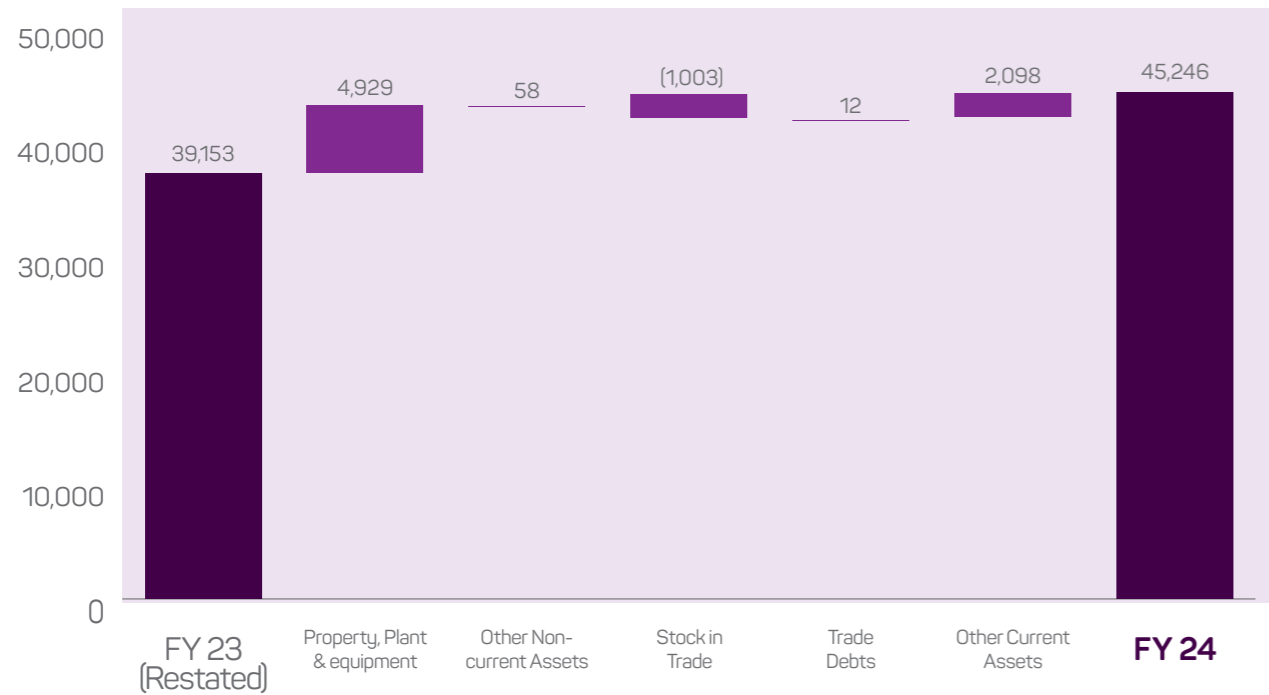
N1 - Calculated on owners share only.

N2 - Calculated on number of shares as at 30 June 2024.

Financial Statements at a Glance

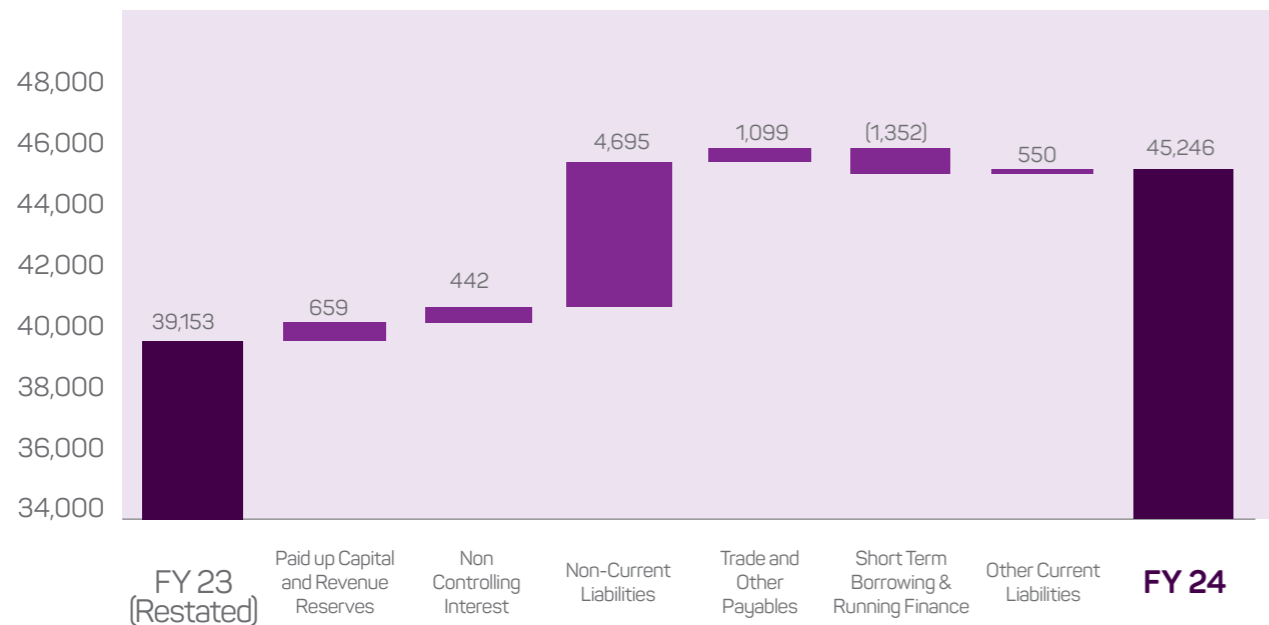
Assets

(Rupees in Million)



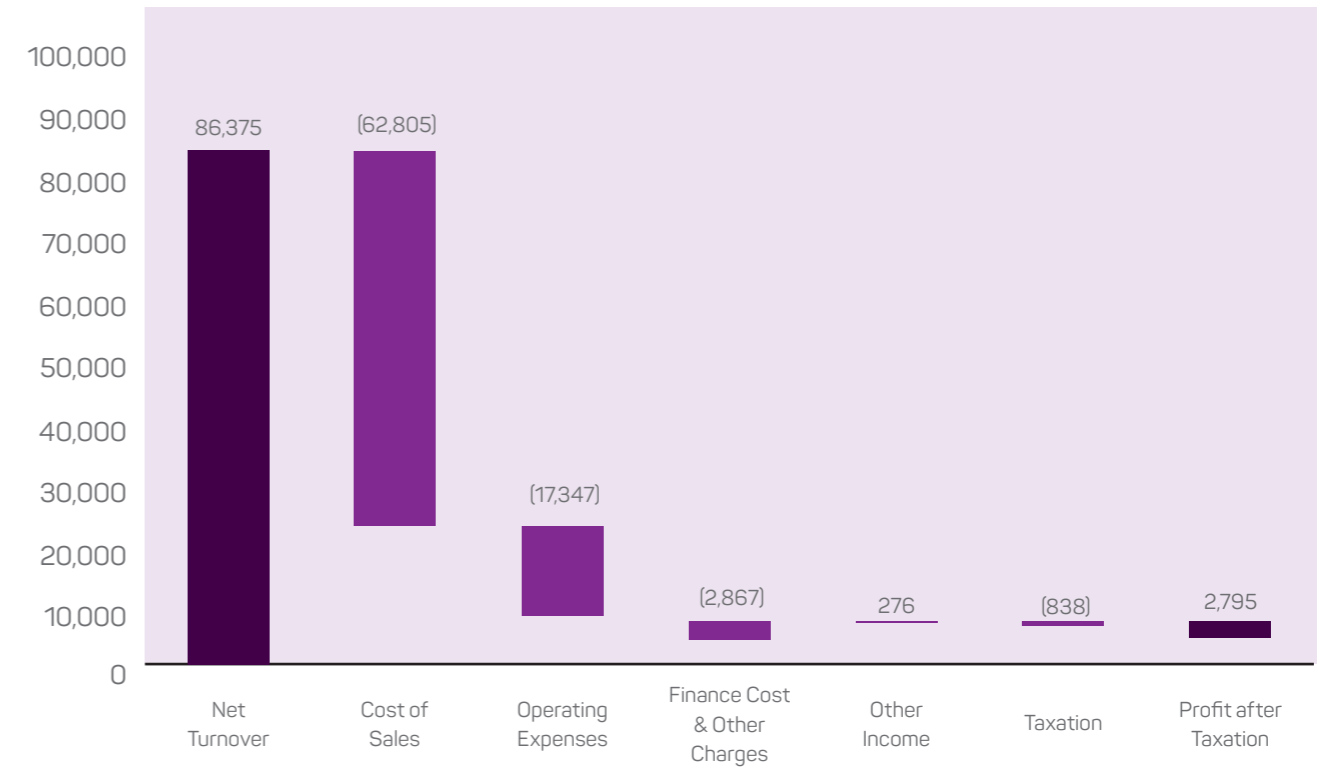
Equity and Liabilities

(Rupees in Million)



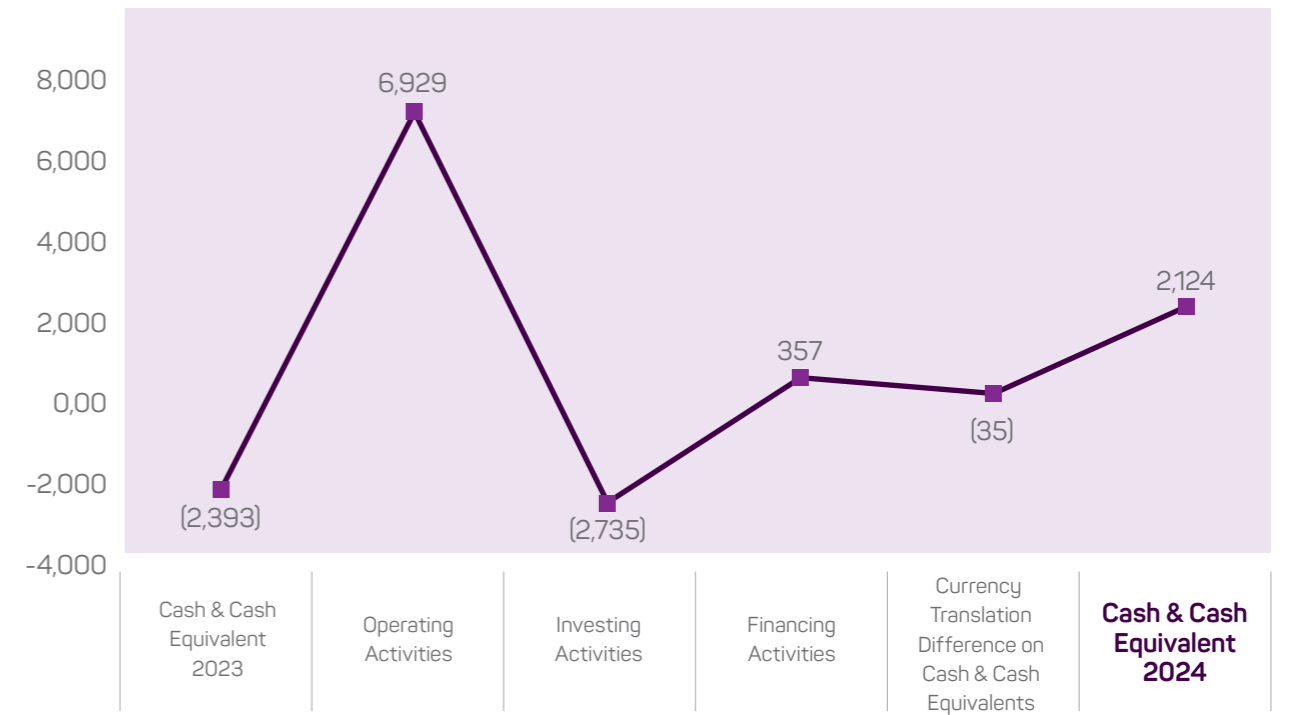
Profit or Loss

(Rupees in Million)



Cash Flow

(Rupees in Million)



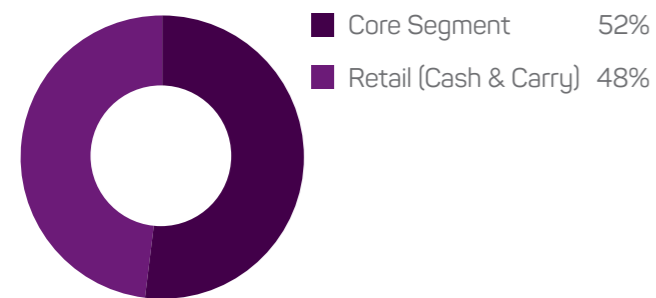
Financial Highlights

Our results compared to same period Last year at a Glance

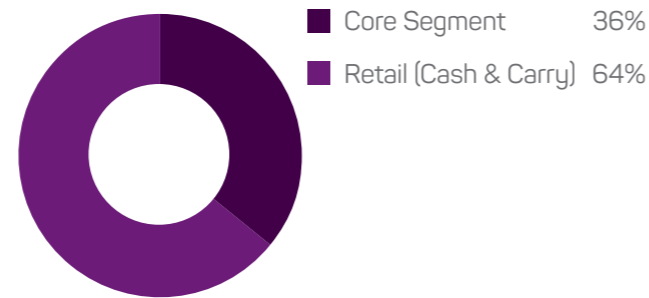
FY 2024

Turnover up by 33 %
 Gross profit up by 30 %
 Profit after Taxation declined by 26 %
 Earning per Share PKR 8.19 (June 30 2023 - Restated PKR 13.58)

Turnover by Business

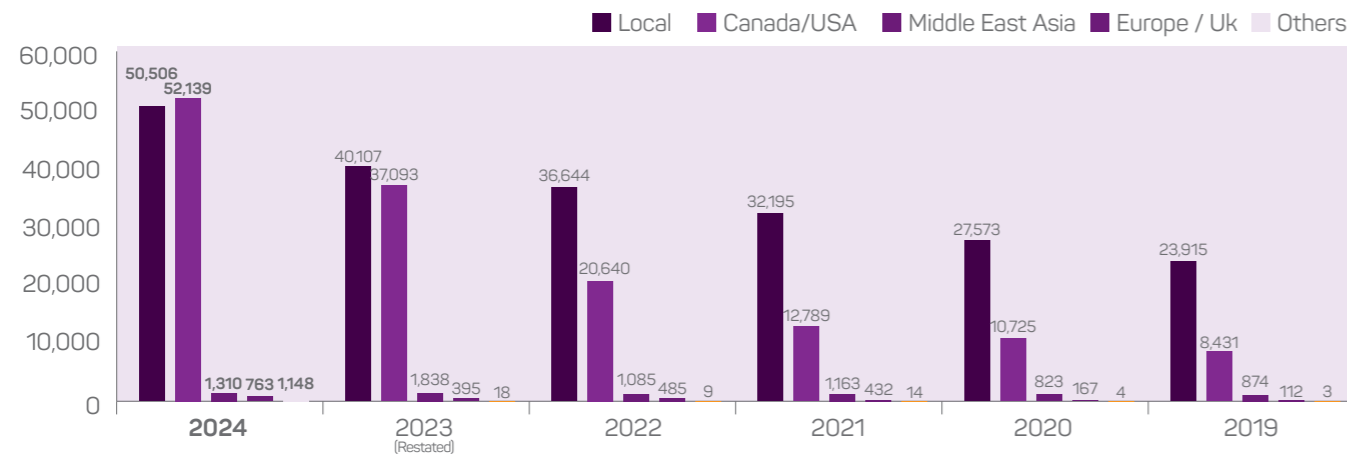


Operating Profit by Business



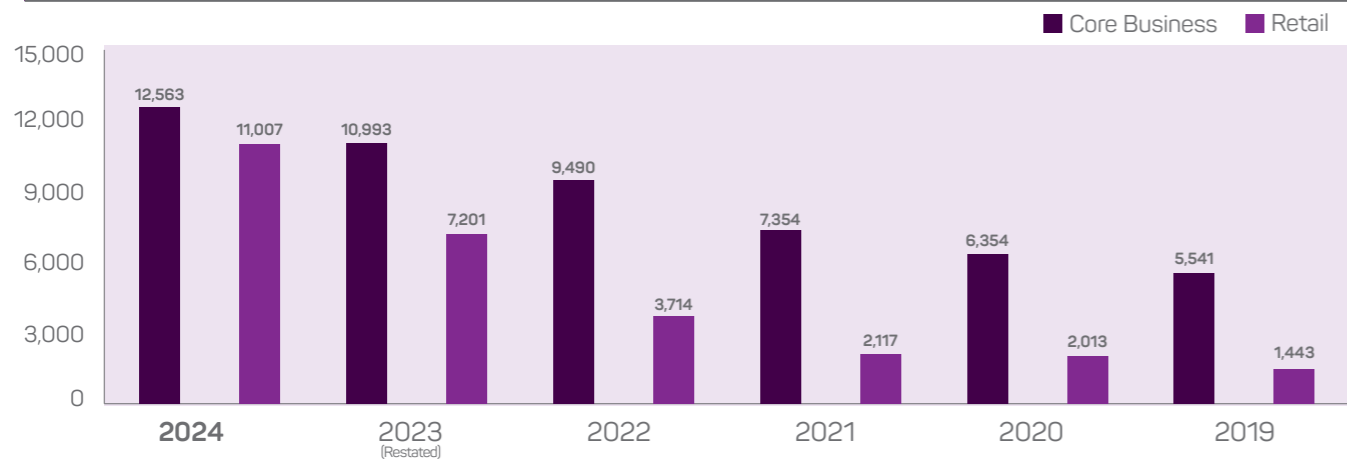
Turnover by Geographical Locations

(Rupees in Million)



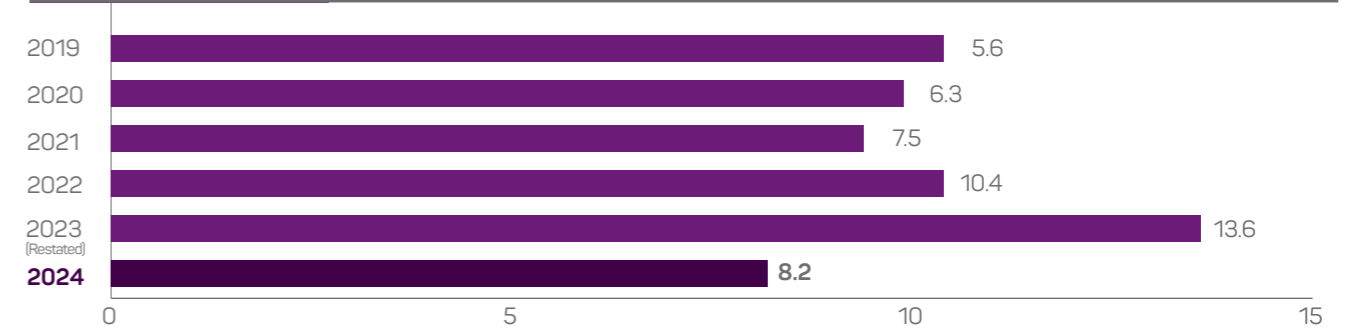
Gross Profit

(Rupees in Million)



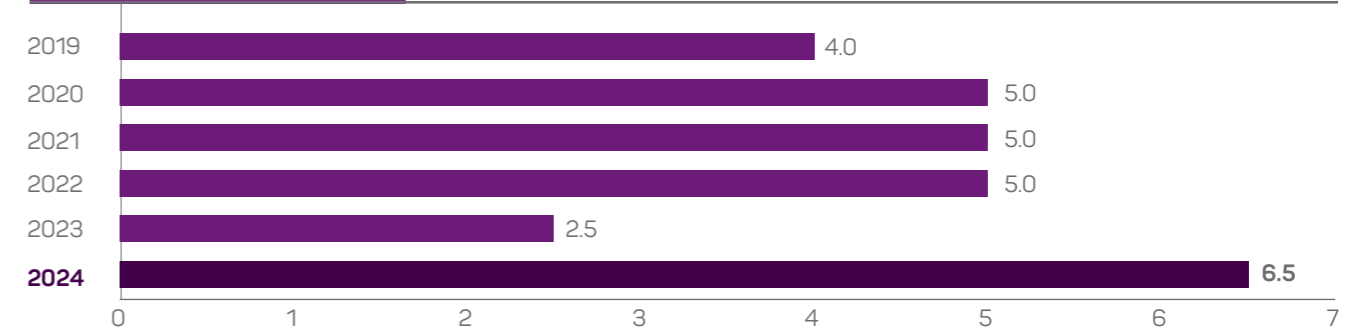
Earnings Per Share

(in Rupees)



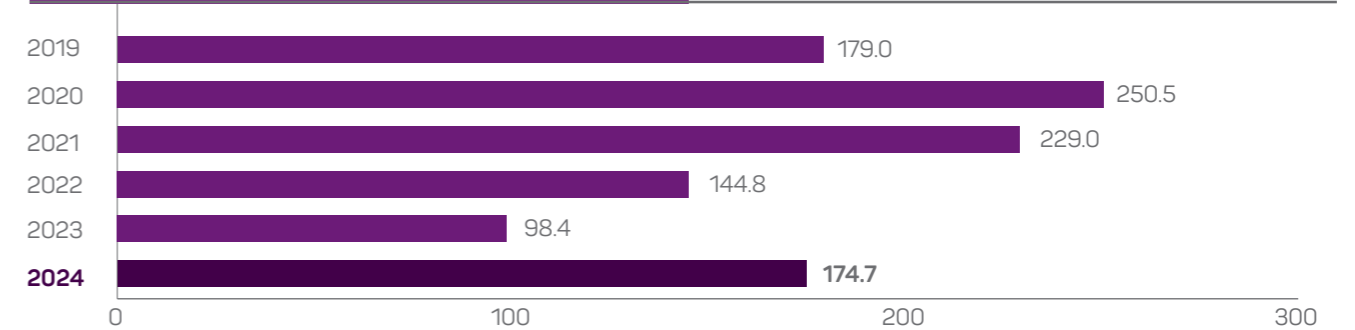
Cash Dividend Per Share

(in Rupees)



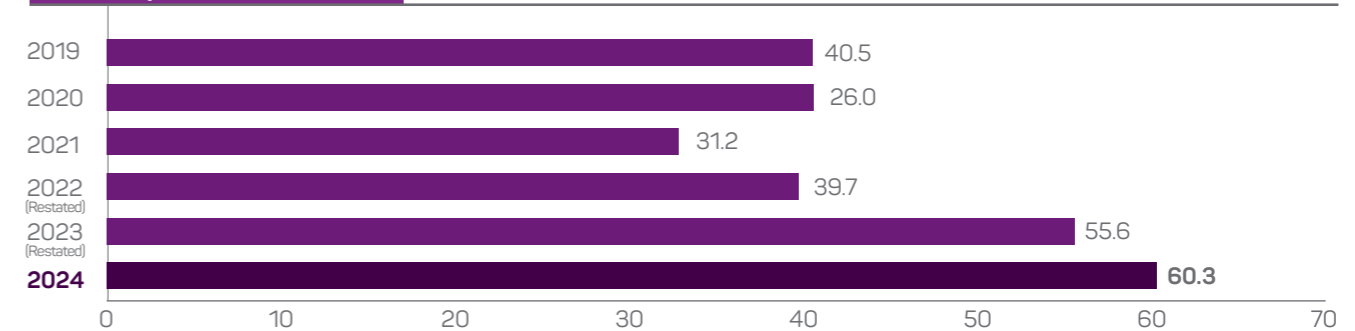
Market Value Per Share at the end of the year

(in Rupees)



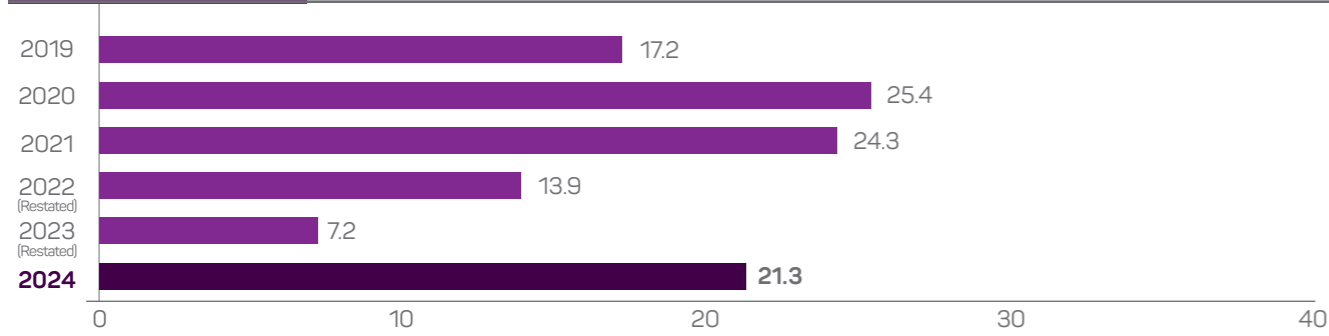
Breakup Value Per Share

(in Rupees)

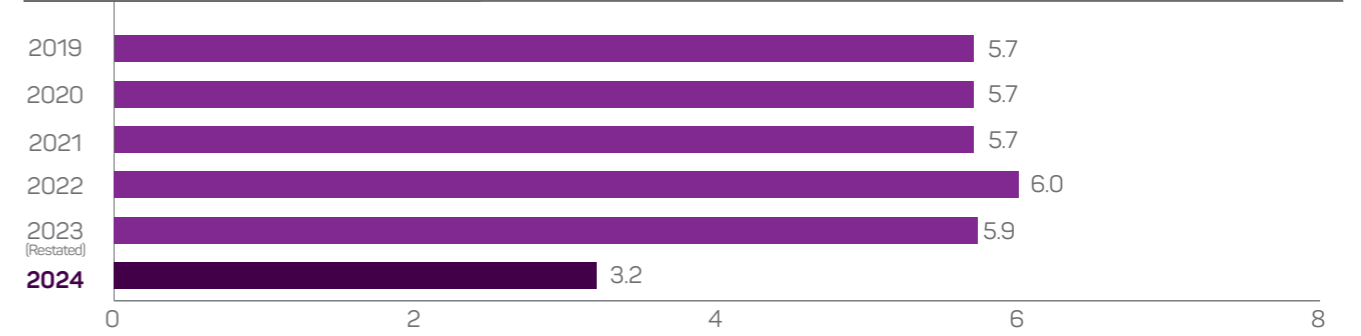


Price Earning Ratio

(in Rupees)

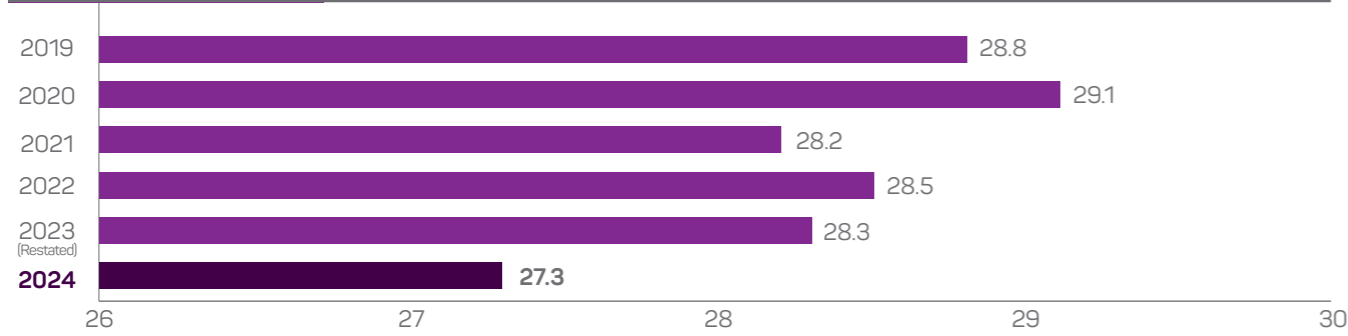


Net Profit After Tax to Sales %

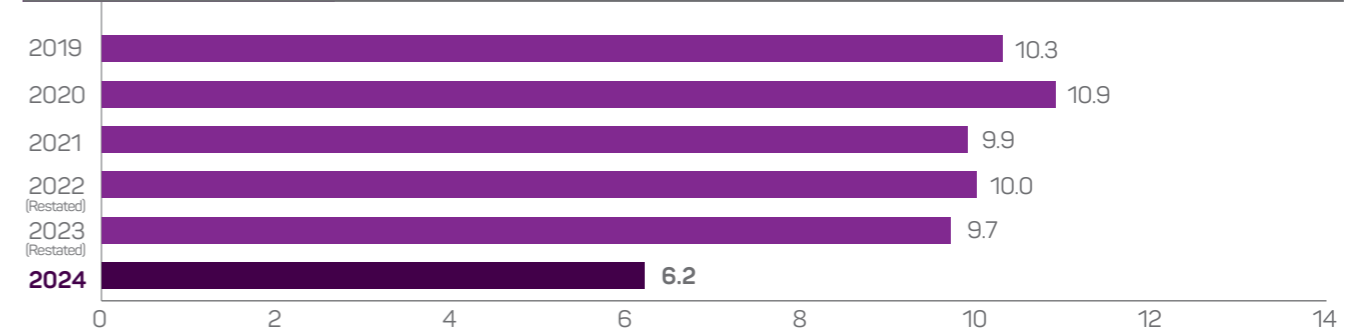


A. Profitability Ratios

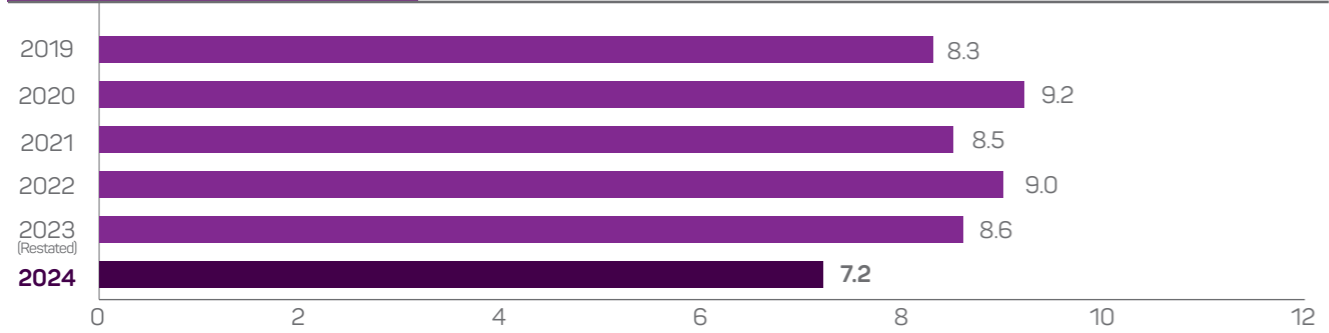
Gross Profit Ratio %



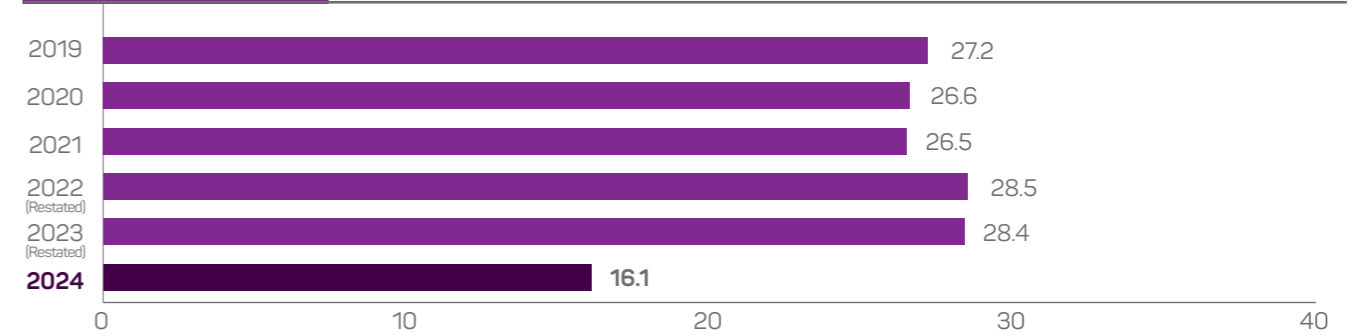
Return on Assets %



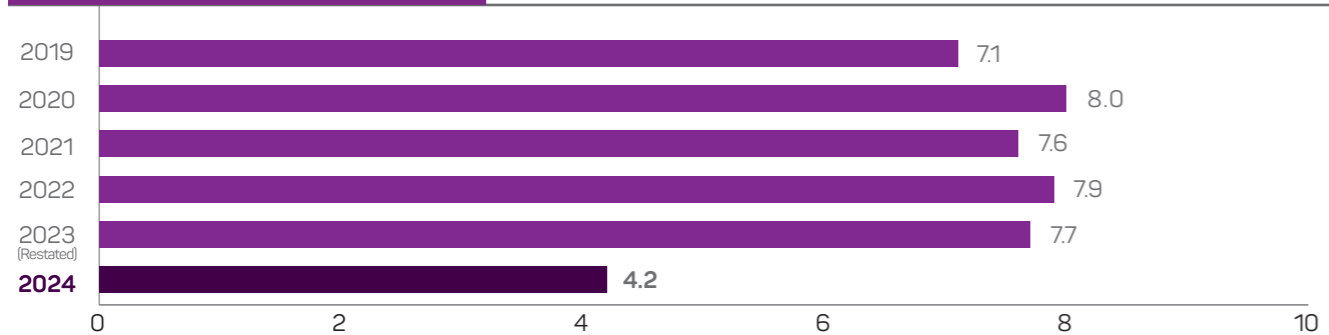
Operating Profit to Sales %



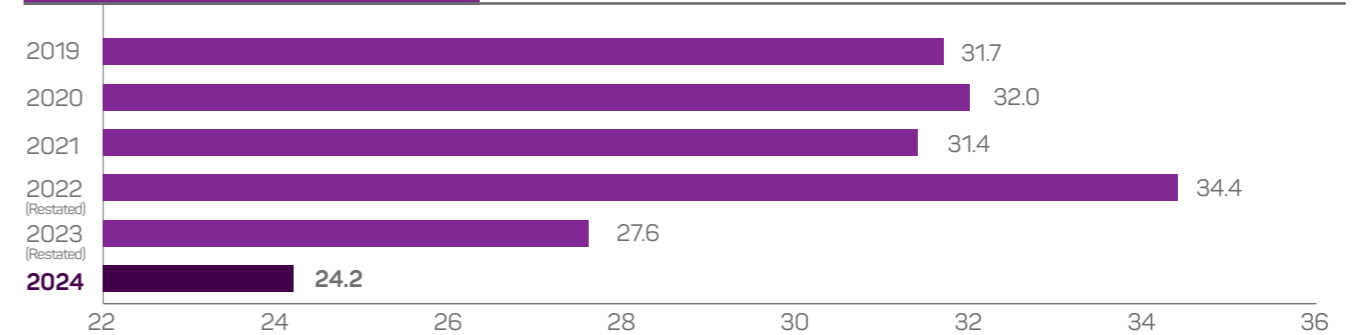
Return on Equity %



Net Profit Before Tax to Sales %

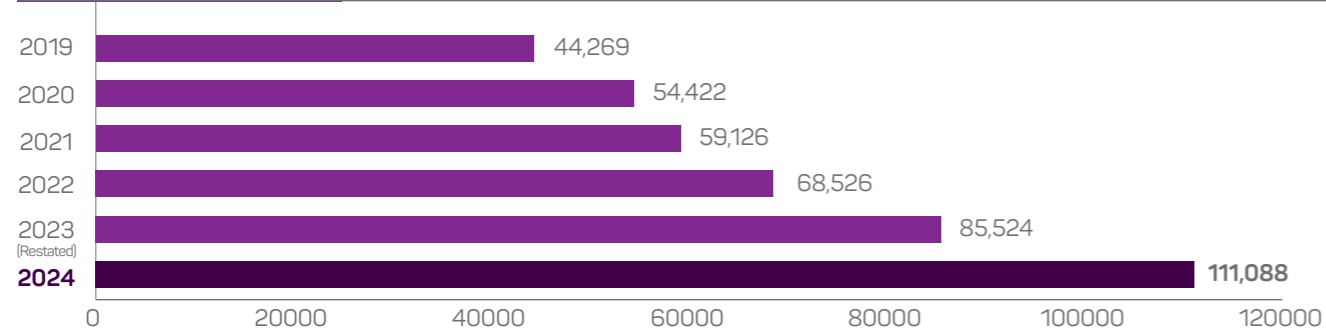


Return on Capital Employed %



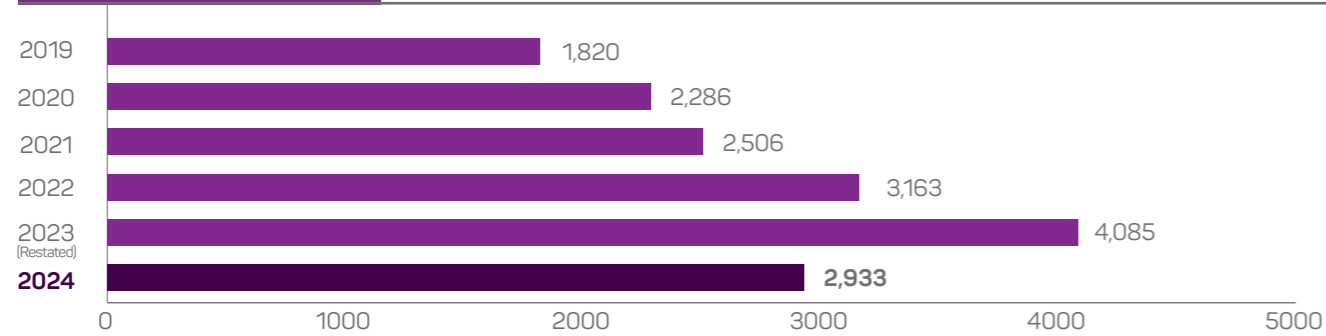
Revenue / Employee

(Rs. in '000)



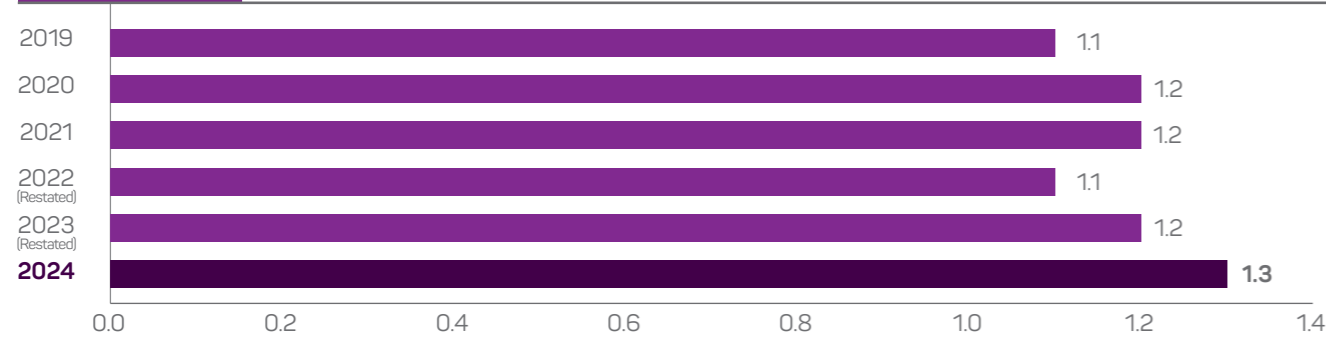
Net Income / Employee

(Rs. in '000)



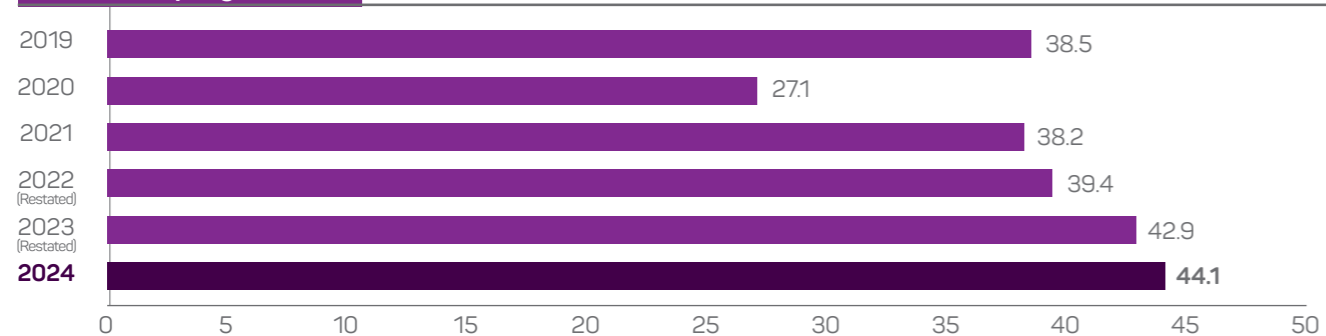
B. Liquidity Ratios

Current Ratio



C. Gearing Ratios

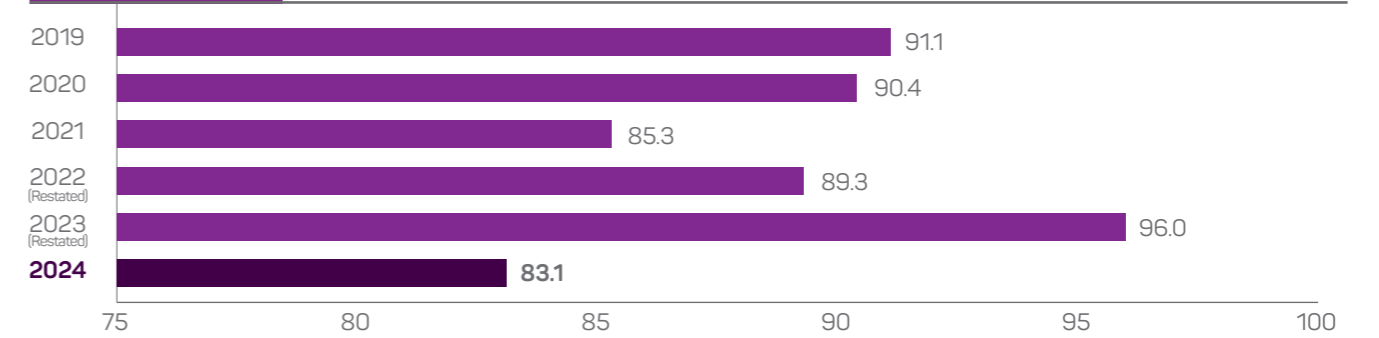
Debt to Equity Ratio%



D. Efficiency Ratios

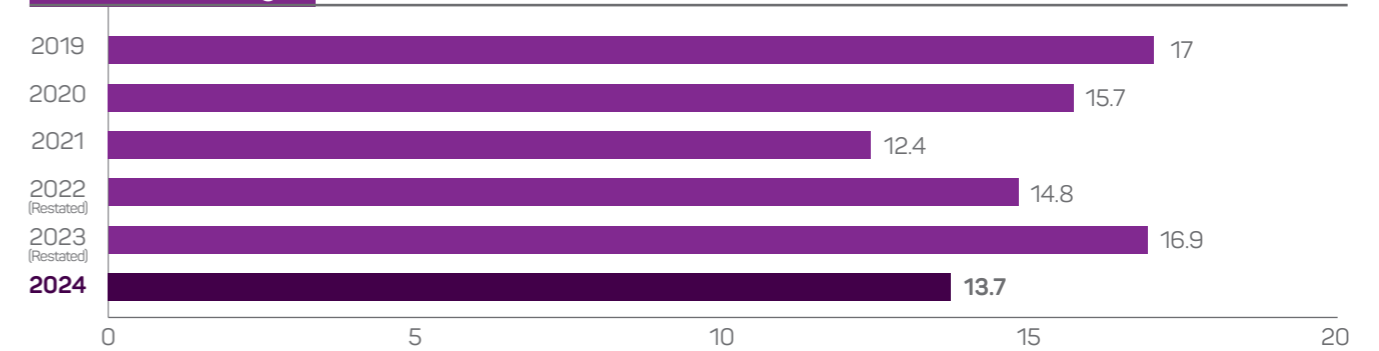
Inventory Days

(No. of Days)



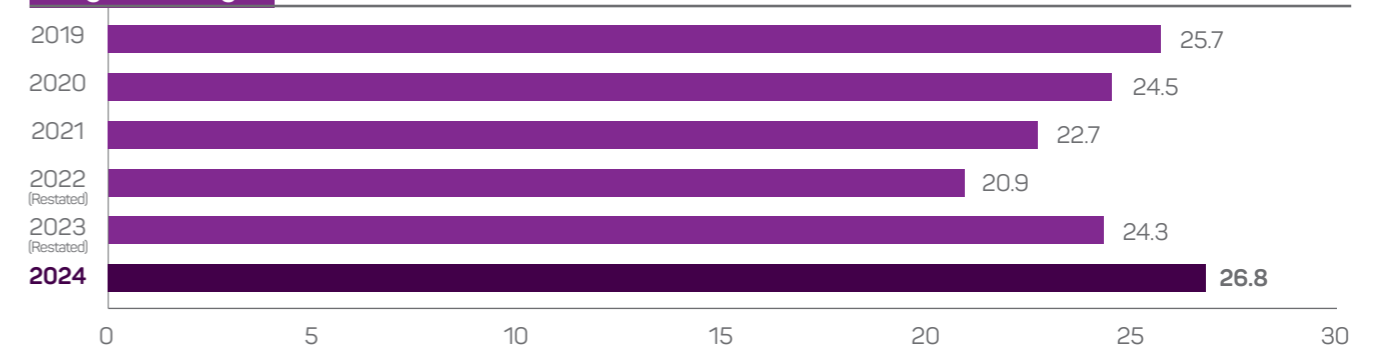
Receivables Days

(No. of Days)



Payables Days

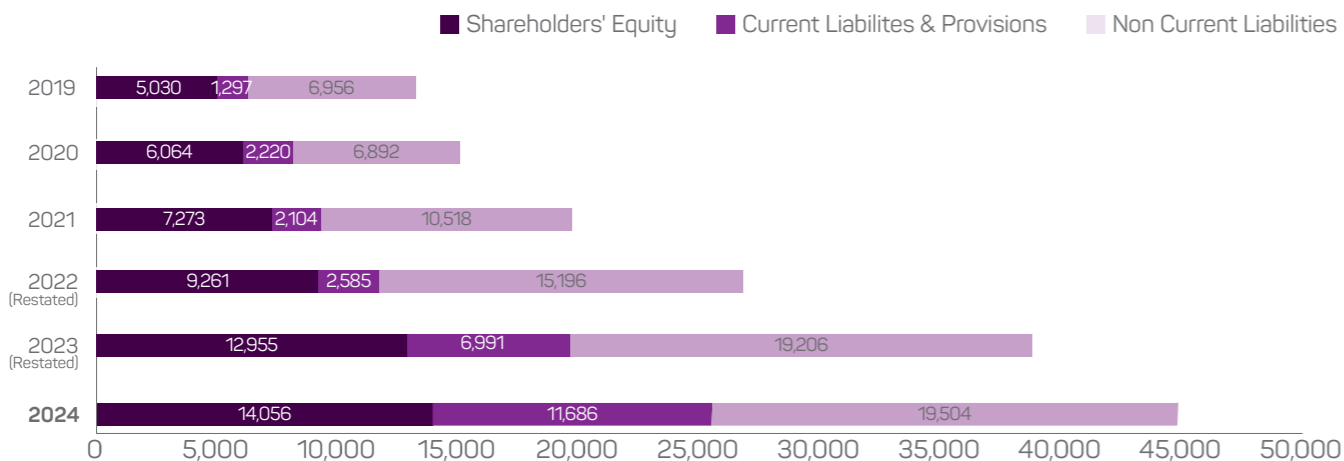
(No. of Days)



Horizontal Analysis

	2024	2023 (Restated)	2022 (Restated)	2021	2020	2019
Percent (%)						
INCOME STATEMENT						
Sales - Net	34.3%	41.3%	31.6%	20.5%	18.4%	12.3%
Cost of Sales	36.2%	41.7%	31.0%	22.1%	17.8%	16.0%
Gross Profit	29.5%	40.2%	33.1%	16.6%	19.8%	4.2%
Distribution costs	31.8%	33.4%	39.7%	16.8%	16.2%	(5.3%)
Impairment loss on trade debts	150.2%	(78.8%)	45.5%	0.2%	(2.8%)	(72.7%)
Administrative expenses	53.9%	56.8%	22.2%	16.3%	8.8%	24.9%
Other expense	(9.4%)	(2.1%)	112.6%	3.1%	5.8%	(43.0%)
Administration, Distribution & Other Operating Exp and impairment	47.8%	48.1%	30.3%	15.0%	8.5%	11.2%
Other income	(69.7%)	41.2%	387.2%	(47.1%)	0.9%	364.4%
Financial charges	124.1%	149.9%	47.3%	(8.1%)	20.9%	44.8%
Profit before Taxation	26.8%	37.2%	37.4%	14.0%	34.0%	46.8%
Taxation - net	(28.1%)	29.8%	36.8%	(0.2%)	86.6%	140.7%
Profit after taxation	26.3%	39.7%	37.6%	19.6%	20.4%	33.4%
BALANCE SHEET						
Issued, subscribed and paid up capital	0.0%	0.0%	25.0%	25.0%	20.0%	20.0%
Unappropriated Profit	11.1%	29.5%	18.4%	17.7%	21.3%	23.5%
Non controlling interest	24.8%	131.9%	20.9%	20.9%	93.5%	38.4%
Exchange revaluation reserve	(24.7%)	120.0%	20849.4%	(105.4%)	(136.0%)	154.9%
Total Equity	8.5%	39.9%	27.3%	20.0%	20.5%	25.6%
Long Term Obligations	67.2%	170.5%	22.9%	(5.2%)	71.1%	209.7%
Total Long-term Liabilities and shareholder equities	29.1%	68.4%	26.3%	13.2%	30.9%	43.1%
Fixed Assets, CWIP & Intangibles	31.4%	45.2%	46.9%	9.1%	15.9%	12.6%
Other Non current assets	(8.0%)	(26.5%)	(56.4%)	61.7%	90.1%	(1.4%)
Current Assets	4.7%	44.7%	30.3%	48.7%	12.5%	29.7%
Total Assets	15.5%	44.8%	35.9%	31.1%	14.2%	21.5%
Current Liabilities & Provisions	1.5%	26.4%	44.5%	52.6%	(0.9%)	6.9%
Net Assets	28.9%	68.4%	26.3%	13.2%	30.9%	43.1%

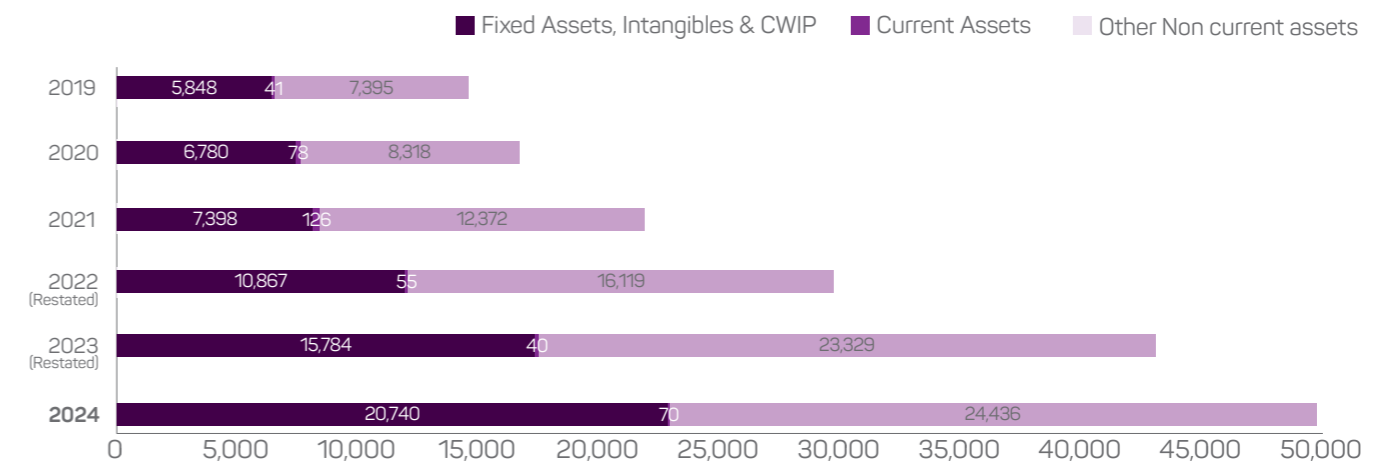
Financial Position Analysis - Equity & Liabilities



Vertical Analysis

	2024	2023 (Restated)	2022 (Restated)	2021	2020	2019
Percent (%)						
INCOME STATEMENT						
Sales - Net	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of Sales	72.7%	71.7%	71.5%	71.8%	70.9%	71.2%
Gross Profit	27.3%	28.3%	28.5%	28.2%	29.1%	28.8%
Distribution cost	15.1%	15.4%	16.3%	15.4%	15.9%	16.2%
Impairment loss on trade debts	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%
Administrative Expense	4.9%	4.3%	3.9%	4.2%	4.3%	4.7%
Other expense	0.3%	0.5%	0.7%	0.4%	0.5%	0.5%
Other Income	0.3%	1.4%	1.4%	0.4%	0.9%	1.0%
Financial Charges	3.0%	1.8%	1.0%	0.9%	1.2%	1.2%
Profit before Taxation	4.2%	7.7%	7.9%	7.6%	8.0%	7.1%
Taxation - Net	1.0%	1.8%	2.0%	1.9%	2.3%	1.5%
Profit after taxation	3.2%	5.9%	6.0%	5.7%	5.7%	5.7%
BALANCE SHEET						
Issued, subscribed and paid up capital	4.5%	5.8%	9.8%	9.9%	5.2%	5.5%
Unappropriated Profit	37.7%	43.8%	57.0%	60.8%	33.8%	35.2%
Non Controlling Interest	8.6%	8.9%	6.5%	6.8%	3.7%	2.4%
Exchange revaluation reserve	3.7%	6.4%	4.9%	0.0%	-0.4%	1.3%
Total Equity	54.6%	64.9%	78.2%	77.6%	42.3%	44.3%
Long Term Obligations	45.4%	35.1%	21.8%	22.4%	15.5%	11.4%
Total Long-term Liabilities and shareholder equities	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Fixed Assets, CWIP & Intangibles	80.7%	79.1%	91.7%	78.9%	81.8%	92.4%
Other Non current assets	0.1%	0.2%	0.5%	1.3%	0.9%	0.6%
Current Assets	95.0%	117.0%	136.1%	131.9%	100.4%	116.9%
Total Assets	175.9%	196.3%	228.3%	212.2%	183.2%	209.9%
Current Liabilities & Provisions	75.9%	96.3%	128.3%	112.2%	83.2%	-109.9%
Net Assets	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Financial Position Analysis - Assets



Summary of Cash Flow Statement

	2024	2023	2022	2021	2020	2019
	(Rupees in Mln)					
Cash flows from operating activities	6,929	2,931	1,446	2,526	2,992	1,923
Cash flows used in investing activities	(2,735)	(3,873)	(3,358)	(1,860)	(919)	(1,107)
Cash flows used in financing activities	357	284	(800)	(845)	(559)	(110)
Net (decrease) / increase in cash and cash equivalents	4,551	(658)	(2,711)	(178)	1,514	706
Cash and cash equivalents at the beginning of the year	(2,393)	(1,890)	852	1,196	(225)	(978)
Currency translation difference on cash and cash equivalents	(35)	156	(31)	(166)	(93)	46
Cash and cash equivalents at the end of the year	2,124	(2,393)	(1,890)	852	1,196	(225)

Operating activities

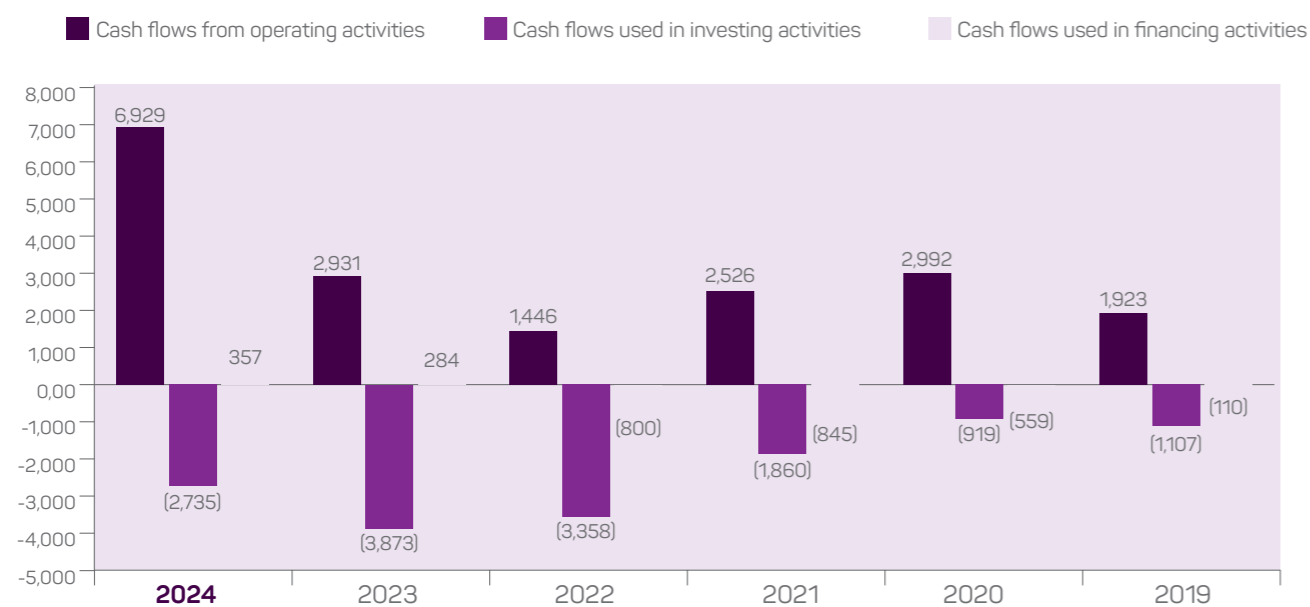
The Company's operating cash flow has increased at a CAGR of 24% over the past 6 years due to improved business performance.

Investing activities

Cash used in investing activities has increased at a CAGR of 17% over the past 6 years and mainly comprises investment in capital expenditure on Faisalabad project.

Financing activities

Financing activities mainly comprise long-term loans obtained for Faisalabad project. The Company has financed its expansion needs by obtaining long-term loans which were partially offset by dividend payments.

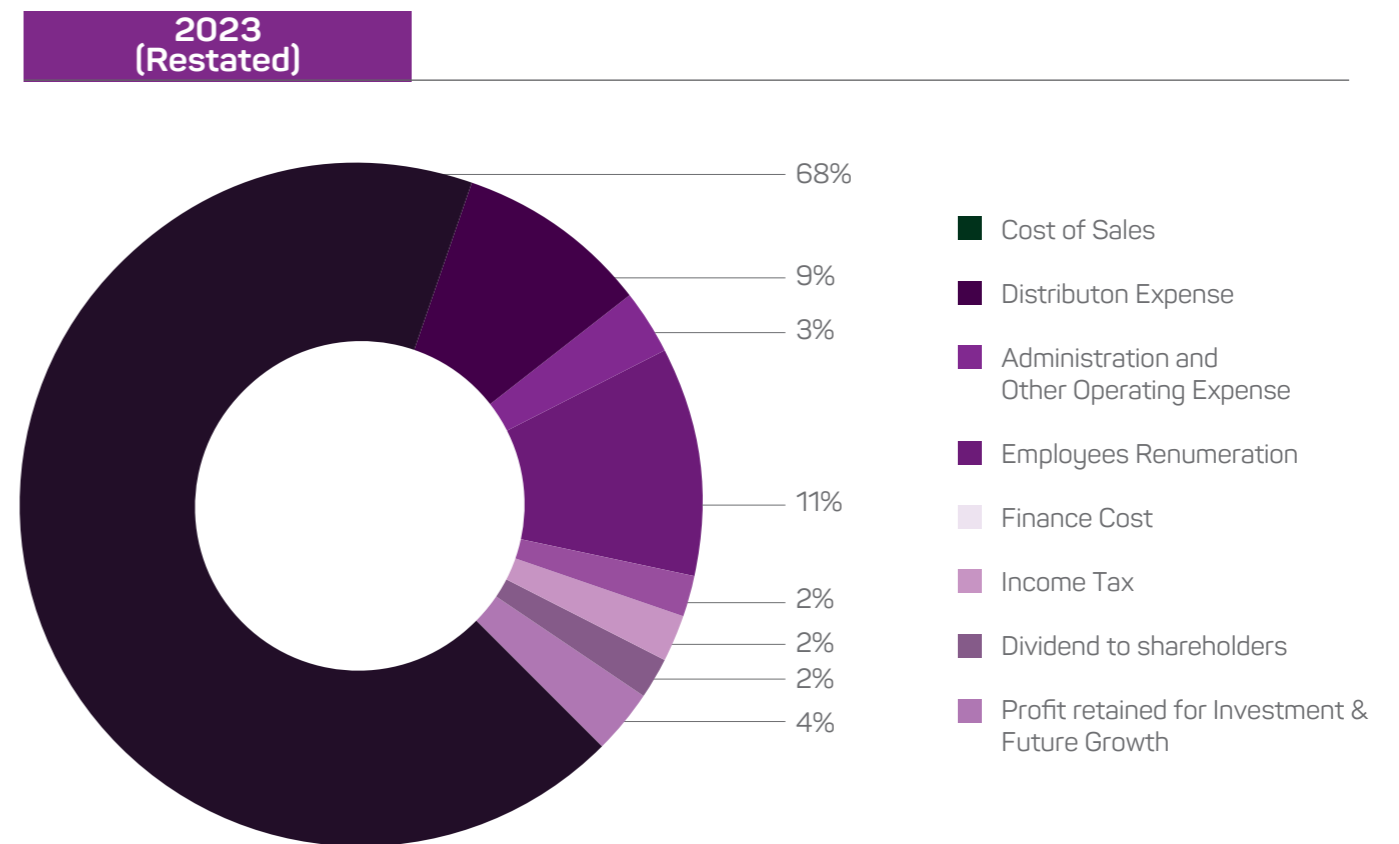
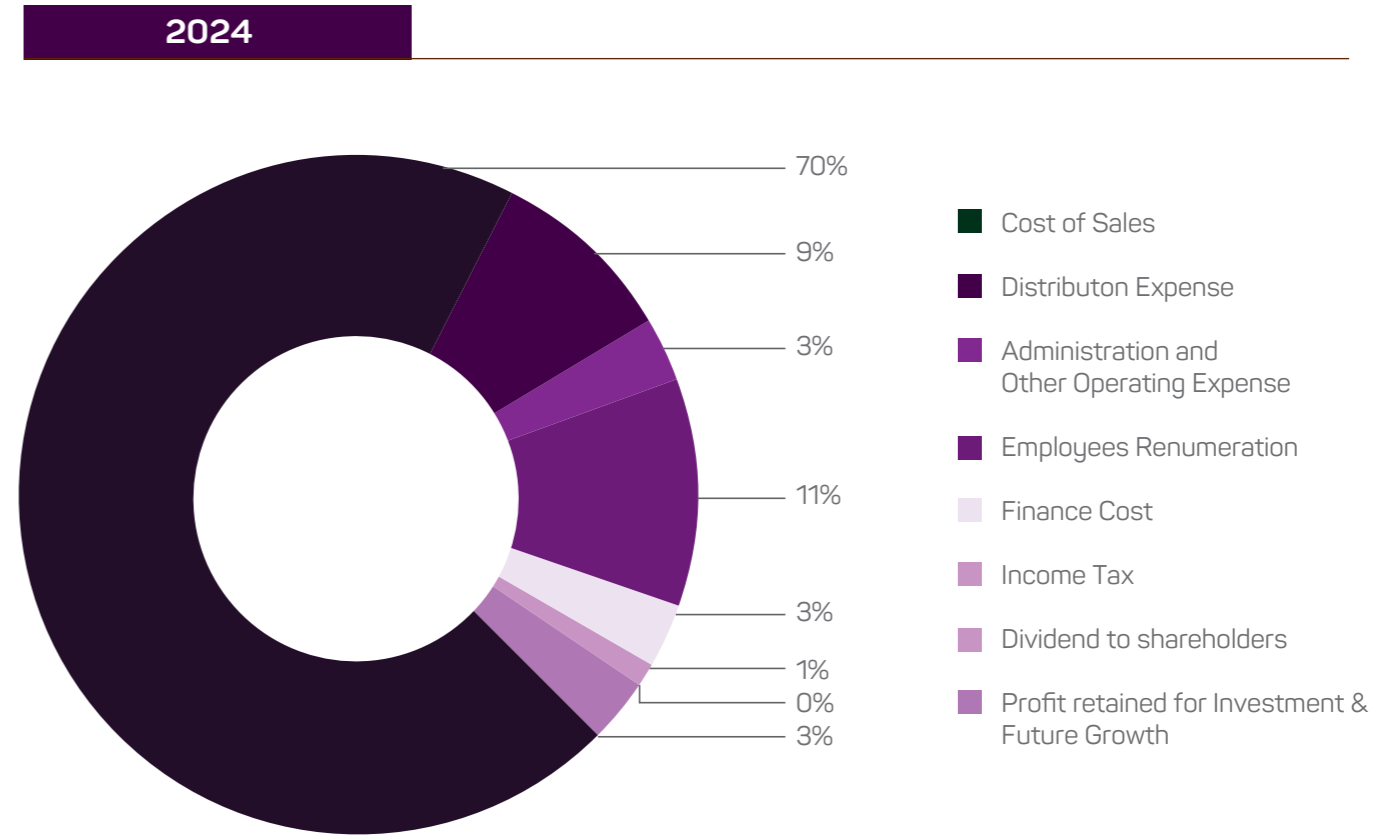


Six Year Cash Flow Using Direct Method

Source	2024	2023	2022	2021	2020	2019
	(Rupees in '000)					
Cash received from customers	86,338,009	63,807,696	43,725,791	34,968,163	28,392,384	24,293,352
Cash paid for goods & services	(75,955,264)	(58,858,758)	(41,143,051)	(31,505,586)	(24,729,935)	(21,946,283)
Cash generated from operations	10,382,744	4,948,938	2,582,740	3,462,577	3,662,449	2,347,069
Financial cost paid	CF (1,814,843)	(779,254)	(392,876)	(320,124)	(356,062)	(269,647)
Net increase in long term deposits	CF 3,209	751	(5,677)	(1,144)	(6,767)	862
Deferred rent	CF -	-	-	-	(34,980)	2,455
Retirement benefit obligation	CF (29,134)	-	(15,621)	(154,587)	(34,912)	(42,366)
Income tax paid	CF (1,612,794)	(1,239,634)	(722,146)	(460,272)	(238,190)	(115,528)
Net cash flows from operating activities	6,929,183	2,930,801	1,446,420	2,526,450	2,991,538	1,922,845
Purchase of property, plant & equipment	CF (3,630,897)	(3,693,722)	(3,113,174)	(873,205)	(900,450)	(952,272)
Business acquisition	CF -	(577,872)	-	-	-	-
Purchase of intangible assets	CF (185,756)	(79,733)	(32,311)	(51,842)	(8,240)	(42,370)
Sale proceeds from disposal of property, plant and equipment	CF 135,859	78,921	111,224	65,516	20,146	95,021
Purchase of equity investment	CF -	-	-	-	(30,000)	-
Purchase of debt investment	CF 945,344	399,392	(323,596)	(1,000,000)	-	-
Deferred consideration paid	CF -	-	-	-	-	(207,017)
Net cash flows from investing activities	(2,735,451)	(3,873,014)	(3,357,858)	(1,859,531)	(918,544)	(1,106,638)
Proceeds from short term borrowings	CF 71,809	(726,439)	1,107,483	169,733	-	-
Proceeds from long term finance	CF 2,796,916	2,959,608	(576,323)	(6,425)	582,348	504,387
Repayment of short term borrowings	CF -	-	-	-	(459,690)	(50,000)
Decrease in long term financing - net	-	-	-	-	-	(177,354)
Repayment of lease obligations	CF (1,201,014)	(560,991)	(294,494)	(148,149)	(150,693)	-
Dividend paid	CF (1,310,299)	(1,387,850)	(1,036,422)	(860,323)	(530,852)	(386,925)
Net cash flows from financing activities	357,412	284,328	(799,755)	(845,164)	(558,887)	(109,892)
Net cash flows	4,551,144	(657,885)	(2,711,192)	(178,245)	1,514,107	706,315

Statement of Value Added and its Distribution

Value Addition	2024		2023 (Restated)	
	(Rupees in '000)	%	(Rupees in '000)	%
Revenue	86,375,106		64,322,287	
Other Income	276,399		912,120	
	86,651,505		65,234,407	
Cost of Sales	60,388,991	70%	44,404,895	68%
Distributon Expense	7,720,500	9%	6,047,573	9%
Administration and Other Operating Expense	2,509,854	3%	1,718,481	3%
Employees Renumeration	9,802,348	11%	6,944,724	11%
Finance Cost	2,597,265	3%	1,158,889	2%
Income Tax	837,637	1%	1,165,121	2%
Dividend to shareholders	293,874	0%	1,269,907	2%
Profit retained for Investment & Future Growth	2,501,036	3%	2,524,817	41%
	86,651,505	100%	65,234,407	100%



At the Heart of Sustainable Financial Growth

The financial report offers a thorough view of our performance, highlighting key metrics and strategic insights.

The detailed analysis reflects commitment to transparency, showcasing progress, financial health, and the strategic initiatives that continue to drive sustainable growth across the business.



Unconsolidated Financial Statements 2024



Statement of Compliance

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

National Foods Limited

Year ended 30 June 2024

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

1. The total number of directors are seven (07) as per the following:
 - a. Male: Five (05)
 - b. Female: Two (02)
2. The composition of Board is as follows:
 - a) **Independent Directors ***
Mr. Ehsan A. Malik
Mr. Ali H. Shirazi
 - b) **Non-Executive Directors**
Mr. Zahid Majeed
Mrs. Noreen Hasan
Mrs. Saadia Naveed
 - c) **Executive Directors**
Mr. Abrar Hasan
Mr. Adam Fahy Majeed
 - d) **Female Directors**
Mrs. Noreen Hasan
Mrs. Saadia Naveed


**For the purpose of Clause 6 (1), the Company has not rounded up the fraction as one since the Board has adequate Independent Directors i.e. 02 Independent Directors out of the Board of 07 Directors.*
3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.
4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations.

7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Companies Act, 2017 [Act] and the Regulations with respect to frequency, recording and circulating minutes of meetings of Board.
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. 6 Directors have attained their Directors' Training program as per the applicable CoCG prescribed timelines. Further, the Company had also arranged Directors' Training for one (01) Female Executives during the year.
 - Ms. Ivana Bajamic Chief People & Corporate Reputation Officer
10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.
12. The Board has formed committees comprising of members given below:
 - a) **Audit Committee**

Mr. Ehsan A. Malik	Chairman
Mrs. Noreen Hasan	Member
Mrs. Saadia Naveed	Member
 - b) **HR and Remuneration Committee**

Mr. Ali H. Shirazi	Chairman
Mr. Ehsan A Malik	Member
Mrs. Noreen Hasan	Member
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following:
 - a) Audit Committee – **Four (04)**
 - b) HR and Remuneration Committee – **Two (02)**
15. The Board has co-sourced the internal audit function to EY Ford Rhodes Chartered Accountants., who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or director of the Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.



Chief Executive Officer



Director

Independent Auditor's Review Report

To The Members of National Foods 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 National Foods Limited (the Company) for the year ended 30 June 2024 in accordance with the requirements of Regulation No. 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.

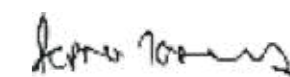
The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent 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 2024.

Date: 28 September 2024

Karachi

UDIN: CR202410201WgMBcFiQt



KPMG Taseer Hadi & Co.
Chartered Accountants

Independent Auditor's Report

To The Members of National Foods Limited

Report on the Audit of the Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of National Foods Limited (the Company) which comprise the unconsolidated statement of financial position as at 30 June 2024, and the unconsolidated statement of profit or loss and other comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended, and notes to the unconsolidated financial statements, including material accounting policy information 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 purpose of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the unconsolidated statement of financial position, the unconsolidated statement of profit or loss and other comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2024 and of the profit and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

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

Following is the Key audit matter:

Key audit matter	How the matter was addressed in our audit
<p>Valuation of stock-in-trade</p> <p>Refer notes 4.12 and 9 to the unconsolidated financial statements for the accounting policy and particulars of stock-in-trade.</p> <p>Stock-in-trade represents 31.4% of the Company's total assets at year-end. Stock-in-trade comprise of raw materials, packing materials, work in process and finished goods which are stated at lower of cost and estimated net realisable value.</p> <p>We have identified the valuation of stock-in-trade as a key audit matter as it represents a significant proportion of the Company's total assets and determination of an appropriate write-down to net realisable value involves considerable management judgment and estimation which are subjective in nature.</p>	<p>Our audit procedures to assess the valuation of stock-in-trade, amongst others, included the following:</p> <ul style="list-style-type: none">obtained an understanding of and assessed the design and tested the implementation of management's controls over determination of net realisable value;assessed the reasonableness of the Company's method for determination of net realisable value;checked, on a sample basis, reasonableness of the management's determination of the write-down of inventory to its net realisable value, including estimates for selling price, costs necessary to make the sale, cost of completion and provision for obsolescence, along with the basis of calculations, to ensure consistency of the application of the Company's accounting policy and mathematical accuracy of the underlying calculations; andensured the appropriateness of the disclosure as presented in note 9 to the unconsolidated financial statements in accordance with the requirements of the accounting and reporting standards as applicable in Pakistan.

Independent Auditor's Report

To The Members of National Foods Limited

Report on the Audit of the Unconsolidated Financial Statements

Information Other than the Unconsolidated and Consolidated Financial Statements and Auditor's Reports Thereon

Management is responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2024 but does not include the unconsolidated and consolidated financial statements and our auditor's reports thereon.

Our opinion on the unconsolidated 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 unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated 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 Unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the unconsolidated 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 unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated 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 is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated 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 unconsolidated 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 unconsolidated 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 unconsolidated 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 unconsolidated financial statements, including the disclosures, and whether the unconsolidated 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 unconsolidated 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 unconsolidated statement of financial position, the unconsolidated statement of profit or loss and other comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) 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 Aryn Pirani.

Date: 28 September 2024
Karachi
UDIN: AR202410201wvjBH4kx0


KPMG Taseer Hadi & Co.
Chartered Accountants

Unconsolidated Statement of

Financial Position

As at 30 June 2024

	Note	30 June 2024	30 June 2023 (Restated)	01 July 2022 (Restated)
(Rupees in '000)				
ASSETS				
Non-current assets				
Property, plant and equipment	6	11,781,424	9,764,235	7,067,013
Intangibles	7	273,167	135,362	73,943
Long-term investments	8	31,719	31,719	45,935
Long-term deposits		37,050	40,259	38,444
		<u>12,123,360</u>	<u>9,971,575</u>	<u>7,225,335</u>
Current assets				
Stores and spare parts		316,195	260,966	168,050
Stock-in-trade	9	8,524,856	9,769,284	6,628,926
Trade debts	10	1,237,991	1,569,867	1,948,605
Advances	11	484,684	1,207,650	732,502
Deposits and prepayments	12	99,972	120,955	66,005
Other receivables		-	83,550	-
Short-term investments - at fair value through profit or loss	13	738	937,047	1,324,795
Cash and bank balances	14	4,358,974	1,191,325	712,989
		<u>15,023,410</u>	<u>15,140,644</u>	<u>11,581,872</u>
TOTAL ASSETS		<u>27,146,770</u>	<u>25,112,219</u>	<u>18,807,207</u>
EQUITY AND LIABILITIES				
Share capital and reserves				
Authorized share capital 1,000,000,000 (30 June 2023: 1,000,000,000) ordinary shares of Rs. 5 each		5,000,000	5,000,000	5,000,000
Share capital				
Issued, subscribed and paid-up capital	15	1,165,576	1,165,576	1,165,576
Revenue Reserve				
Unappropriated profit		6,428,295	6,096,863	5,131,417
		<u>7,593,871</u>	<u>7,262,439</u>	<u>6,296,993</u>
Non-current liabilities				
Long-term finance	16	6,141,638	3,089,985	255,976
Lease liabilities	17	38,655	7,854	16,671
Deferred taxation - net	18	29,537	278,652	153,407
Deferred liabilities - for retirement benefits	19	324,352	282,322	213,973
Long term provisions	20	-	4,626	22,461
		<u>6,534,182</u>	<u>3,663,439</u>	<u>662,488</u>
Current liabilities				
Trade and other payables	21	8,147,816	7,464,318	5,738,658
Contract liability	22	264,459	291,002	93,076
Short-term borrowings	23	3,079,997	4,905,760	4,269,883
Unclaimed dividend		22,906	20,639	23,161
Long-term finance classified as current - secured	16	48,333	93,320	416,215
Mark-up accrued on bank borrowings		937,824	459,706	80,072
Taxation - net		517,382	951,596	1,226,661
		<u>13,018,717</u>	<u>14,186,341</u>	<u>11,847,726</u>
Contingencies and commitments	24			
TOTAL EQUITY AND LIABILITIES		<u>27,146,770</u>	<u>25,112,219</u>	<u>18,807,207</u>

The annexed notes 1 to 45 form an integral part of these unconsolidated financial statements.

Chief Executive Officer

Chief Financial Officer

Director

Unconsolidated Statement of

Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2024

	Note	2024	2023 (Restated)
(Rupees in '000)			
Sales - net	25	37,377,245	29,602,876
Cost of sales	26	(25,541,297)	(19,360,522)
Gross profit		<u>11,835,948</u>	<u>10,242,354</u>
Selling and distribution costs	27	(6,409,750)	(5,642,096)
Reversal of / (Impairment loss) on trade debts	10.2	3,289	(18,198)
Administrative expenses	28	(2,570,002)	(1,910,177)
		<u>2,859,485</u>	<u>2,671,883</u>
Other expenses	29	(223,669)	(277,976)
Other income	30	319,295	884,472
Finance costs	31	(1,567,732)	(621,391)
Profit before final taxes, minimum tax differential and income tax		<u>1,387,379</u>	<u>2,656,988</u>
Final taxes	32	(35,262)	(53,396)
Minimum Tax differential	33	(224,647)	-
		<u>(259,909)</u>	<u>(53,396)</u>
Profit before income tax		<u>1,127,470</u>	<u>2,603,592</u>
Income Tax	34	141,098	(452,131)
Profit for the year		<u>1,268,568</u>	<u>2,151,461</u>
Other comprehensive income			
Items that will not be reclassified to statement of profit or loss			
Remeasurements of retirement benefit liability actuarial (loss)		(5,807)	(25,390)
Related deferred tax thereon		1,132	4,951
		<u>(4,675)</u>	<u>(20,439)</u>
Total comprehensive income for the year		<u>1,263,893</u>	<u>2,131,022</u>
(Rupees)			
Earnings per share - basic and diluted	35	<u>5.44</u>	<u>9.23</u>

The annexed notes 1 to 45 form an integral part of these unconsolidated financial statements.

Chief Executive Officer

Chief Financial Officer

Director

Unconsolidated Statement of Cash Flows

For the year ended 30 June 2024

Note	2024	2023
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operations	6,783,664	2,467,030
Finance cost paid	(1,079,778)	(241,757)
Income taxes paid	(801,008)	(650,397)
Retirement benefits paid	(29,134)	-
Long term deposits - net	3,209	(1,815)
Net cash flows from operating activities	4,876,953	1,573,061
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(2,830,091)	(3,452,975)
Purchase of intangible assets	(177,357)	(79,733)
Redemption of short term investment - net	945,344	399,392
Proceeds from disposal of operating fixed assets	131,267	76,515
Net cash flows from investing activities	(1,930,837)	(3,056,801)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of short term borrowings - net	150,000	(450,000)
Lease rental paid	(29,176)	(18,855)
Proceeds of long term finance - net	3,006,666	2,513,151
Dividends paid	(930,194)	(1,168,098)
Net cash flows from financing activities	2,197,296	876,198
Net increase / (decrease) in cash and cash equivalents	5,143,412	(607,542)
Cash and cash equivalents at beginning of the year	(2,914,435)	(2,306,893)
Cash and cash equivalents at end of the year	2,228,977	(2,914,435)

The annexed notes 1 to 45 form an integral part of these unconsolidated financial statements..

Chief Executive Officer

Chief Financial Officer

Director

Unconsolidated Statement of Changes in Equity

For the year ended 30 June 2024

Note	Issued, subscribed and paid-up capital	Revenue reserve - unappropriated profit	Total
	(Rupees in '000)		
Balance as at 1 July 2022 - as previously reported	1,165,576	5,343,575	6,509,151
Impact of restatement	-	(212,158)	(212,158)
Balance as at 1 July 2022 - restated	1,165,576	5,131,417	6,296,993
Total comprehensive income for the year ended 30 June 2023	5		
Profit for the year - restated	-	2,151,461	2,151,461
Other comprehensive income for the year - restated	-	(20,439)	(20,439)
	-	2,131,022	2,131,022
Transactions with owners recorded directly in equity - distributions			
Final dividend for the year ended 30 June 2022 @ Rs. 5 per share	-	(1,165,576)	(1,165,576)
Balance as at 30 June 2023 - restated	1,165,576	6,096,863	7,262,439
Balance as at 1 July 2023	1,165,576	6,096,863	7,262,439
Total comprehensive income for the year ended 30 June 2024			
Profit for the year	-	1,268,568	1,268,568
Other comprehensive income for the year	-	(4,675)	(4,675)
	-	1,263,893	1,263,893
Transactions with owners recorded directly in equity - distributions			
Final cash dividend for the year ended 30 June 2023 @ Rs. 2.5 per share	-	(582,788)	(582,788)
Interim cash dividend for the period ended 31 December 2023 @ Rs. 1.5 per share	-	(349,673)	(349,673)
Balance as at 30 June 2024	1,165,576	6,428,295	7,593,871

The annexed notes 1 to 45 form an integral part of these unconsolidated financial statements.

Chief Executive Officer

Chief Financial Officer

Director

Notes to the Unconsolidated

Financial Statements

For the year ended 30 June 2024

1. THE COMPANY AND ITS OPERATIONS

1.1 National Foods Limited ("the Company") was incorporated in Pakistan on 19 February 1970 as a private limited company under the Companies Act, 1913 and subsequently converted into a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) by a special resolution passed in the extra ordinary general meeting held on 30 March 1988. The Company is principally engaged in the manufacturing and sale of convenience based food products. The Company is listed on Pakistan Stock Exchange. The registered office of the Company is situated at 12 / CL - 6, Claremont Road, Civil Lines, Karachi.

1.2 The ultimate parent entity of the Company is ATC Holdings (Private) Limited based on control model as provided under IFRS 10 - 'Consolidated Financial Statements'.

These financial statements are separate financial statements of the Company in which investment in subsidiary is accounted for on the basis of cost rather than on the basis of reported results. Consolidated financial statements of the Company are prepared separately. Details of Company's investments in subsidiary companies are given in note 7 to these unconsolidated financial statements.

1.3 The manufacturing facilities and sales offices of the Company are situated at the following locations:

Manufacturing facilities:

- Unit F-160/ C, F- 133, S.I.T.E., Karachi (Non Operational);
- Office A-13, North Western Industrial Zone, Bin Qasim, Karachi;
- A-393, Nooriabad Industrial Estate, Nooriabad; and
- Plot No. 346 & 347 Phase - 2, M-3 Industrial City, Faisalabad.

Sales offices:

- Office No.107, 1st Floor Parsa Tower, Sharah-e-Faisal, Karachi;
- Office No.309, 3rd Floor Parsa Tower, Sharah-e-Faisal, Karachi;
- Office No. 84/2 Bomanji Square, Nusrat Road, Adali Colony, Multan;
- 18-CCA (Commercial Area), Phase VIII, DHA Lahore, Cantt;
- Sixteenth Avenue Mall, 16-A Grand Trunk Road, Small Industrial Estate-1 Gujranwala;
- 1st Floor, Bilal Complex, Main PWD Road, Sector O-9, Islamabad; and
- Office # 506, Block -C, 5th Floor, City Towers, Jahangir Abad University Road, Peshawar.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and

- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards or IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except as stated otherwise.

2.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupees which is also the Company's functional currency. All financial information presented in Pakistani Rupees has been rounded to the nearest thousand of rupees, unless stated otherwise.

2.4 Use of significant estimates and judgments

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

The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. In the process of applying the Company's accounting policies, the management has made the following estimates and judgments which are significant to the financial statements:

	Note
Property, plant and equipment	4.1
Intangible assets	4.3
Taxation	4.9
Retirement benefits obligations	4.10
Stock in trade	4.12
Impairment	4.13
Refund liability	4.7.3.3

Notes to the Unconsolidated

Financial Statements

For the year ended 30 June 2024

3. ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS

3.1 Standards, interpretations and amendments to published approved accounting standards that have become effective in the current year

The Company has adopted the certain amendments and improvements to approved accounting and reporting standards as applicable in Pakistan which became effective for the current year. Except for the adoption of the amendment as mentioned below, the said amendment did not have any material impact on these financial statements.

The Company has adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 1 July 2023. These amendments did not result in any changes to the accounting policies itself and did not impact the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality for the disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

3.2 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 1 July 2024:

- Classification of liabilities as current or non-current (Amendments to IAS 1 in January 2020) apply retrospectively for the annual periods beginning on or after 1 January 2024 (as deferred vide amendments to IAS 1 in October 2022) with earlier application permitted. These amendments in the standards have been added to further clarify when a liability is classified as current. Convertible debt may need to be reclassified as 'current'. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity's expectation and discretion at the reporting date to refinance or to reschedule payments on a long-term basis are no longer relevant for the classification of a liability as current or non-current. An entity shall apply those amendments retrospectively in accordance with IAS 8.
- Non-current Liabilities with Covenants (amendment to IAS 1 in October 2022) aims to improve the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with conditions. The amendment is also intended to address concerns about classifying such a liability as current or non-current. Only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which the company must comply after the reporting date (i.e. future covenants) do not affect a liability's classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date. The amendments apply retrospectively for annual reporting periods beginning on or after 1 January 2024, with earlier application permitted. These amendments also specify the transition requirements for companies that may have early-adopted the previously issued but not yet effective 2020 amendments to IAS 1 (as referred above).

- Lease Liability in a Sale and Leaseback (amendment to IFRS 16 in September 2022) adds subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements to be accounted for as a sale. The amendment confirms that on initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction. After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognizes no gain or loss relating to the right of use it retains. A seller-lessee may adopt different approaches that satisfy the new requirements on subsequent measurement. The amendments are effective for annual reporting periods beginning on or after 1 January 2024 with earlier application permitted. Under IAS 8, a seller-lessee will need to apply the amendments retrospectively to sale-and-leaseback transactions entered into or after the date of initial application of IFRS 16 and will need to identify and re-examine sale-and-leaseback transactions entered into since implementation of IFRS 16 in 2019, and potentially restate those that included variable lease payments. If an entity (a seller-lessee) applies the amendments arising from Lease Liability in a Sale and Leaseback for an earlier period, the entity shall disclose that fact.

- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) amend accounting treatment on loss of control of business or assets. The amendments also introduce new accounting for less frequent transaction that involves neither cost nor full step-up of certain retained interests in assets that are not businesses. The effective date for these changes has been deferred indefinitely until the completion of a broader review

- Supplier Finance Arrangements (amendments to IAS 7 and IFRS 7) introduce two new disclosure objectives for a company to provide information about its supplier finance arrangements that would enable users (investors) to assess the effects of these arrangements on the company's liabilities and cash flows, and the company's exposure to liquidity risk. Under the amendments, companies also need to disclose the type and effect of non-cash changes in the carrying amounts of the financial liabilities that are part of a supplier finance arrangement. The amendments also add supplier finance arrangements as an example to the existing disclosure requirements in IFRS 7 on factors a company might consider when providing specific quantitative liquidity risk disclosures about its financial liabilities. The amendments are effective for periods beginning on or after 1 January 2024, with early application permitted. However, some relief from providing certain information in the year of initial application is available.

- Lack of Exchangeability (amendments to IAS 21) clarify:
 - when a currency is exchangeable into another currency; and
 - how a company estimates a spot rate when a currency lacks exchangeability.

Further, companies will need to provide new disclosures to help users assess the impact of using an estimated exchange rate on the financial statements. These disclosures might include:

- the nature and financial impacts of the currency not being exchangeable;
- the spot exchange rate used;
- the estimation process; and
- risks to the company because the currency is not exchangeable.

The amendments apply for annual reporting periods beginning on or after 1 January 2025. Earlier application is permitted. Earlier application is permitted.

- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures:
 - Financial Assets with ESG-Linked features:

Notes to the Unconsolidated

Financial Statements

For the year ended 30 June 2024

Under IFRS 9, it was unclear whether the contractual cash flows of some financial assets with ESG-linked features represented SPPI. This could have resulted in financial assets with ESG-linked features being measured at fair value through profit or loss.

The amendments introduce an additional SPPI test for financial assets with contingent features that are not related directly to a change in basic lending risks or costs – e.g., where the cash flows change depending on whether the borrower meets an ESG target specified in the loan contract.

The amendments also include additional disclosures for all financial assets and financial liabilities that have certain contingent features that are:

- not related directly to a change in basic lending risks or costs; and
- are not measured at fair value through profit or loss.

The amendments apply for reporting periods beginning on or after 1 January 2026. Companies can choose to early-adopt these amendments (including the associated disclosure requirements), separately from the amendments for the recognition and derecognition of financial assets and financial liabilities.

- Recognition / Derecognition requirements of Financial Assets / liabilities by Electronic Payments:

The amendments to IFRS 9 clarify when a financial asset or a financial liability is recognized and derecognized and provide an exception for certain financial liabilities settled using an electronic payment system. Companies generally derecognize their trade payables on the settlement date (i.e., when the payment is completed). However, the amendments provide an exception for the derecognition of financial liabilities. The exception allows the company to derecognize its trade payable before the settlement date, when it uses an electronic payment system that meets all of the following criteria:

- no practical ability to withdraw, stop or cancel the payment instruction;
- no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- the settlement risk associated with the electronic payment system is insignificant.

The amendments apply for reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

The above are not likely to have a material impact on the financial statements of the Company based on the current balance.

4. MATERIAL ACCOUNTING POLICY INFORMATION

Except for the change in accounting policy, described below, the accounting policies set out below have been applied consistently to all periods presented in the financial statements.

Change in an accounting policy

The Company has adopted the "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes" issued by the Institute of Chartered Accountants of Pakistan (ICAP) vide Circular No 7 of 2024 dated 15 May 2024. The Company has applied the change in accounting policy retrospectively in accordance with IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors. Resultantly there is a reclassification of amounts of final tax, designated.

There is no change in the Company's profit after taxation, either for the current year, or the previous year. However, income tax charge of Rs. 53.39 million, relating to the previous year and chargeable under the

financial tax regime of the Income Tax Ordinance, 2001 have been bifurcated from the income tax charge of the previous year and presented separately on the Statement of Profit or Loss.

Similar treatment has been made for the current year, whereby tax payable under final tax regime and minimum Tax differential has been separately presented in the Statement of Profit or Loss.

4.1 Property, plant and equipment

Initial recognition

The cost of an item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the entity and the cost of such item can be measured reliably.

Recognition of the cost in the carrying amount of an item of property, plant and equipment ceases when the items is in the location and condition necessary for it to be capable of operating in the manner intended by the management.

Measurement

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment includes:

- (a) its purchase price including import duties, non refundable purchase taxes after deducting trade discounts and rebates;
- (b) any other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management; and
- (c) Borrowing costs, if any.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure (including normal repairs and maintenance)

Expenditures incurred to replace a significant component of an item of property, plant and equipment is capitalised and the asset so replaced is retired. Other subsequent expenditure is capitalised only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the items can be measured reliably. All other expenditures (including normal repairs and maintenance) is recognised in the profit or loss as an expense when it is incurred.

Depreciation

Depreciation on all items, except land, is charged on a straight line method. The useful lives for depreciation are indicated in note 6.1 of the financial statements. Depreciation on additions to property, plant and equipment is charged from the month the asset is available for use up to the month of disposal. Depreciation methods, useful lives and residual values of each part of property, plant and equipment that is significant in relation to the total cost of the asset are reviewed, and adjusted if appropriate, at each reporting date.

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Gains and losses on disposal

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment, and is recognized in the profit or loss.

Capital work in progress

Capital work in progress is stated at cost less impairment loss, if any and consists of all expenditures incurred (including any borrowing cost, if applicable) and advances made in the course of their construction and installation. Transfers are made to relevant asset category, of property, plant and equipment as and when assets are available for intended use.

4.2 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset (i.e. an asset that necessarily takes substantial period of time to get ready for intended use) form part of the cost of those asset and, therefore are capitalized. Other borrowing costs are recognised as an expense, in the period in which it incurs. Borrowing cost are calculated based on the effective interest rate.

4.3 Intangibles

An intangible asset is recognised if it is probable that future economic benefits attributable to the asset will flow to the Company and cost of such asset can be measured reliably. Intangibles acquired by the Company are initially recognised at cost and are subsequently carried at cost less accumulated amortisation and any provision for impairment loss. Amortisation of intangible assets is charged to statement of profit and loss from the month in which an intangible asset is acquired applying the straight line method at the rates specified in note 7 to the financial statements after taking into account residual value, if any.

The carrying values of intangible assets are reviewed for impairment when events or changes in circumstances indicate that this carrying value may not be recoverable, if any such indication exists and where the carrying values exceed the estimated recoverable amounts, the assets are written down to their recoverable amount.

4.4 Leases

The Company assesses whether a contract is or contains a lease at inception of the contract. This assessment involves the exercise of judgement about whether it depends on a specified asset, whether the Company obtains substantially all the economic benefits from the use of that asset, and whether the Company has the right to direct the use of the asset.

The Company recognizes a right-of-use (ROU) asset and a lease liability at the lease commencement date, except for short term leases of 12 months or less and leases of low value items, which are expensed in the statement of profit or loss on a straight-line basis over the lease term.

The lease liability is initially measured at the present value of the lease payment that are not paid at the commencement date, discounted using the interest rate implicit in the lease. If this rate cannot be readily determined, the Company uses the incremental borrowing rate applicable in the market for such leases.

The lease liability is subsequently measured at amortized cost using the effective interest rate method and remeasured (with a corresponding adjustment to the related ROU asset) when there is a change in future lease payments in case of renegotiation, changes of an index or rate or in case of reassessment of options.

At inception, the ROU asset comprises the initial lease liability, initial direct costs and the obligations to refurbish the asset, less any incentives granted by the lessors. The ROU asset is depreciated over the shorter of the lease term or the useful life of the underlying asset. The ROU asset is subject to testing for impairment if there is an indicator for impairment, as for owned assets.

4.5 Long term investment - subsidiary

Subsidiary is an entity over which the Company has control. Investments in subsidiary is carried at cost less accumulated impairment losses, if any. The carrying amount of investments in subsidiaries is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists the investment's recoverable amount is estimated at higher of its value in use and its fair value less cost to sell. An impairment loss is recognized if the carrying amount exceeds its recoverable amount. Impairment losses are recognized in unconsolidated statement of profit or loss.

4.6 Cash and cash equivalents

Cash and Cash equivalents comprise of cash in hand and balances with banks on current and profit and loss sharing accounts. Running finance under mark-up arrangements that are repayable on demand and form an integral part of the Company's cash management are included as component of cash and cash equivalents for the purpose of statement of cash flows.

4.7 Financial Instruments

4.7.1 Recognition, classification and measurement - Financial Assets

Classification

The Company currently classifies its financial assets in the following measurement categories:

- fair value through profit or loss (FVTPL); and
- measured at amortised cost.

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

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

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

A financial asset shall be measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. However the Company may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at FVTPL to present subsequent changes in fair value in other comprehensive income.

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On initial recognition, the Company may, irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency ('accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Initial measurement

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent measurement

Financial assets at FVTPL	<p>These assets are subsequently measured at fair value. Net gains and losses, including any interest / markup or dividend income, are recognised in statement of profit or loss.</p> <p>Investments in mutual funds are measured at fair value based on net asset value of the fund on each balance sheet date (as per the redemption prices quoted by each mutual fund) and the unrealized gain / (loss) is recognized in the statement of profit or loss.</p>
Financial assets measured at amortised cost	<p>These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest / markup income, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss.</p>

4.7.2 Financial liabilities - Classification, subsequent measurement and gains and losses.

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

4.7.3 Derecognition

Financial assets

The Company derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
 - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
 - the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

4.7.3.1 Trade and other payables

Trade and other payables are recognised initially at fair value plus directly attributable costs, if any, and subsequently measured at amortised cost.

4.7.3.2 Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when the Company has currently legally enforceable right to set-off the recognised amounts and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

4.7.3.3 Refund Liability

A refund liability is initially measured at the amount of consideration received or receivable to which the entity does not expect to be entitled. The Company updates the measurement of the refund liability at each reporting date for changes in expectations about the amount of the refunds and recognises adjustments to the refund liability as revenue. No asset is recognized for returns as they are not anticipated to be resold.

4.8 Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration 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. Contract liabilities are recognised as revenue when the Company performs under the contract.

4.9 Taxation

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to the items recognised directly in equity or in other comprehensive income, in which case the tax amounts are recognized directly in equity or other comprehensive income, as the case may be.

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For the year ended 30 June 2024

i) Current

Current tax is the expected tax payable or receivable on the taxable income or loss for the year; calculated using tax rates enacted or substantively enacted by the end of the reporting period. The calculation of current tax takes into account tax credit and tax rebates, if any, in accordance with the Income Tax Ordinance 2001.

The Company recognises provision for income tax based on best current estimates. However, where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax provision in the period in which such determination is made.

ii) Deferred

Deferred tax is accounted for using the balance sheet method on all temporary differences arising between tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax liability is recognised for all taxable temporary differences and deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. However, tax holiday period is also considered for the purposes of determination of deductible / taxable temporary differences. Deferred tax is charged or credited in the profit or loss (except to the extent that it relates to items recognized directly in equity or other comprehensive income in which cases these are recognized directly in equity or other comprehensive income as the case may be).

4.9.1 Levy of income tax

Final tax, designated as such under various provisions of Income Tax Ordinance, 2001, charged/ withheld / paid on various income streams and calculated on basis other than the taxable income are recognized as a levy in accordance with the IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the Institute of Chartered Accountants of Pakistan vide Circular No 7 of 2024 dated 15 May 2024.

4.10 Employee retirement benefits

Defined benefit plans

The Company operates a funded pension scheme and post retirement medical benefit for the individuals mentioned in note 8 to these financial statements. The liability recognised in the statement of financial position in respect of the defined benefit plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. Remeasurements which comprise actuarial gains and losses are recognised immediately in other comprehensive income. The latest actuarial valuation of the defined benefit plans was conducted at 30 June 2024.

The current and past-service costs and interest income / expenses are recognized immediately in the statement of profit or loss.

Surplus arising on the actuarial valuation is recognized to the extent these are available under the applicable trust deed at the present value of economic benefits available in the form of refund or reductions in future contribution to the fund.

Defined contribution plan

The Company operates an approved contributory provident fund for eligible employees. Equal monthly contributions are made, both by the Company and the employees, to the fund at the rate of 10% per annum of the basic salary.

4.11 Stores and spare parts

These are valued at cost less provision for slow moving and obsolete items (if any). Items in transit are valued at cost comprising invoice value plus other charges incurred thereon.

4.12 Stock in trade

All stocks are stated at the lower of cost and estimated net realisable value. Cost is determined by weighted average method except for those in transit where it represents invoice value and other charges incurred thereon. Net realisable value signifies the estimated selling price in the ordinary course of business less cost necessarily to be incurred in order to make the sale. Cost of work in process and finished goods includes direct cost of materials, direct cost of labour and production overheads. Provisions and write-offs for damaged and obsolete stock in trade are made based on the specific identification of items of stock in trade by the management.

4.13 Impairment losses

4.13.1 Financial assets

The Company recognises loss allowances for Expected Credit Losses (ECLs) in respect of financial assets measured at amortised cost.

The Company measures loss allowances at an amount equal to lifetime Expected Credit Losses (ECLs) for trade receivables.

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

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

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

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

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4.13.2 Non-financial assets

At the end of each reporting period, the Company reviews the carrying amount of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the Company estimates the recoverable amount of the asset and when the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in statement of profit or loss.

At the end of each reporting period, the Company also assesses whether there is an indication that an impairment loss recognized in prior periods for an asset may no longer exist or may have decreased. If any such indication exists, the Company estimates the recoverable amount of the asset and reverses the impairment loss recognized in previous period such that the increased carrying amount of the asset does not exceed the carrying amount that would have been determined (net of amortization and depreciation) had no impairment loss been recognized for the asset in prior years. Reversal of impairment loss is recognized in statement of profit or loss. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs and accordingly recognizes impairment loss or reverses the impairment loss recognized in prior periods.

Recoverable amount of an asset or cash-generating unit is the higher of its fair value less cost of disposal and its value in use.

Value in use is estimated as the present value of estimated future cash flows from the continuing use of an asset / cash generating unit and from its disposal at the end of its useful life. A pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset for which the estimates of future cash flows have not been adjusted.

4.14 Ijarah

In ijarah transactions' significant portion of the risks and rewards of ownership are retained by the lessor. Islamic Financial Accounting Standard 2 – 'Ijarah', issued by the Institute of Chartered Accountants of Pakistan, requires the recognition of 'ujrah payments' (lease rentals) against ijarah financing as an expense in the statement of profit or loss on a straight-line basis over the ijarah term.

4.15 Provisions

Provisions are recognized when the Company has present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the outflow of resources embodying economic benefits is not probable, a contingent liability is disclosed, unless the possibility of outflow is remote. Provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

4.16 Foreign currency transactions and translation

Foreign currency transactions are translated into Pakistani Rupee using the exchange rates approximating those prevailing at the dates of the transactions. All monetary assets and liabilities in foreign currencies are translated into Pakistani Rupee at the rates of exchange approximating those prevailing at the reporting date. Exchange gains / losses on translation are included in statement of profit and loss currently.

4.17 Revenue recognition

Revenue from contracts with customers is recognized at the point in time when a contractual promise to a customer (performance obligation) has been fulfilled by transferring control over the promised goods and services to the customer. Accordingly:

- Local sales are recognized when the products are delivered to the customer's designated location.
- Export sales are recognized at the point of shipment, as evidenced by the issuance of the bill of lading.

Revenue is measured based on the consideration specified in a contract with a customer, net of returns, amounts collected on behalf of third parties (sales taxes etc.), pricing allowances and other trade discounts.

4.18 Miscellaneous income

Miscellaneous income including export rebate is recognised on receipt basis.

4.19 Interest / Mark up income / Rental income

Income on Interest / Mark up income and rental income is recognised on a time proportionate basis and in case of interest and mark-up at the rate of return implicit in the arrangement.

4.20 Dividend income

Dividend income is recognised when the Company's right to receive it is established.

4.21 Research and development

Research and development expenditure is charged to statement of profit and loss in the period in which it is incurred.

4.22 Dividends and appropriations

Final dividend distributions to the Company's shareholders are recognized as a liability in the unconsolidated financial statements in the period in which the dividends are approved by the Company's shareholders at the Annual General Meeting, while the interim dividend distributions are recognized in the period in which the dividends are declared by the Board of Directors. Appropriations of profit are reflected in the unconsolidated statement of changes in equity in the period in which such appropriations are approved.

4.23 Government grants

Government grant includes any benefit earned on account of a government loan obtained at below market rate of interest. The loan is recognized and measured in accordance with IFRS 9 "Financial Instruments". The benefit of the below-market rate of interest shall be measured as the difference between the initial fair value of the loan determined in accordance with IFRS 9 and the proceeds received. The difference, representing the grant amount (income) is recognized over the period of the loan.

4.24 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 for the effects of all dilutive potential ordinary shares.

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5. RESTATEMENT OF PRIOR YEARS FINANCIAL STATEMENTS

In the 37th Annual General Meeting of the Company held on 15 October 2008 for the purpose of the consideration and approval of several matters by the shareholders, including the approval of the audited financial statements of the company for the year ended 30 June 2008, a proposal was then submitted for the provision of certain retirement benefits to the then Chief Executive and the Executive Directors of the Company. Accordingly, the shareholders had then resolved to grant an authority to the Board of Directors for the determination of payment of remuneration, including but not limited to perquisites, bonus, vacation pay, other allowances and retirement benefits to four individuals, who then were the Executive Directors and the Chief Executive of the Company.

However, one of the individuals so mentioned in the resolution, inadvertently was not included in the defined pension and medical benefits schemes, due to which his entitlement thereunder was not included in subsequent years actuarial valuations for the purpose of the determination of Company's obligation to him, recognition of liability in the Company's books and records and related contributions to the respective funds. Obligation to the other three directors, however, was being so determined and also recorded in the books and records. This inadvertent omission was noted by the Company during the current year.

Accordingly, adjustments have been recognised by restating the comparative figures to account for the impact retrospectively in accordance with International Accounting Standard (IAS) 8 - Accounting policies, changes in accounting estimates and errors, details of which are as follows:

	Impact of restatement			Impact of restatement		
	As at 1 July 2022			As at 30 June 2023		
	As previously reported	Adjustments	As restated	As previously reported	Adjustments	As restated
	(Rupees in '000)			(Rupees in '000)		
Statement of Financial Position						
Deferred assets - net surplus in the funds	53,656	(53,656)	-	44,158	(44,158)	-
Others	18,807,207	-	18,807,207	25,112,219	-	25,112,219
Total Assets	18,860,863	(53,656)	18,807,207	25,156,377	(44,158)	25,112,219
Deferred liabilities - for retirement benefits	-	213,973	213,973	-	282,322	282,322
Deferred taxation - net	208,878	(55,471)	153,407	342,969	(64,317)	278,652
Others	12,142,834	-	12,142,834	17,288,806	-	17,288,806
Total Liabilities	12,351,712	158,502	12,510,214	17,631,775	218,005	17,849,780
Unappropriated profit	5,343,575	(212,158)	5,131,417	6,359,026	(262,163)	6,096,863
Others	1,165,576	-	1,165,576	1,165,576	-	1,165,576
Total Equity	6,509,151	(212,158)	6,296,993	7,524,602	(262,163)	7,262,439

Statement of Profit or Loss and Other

Comprehensive Income

	Impact of restatement		
	As previously reported	Adjustments	As restated
	(Rupees in '000)		
Administrative expenses	(1,865,221)	(44,956)	(1,910,177)
Others	4,567,165	-	4,567,165
Profit before tax	2,701,944	(44,956)	2,656,988
Taxation - net	(513,905)	8,378	(505,527)
Profit for the year	2,188,039	(36,578)	2,151,461

Remeasurements of retirement benefit

liability actuarial (loss) / gain	(11,493)	(13,897)	(25,390)
Related deferred tax thereon	4,482	469	4,951
	(7,011)	(13,428)	(20,439)

Total comprehensive income for the year

	2,181,028	(50,006)	2,131,022
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(Rupees)

Earnings per share - basic and diluted	9.39	(0.16)	9.23
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There is no impact on the company's total operating, investing and financing cash flows for the year ended 30 June, 2023

6. PROPERTY, PLANT AND EQUIPMENT

	Note	2024		2023	
		(Rupees in '000)			
Operating fixed assets	6.1	11,315,472		4,915,430	
Capital work-in-progress	6.6	403,577		4,834,734	
Right-of-use assets	6.8	62,375		14,071	
		11,781,424		9,764,235	

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6.6 Capital work-in-progress (CWIP)

Note	2024	2023
	(Rupees in '000)	
Civil works	32,439	3,593,846
Advance against civil work	7,664	367,575
Plant and machinery	228,849	264,473
Advance against Plant & Machinery and Office Equipment	122,283	248,101
Office equipment	-	277,157
Furniture & Fixtures	12,342	80,401
Advance against motor Vehicles and furniture & fixtures	-	3,181
	<u>403,577</u>	<u>4,834,734</u>

6.6.1 During the year, borrowing cost amounting to Rs. 526.6 million (2023: Rs. 569.4 million) has been capitalized in CWIP.

6.6.2 This includes borrowing costs amounting to Rs. 12 million (2023: Rs. 673.4 million).

6.6.3 During the year the additions to CWIP and transfer of respective assets to operating fixed assets amounted to Rs. 3,314 million (2023: Rs. 3,295 million) and Rs. 7,256 million (2023: Rs. 608 million) respectively.

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

Location	Usage of immovable property	Geographical Location	Total Area (In Sq. Ft.)	Covered Area (In Sq. Ft.)
Corporate office	Office Building	12/CL-6 Clarendon Road, Civil Lines, Karachi	<u>45,099</u>	<u>16,301</u>
S.I.T.E.	Manufacturing plant (Non-operational)	Unit F-160/ C, F- 133, S.I.T.E., Karachi	<u>76,491</u>	<u>50,786</u>
Port Qasim	Manufacturing plant	Office A-13, North Western Industrial Zone, Bin Qasim, Karachi	<u>435,602</u>	<u>283,132</u>
Nooriabad	Manufacturing plant	A-393, Nooriabad Industrial Estate, Nooriabad	<u>602,942</u>	<u>147,045</u>
Faisalabad	Manufacturing plant	Plot No. 346 & 347 Phase - 2, M-3 Industrial City, Faisalabad	<u>1,086,456</u>	<u>412,862</u>

6.8 Right-of-use assets

Note	Office	Storage Tank	Warehouse	Total
	(Rupees in '000)			
As at 30 June 2022	21,999	8,390	-	30,389
Additions	-	-	-	-
Depreciation charge	(7,928)	(8,390)	-	(16,318)
As at 30 June 2023	14,071	-	-	14,071
Addition	23,565	28,669	18,351	70,585
Depreciation charge	(9,667)	(9,556)	(3,058)	(22,281)
As at 30 June 2024	27,969	19,113	15,293	62,375
Lease term	3 to 4	3	3	

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

Note	2024	2023
	(Rupees in '000)	
Cost of sales	26	12,615
Selling and distribution costs	27	4,793
Administrative expenses	28	4,875
	<u>22,283</u>	<u>16,318</u>

7. INTANGIBLES

Computer software and ERP System	7.1	249,729	39,069
Systems under development - Capital work-in-progress	7.3	23,438	96,293
		<u>273,167</u>	<u>135,362</u>

7.1 Computer software and ERP System

Net carrying value basis

Opening net book value	39,069	32,285
Additions (at cost) / transfer	250,212	25,098
Amortisation for the year	(39,552)	(18,314)
Closing net book value	<u>249,729</u>	<u>39,069</u>

Gross carrying value basis

Cost	603,038	352,826
Accumulated amortisation	(353,309)	(313,757)
Net book value	<u>249,729</u>	<u>39,069</u>

Useful life (years)	<u>3 - 5</u>	<u>3 - 4</u>
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7.2 The amortization charge for the year has been allocated as follows:

Cost of sales	26	1,220	665
Administrative expenses	28	38,332	17,649
		<u>39,552</u>	<u>18,314</u>

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7.3 This represent amount given to vendor for the development of ERP which is expected to be capitalised next year.

8. LONG TERM INVESTMENTS

Note	2024	2023
	(Rupees in '000)	
Investment at fair value through profit or loss (FVTPL)		
Naymat Collateral Management Company Limited	30,000	30,000
Less: Provision for Impairment	8.1 (30,000)	(30,000)
	8.11 -	-
Investment in subsidiary - at cost		
National Foods DMCC	8.2 31,719	31,719
	31,719	31,719

8.1 The movement in provision for impairment during the year is as follows:

		2024	2023
Balance at beginning of the year		(30,000)	(15,784)
Provision recognized during the year	8.11	-	(14,216)
Balance at end of the year		(30,000)	(30,000)

8.1.1 On 25 February 2020, the Company subscribed 3,000,000 ordinary shares of Rs.10 each in Naymat Collateral Management Company Limited (NCMCL). The Company's shareholding gives it ownership interest and voting power of 10% in it. NCMCL is an unlisted public company that was incorporated under Companies Act, 2017 on 21 January 2020 and has its registered office at C-25/B, Block 4, Clifton, Karachi Saddar Town, Sindh, Pakistan. It is engaged in the business of providing storage and preservation services for a range of agricultural commodities as well as issuing credible warehouse receipts for agricultural commodity financing.

The management, under prudence, has decided to fully impair the above investment as the investee company is still incurring losses. Moreover, material uncertainty relating to going concern is also disclosed in the audited financial statements of NCMCL as at 30 June 2023.

8.2 The Company has a wholly owned (100%) subsidiary which was set up in United Arab Emirates in 2012 and is carried at cost. The subsidiary was formed as a limited liability company and commenced operations from March 2013. National Foods DMCC (NF DMCC) was registered on 7 November 2012 in Dubai Multi Commodities Centre ("DMCC") pursuant to Dubai (DMCC) Law No. 4 of 2001 and operates in the United Arab Emirates ("UAE") under a trade license issued by DMCC. The registered address of the Company is Unit No. 2404-19, Reef Tower, Plot No. JLT-Ph 2-01A, Jumeirah Lake Towers, Dubai, United Arab Emirates.

The primary objective of NF DMCC is to boost export sales of its parent company through trading in food stuff. NF DMCC also has following two wholly owned direct subsidiaries and two indirect subsidiaries as follows:

National Foods Pakistan (UK) Limited

National Foods Pakistan (UK) Limited was incorporated in United Kingdom on 29 May 2013 as a private company under the UK Companies Act, 2006. The company is a wholly owned subsidiary of National Foods DMCC and will be principally engaged in the trading of food products, although currently it is not operational.

National Epicure Inc.

National Epicure Inc. ("NEI") was incorporated in Canada on 16 October 2013 under the Canada Business Corporations Act. NEI is a wholly owned subsidiary of National Foods DMCC and is principally engaged in the trading of food products. NEI is the holding company of A-1 Bags & Supplies Inc. and National Epicure USA Inc. as mentioned below.

A-1 Bags & Supplies Inc.

A-1 Bags & Supplies Inc. was incorporated under the Business Corporations Act of Ontario on March 14, 2001. National Epicure Inc. acquired 60% holding in A-1 Bags and Supplies Inc. in the year 2017 and is principally engaged in distribution and wholesale of food products, disposables, janitorial and sanitation products.

National Epicure USA Inc.

National Epicure USA Inc. was incorporated in USA on 1 December 2021 under the General Corporation Law of the State of Delaware, USA with an authorized share capital of 500 shares with a par value of \$0.0001 per share. Shares have not yet been issued by this entity and has not commenced its operations. The company is a subsidiary of National Epicure Inc - Canada.

National Foods (FZE).

National Foods (FZE) has been established in Sharjah, United Arab Emirates on 23 November 2023. The company is a wholly owned subsidiary of National Foods DMCC and will be principally engaged in the manufacturing of food products, although the entity has not commenced its operations.

9. STOCK-IN-TRADE

Note	2024	2023
	(Rupees in '000)	
Raw materials	9.1 & 9.2 3,239,970	3,923,355
Provision for obsolescence	9.4 (96,628)	(51,543)
	3,143,342	3,871,812
Packing materials	9.1 & 9.2 850,265	1,362,662
Provision for obsolescence	9.4 (43,416)	(86,604)
	806,849	1,276,058
Work in process	9.1 3,264,881	2,523,297
Provision for obsolescence	9.4 (252,042)	(48,873)
	3,012,839	2,474,424
Finished goods	9.1 & 9.3 1,663,243	2,216,879
Provision for obsolescence	9.4 (101,417)	(69,889)
	1,561,826	2,146,990
	8,524,856	9,769,284

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- 9.1 Stock in trade includes Rs. 5.41 billion (2023: Rs. 5.84 billion) held with third parties.
- 9.2 This include goods in transit pertaining to raw materials amounting to Rs. 97.2 million (2023: Rs. 310 million).
- 9.3 Above balances include items costing Rs. 295.68 million (2023: Rs. 66.55 million) valued at net realisable value of Rs. 257.14 million (2023: Rs. 55.87 million).
- 9.4 During the year, the Company recorded charge of provision (2023: reversal) for obsolescence of Rs. 236.68 million (2023: Rs. 112.05 million) and has written off stocks against provision amounting to Rs. 205.69 million (2023: Rs.239.16 million)..

10. TRADE DEBTS

	Note	2024	2023
(Rupees in '000)			
Unsecured			
Related party	10.1	679,480	860,160
Others		610,254	764,739
		1,289,734	1,624,899
Expected Credit Loss	10.2	(51,743)	(55,032)
		1,237,991	1,569,867

	2024	2023
(Rupees in '000)		
10.1 Receivable from a related party		
National Foods DMCC	679,480	860,160

These amounts are not past due.

- 10.1.1 The maximum aggregate amount due from the related party at the end of any month during the year are as follows:

	2024	2023
National Foods DMCC	1,547,268	1,076,509

- 10.2 The movement in the expected credit loss on trade debts is as follows:

	Note	2024	2023
(Rupees in '000)			
Opening expected credit loss		55,032	36,834
(Reversal) / charge for the year - net		(3,289)	18,198
Closing expected credit loss		51,743	55,032

11. ADVANCES	Note	2024	2023
(Rupees in '000)			
Considered good			
Suppliers & others	11.1	484,684	1,207,650
		484,684	1,207,650
Considered doubtful			
Suppliers		51,827	37,558
		536,511	1,245,208
Provision for doubtful advances to suppliers		(51,827)	(37,558)
		484,684	1,207,650

- 11.1 These advances include cash margin of Rs. 79.33 million. Remaining balance of Rs. 405.35 million has been paid to the supplier for the purchase of raw materials, packing materials, stores & spares and for marketing services.

12. DEPOSITS AND PREPAYMENTS

	Note	2024	2023
(Rupees in '000)			
Deposits - considered good		16,598	20,570
Prepayments	12.1	83,374	100,385
		99,972	120,955

- 12.1 These trade deposits and prepayments are mainly against rent, insurance and IT utilities and are not considered doubtful. These do not carry any mark up arrangement.

13. SHORT-TERM INVESTMENTS - AT FAIR VALUE THROUGH PROFIT OR LOSS

Name of the Mutual Fund	As at 1 July 2023	Invested during the year	Redeemed during the year	As at 30 June 2024
(Number of units)				
HBL Cash Fund	178,803	26,460	205,263	-
MCB Pakistan Sovereign Fund	-	834,533	834,533	-
Pakistan Cash Management Fund	-	1,004,559	1,004,559	-
Habib Islamic Money Market Fund	2,704,051	46,740	2,750,791	-
Faysal Stock Fund	669,106	-	669,106	-
Faysal Islamic Cash Fund	2,738,554	2,024,366	4,762,920	-
Faysal Money Market Fund	775	140	-	915
Faysal Financial Sector Opportunity Fund	-	333,916	333,916	-
ABL Cash fund	29,444,907	628,486	30,073,393	-
Alfalah GHP Stock Fund	422,996	6,840	422,996	6,840
Total	36,159,192	4,906,040	41,057,477	7,755

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Name of the Mutual Fund	As at 1 July 2023	Invested during the year	Redeemed during the year	As at 30 June 2024
	(Rupees in '000)			
HBL Cash Fund	18,258	2,699	20,957	-
MCB Pakistan Sovereign Fund	-	50,698	50,698	-
Pakistan Cash Management Fund	-	50,698	50,698	-
Habib Islamic Money Market Fund	273,581	4,729	278,310	-
Faysal Stock Fund*	32,097	-	32,097	-
Faysal Islamic Cash Fund	273,857	202,437	476,294	-
Faysal Money Market Fund	79	15	-	94
Faysal Financial Sector Opportunity Fund	-	35,174	35,174	-
ABL Cash fund	301,183	6,445	307,628	-
Alfalah GHP Stock Fund*	37,992	859	38,207	644
Total	937,047	353,754	1,290,063	738

14. CASH AND BANK BALANCES

	Note	2024	2023
		(Rupees in '000)	
Cash in hand		3,515	2,350
Cash at bank - current accounts			
- local currency	14.1	2,940,464	1,272
- foreign currency		1,413,326	1,187,292
		4,353,790	1,188,564
Cash at bank - profit and loss sharing accounts			
- local currency	14.2	1,669	411
		4,358,974	1,191,325

14.1 The current accounts are placed with banks under conventional banking arrangements.

14.2 These carry markup rates of 20.5% per annum (2023: 19.5% per annum).

15. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

	2024	2023		2024	2023
	(Number of shares)			(Rupees in '000)	
	3,139,975	3,139,975	Ordinary shares of Rs. 5 (2023: Rs. 5) each issued for consideration paid in cash	15,700	15,700
	229,975,450	229,975,450	Ordinary shares of Rs. 5 (2023 Rs. 5) each as fully paid bonus shares	1,149,876	1,149,876
	<u>233,115,425</u>	<u>233,115,425</u>		<u>1,165,576</u>	<u>1,165,576</u>

15.1 As at 30 June 2024, ATC Holdings (Private) Limited (ultimate parent company) held 79,311,413 (2023: 79,311,413) ordinary shares of the Company.

16. LONG TERM FINANCE

	Note	2024	2023
		(Rupees in '000)	
Long term finance			
Secured long-term finances utilised under mark-up arrangements	16.1	6,189,971	3,183,305
Classified under current liability		(48,333)	(93,320)
		<u>6,141,638</u>	<u>3,089,985</u>

16.1 This represents original long term finance facilities of Rs. 6,600 million obtained from commercial banks. These finances carry markup ranging from 3 months Kibor + 0.1% to 3 months Kibor + 0.4%. The loans are secured by way of hypothecation of Company's present and future fixed assets. Loan tenures range from 5 years to 10 years. These loans are fully repayable in quarterly installments of Rs. 15 million, 8.33 million, 187.5 million and 187.5 million until November 2029.

17. LEASE LIABILITIES

	2024	2023
	(Rupees in '000)	
Opening balance	16,672	32,426
Additions during the year	70,585	-
Interest expense	9,836	3,102
Rentals paid	(29,176)	(18,856)
	67,917	16,672
Current portion	(29,262)	(8,818)
Balance as at 30 June	<u>38,655</u>	<u>7,854</u>

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	Future Minimum lease payments	Interest charge	Present value of Minimum lease payments
	(Rupees in '000)		
Not later than one year	39,102	9,840	29,262
Later than one year but not later than three years	38,698	7,326	31,372
Later than three years but not later than five years	7,556	273	7,283
	85,356	17,439	67,917

The future minimum lease payments have been discounted at rates ranging between 11.22% to 23.14% per annum

18. DEFERRED TAXATION - NET

	2024	2023 (Restated)
	(Rupees in '000)	
<i>Credit / (debit) balance arising in respect of:</i>		
Accelerated tax depreciation / amortisation	611,126	493,723
Right-of-use assets	24,325	5,062
	635,451	498,785
Provision for stock obsolescence	(192,467)	(92,434)
Minimum tax under section 113	(224,647)	-
Allowance for impairment on trade debts	(20,180)	(19,800)
Lease liabilities	(26,488)	(5,998)
Retirement benefit	(63,248)	(55,053)
Provisions for GIDC and others	(78,884)	(46,848)
	(605,914)	(220,133)
	29,537	278,652

18.1. Movement in deferred taxation

	2024			
	Balance as at 1 July 2023	Recognized in statement of profit or loss (Note 34)	Recognized in other comprehensive income	Balance as at 30 June 2024
	(Restated)			
	(Rupees in '000)			
Taxable temporary differences arising on:				
Accelerated tax depreciation	493,723	117,403	-	611,126
Right-of-use assets	5,062	19,263	-	24,325
	498,785	136,666	-	635,451
Deductible temporary differences arising on:				
Provision for stock obsolescence	(92,434)	(100,033)	-	(192,467)
Minimum tax under section 113	-	(224,647)	-	(224,647)
Allowance for impairment on trade debts	(19,800)	(380)	-	(20,180)
Lease Liabilities	(5,998)	(20,490)	-	(26,488)
Retirement benefit	(55,053)	(7,063)	(1,132)	(63,248)
Provision for GIDC & other provisions	(46,848)	(32,036)	-	(78,884)
	(220,133)	(384,649)	(1,132)	(605,914)
	278,652	(247,983)	(1,132)	29,537

	2023			
	Balance as at 1 July 2022	Recognized in statement of profit or loss (Note 34)	Recognized in other comprehensive income	Balance as at 30 June 2023
	(Restated)			
	(Rupees in '000)			
Taxable temporary differences arising on:				
Accelerated tax depreciation	375,935	117,788	-	493,723
Right-of-use assets	9,293	(4,231)	-	5,062
	385,228	113,557	-	498,785
Deductible temporary differences arising on:				
Provision for stock obsolescence	(112,833)	20,399	-	(92,434)
Allowance for impairment on trade debts	(11,232)	(8,568)	-	(19,800)
Lease Liabilities	(9,916)	3,918	-	(5,998)
Retirement benefit	(41,725)	(8,377)	(4,951)	(55,053)
Provision for GIDC & other provisions	(56,115)	9,267	-	(46,848)
	(231,821)	16,639	(4,951)	(220,133)
	153,407	130,196	(4,951)	278,652

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19. DEFERRED LIABILITIES - FOR RETIREMENT BENEFITS

	2024	2023 (Restated)
	(Rupees in '000)	
Pension Plan	342,483	267,293
Pensioners' Medical Plan	(18,131)	15,029
	324,352	282,322

19.1 The Company currently operates a funded pension scheme and post retirement medical benefit for the Chief Executive and a Director. In addition, payments are also being made from the pension scheme for the spouses of the two late Directors. Actuarial valuation of these plans is carried out every year and the latest actuarial valuation was carried out as at 30 June 2024.

19.2 Plan assets held in trust are governed by local regulations which mainly include the Trust Act, 1882, the Companies Act, 2017, the Income Tax Rules, 2002 and Rules under the Trust Deed of the Plans. Responsibility for governance of the Plans, including investment decisions and contribution schedules, lies with the Board of Trustees. The Company appoints the Trustees and all Trustees are employees of the Company.

19.3 The latest actuarial valuation of the Fund as at 30 June 2024 was carried out using the Projected Unit Credit Method (for earlier years also same method has been used). Details of the Fund as per the actuarial valuation are as follows:

19.4 Balance sheet reconciliation

	Note	Pension Plan		Pensioners' Medical Plan	
		2024	2023 (Restated)	2024	2023 (Restated)
		(Rupees in '000)			
Present value of defined benefit obligations	19.8	706,351	552,106	67,039	87,159
Fair value of plan assets	19.9 & 19.10	(363,868)	(284,813)	(85,170)	(72,130)
		342,483	267,293	(18,131)	15,029

19.5 Movement in the net liability recognised in the balance sheet

Opening balance		267,293	192,245	15,029	21,727
Remeasurements recognised in other comprehensive income	19.6	42,124	33,946	(36,317)	(8,556)
Charge for the year	19.7	62,201	41,102	4,468	4,871
Contribution made		(29,135)	-	-	-
Payments made to members (beneficiaries) by the Company		-	-	(1,311)	(3,013)
Closing balance		342,483	267,293	(18,131)	15,029

19.6 Remeasurements recognised in other comprehensive income

	Note	Pension Plan		Pensioners' Medical Plan	
		2024	2023 (Restated)	2024	2023 (Restated)
		(Rupees in '000)			
Re-measurements: actuarial loss / (gain) on obligation					
- (Gain) / loss due to change in financial assumptions		(4,047)	5,762	139	(314)
- Loss / (gain) due to change in experience adjustments		50,032	25,527	(35,059)	(8,735)
Actuarial loss / (gain) on defined benefit obligation - net		45,985	31,289	(34,920)	(9,049)
Re-measurements: Return on plan assets					
Actuarial (gain) / loss		(3,861)	2,657	(1,397)	493
Total remeasurement loss / (gain) recognised in other comprehensive income		42,124	33,946	(36,317)	(8,556)

19.6.1 Net actuarial loss recognized in other comprehensive income for the above two plans is Rs. 5.807 million (2023 (restated): Rs. 25.39 million).

19.7 Expense recognised in profit and loss account

	Note	Pension Plan		Pensioners' Medical Plan	
		2024	2023 (Restated)	2024	2023 (Restated)
		(Rupees in '000)			
Component of defined benefit costs recognized in profit and loss account					
Current service cost		18,868	15,252	2,203	2,117
Net interest cost					
- Interest cost on defined benefit obligation		90,962	61,128	13,908	11,440
- Interest income on plan assets		(47,629)	(35,278)	(11,643)	(8,686)
		43,333	25,850	2,265	2,754
		62,201	41,102	4,468	4,871

19.8 Movement in the present value of defined benefit obligations

Obligation as at 1 July		552,106	446,792	87,159	85,664
Current service cost		18,868	15,252	2,203	2,117
Interest cost		90,962	61,128	13,908	11,440
Benefits paid		(1,570)	(2,355)	(1,311)	(3,013)
Actuarial loss / (gain)	19.6	45,985	31,289	(34,920)	(9,049)
Obligation as at 30 June		706,351	552,106	67,039	87,159

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19.9 Movement in the fair value of plan assets

Note	Pension Plan		Pensioners' Medical Plan	
	2024	2023	2024	2023
	(Rupees in '000)			
As at 1 July	284,813	254,547	72,130	63,937
Expected return on plan assets	47,629	35,278	11,643	8,686
Contribution made	29,135	-	-	-
Benefits paid	(1,570)	(2,355)	-	-
Actuarial loss on plan assets	3,861	(2,657)	1,397	(493)
As at 30 June	363,868	284,813	85,170	72,130

19.10 Components of Plan assets

Cash at bank - current account		94,548	63,663	22,131	16,123
Investment in mutual funds	19.10.1	269,320	221,151	63,039	56,007
		363,868	284,814	85,170	72,130

19.10.1 This represents 6,043,604 units, 254,741 units, 604,939 units, 597,298 units, 625,733 units and 122,847 units invested in ABL Cash Fund, Al Ameen Islamic Cash Plan, UBL Liquidity Plus Fund, UBL Cash Fund, Alfalah GHP Money Market Fund and Alfalah GHP Cash Fund respectively with the fair value of Rs. 61.88 million, Rs. 25.49 million, Rs. 61.32 million, Rs. 59.82 million, Rs. 61.91 million and Rs. 61.93 million respectively.

19.11 Principal actuarial assumptions

	2024	2023
Expected rate of increase in salaries	14.75%	16.25%
Expected rate of increase in pension	7.75%	9.25%
Expected rate of increase in medical benefits	12.75%	14.25%
Discount factor used	14.75%	16.25%
Mortality rate	SLIC (2001-05)	SLIC (2001-05)
Rates of employee turnover	Light	Light

19.12 Cost for the next financial year

As per the actuarial valuation report charge for the next financial year is as follows:

	2025	
	Pension Plan	Pensioners' Medical Plan
	(Rupees in '000)	
Service cost	23,377	1,643
Interest cost / (income) - net	51,463	(2,497)
Pension cost to be recognized in profit and loss for the next financial year	74,840	(854)

19.13 Sensitivity analysis for actuarial assumptions

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	2024	
	Change in assumption	Defined benefit obligation - Increase / decrease in liability
	(Rupees in '000)	
Discount rate at 30 June	1.00%	702,933
Future salary increases	1.00%	717,151
Future pension increases	1.00%	771,784
Medical cost increases	1.00%	74,436
		2023 (Restated)
		(Rupees in '000)
Discount rate at 30 June	1.00%	579,687
Future salary increases	1.00%	562,442
Future pension increases	1.00%	602,461
Medical cost increases	1.00%	96,868

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied when calculating the pension liability recognised within the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

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20. LONG TERM PROVISION

This represents liability against Gas Infrastructure Development Cess (GIDC) amounting to Rs. 76.01 million and are presented at present value of the total liability of Rs. 76.01 million (2023: Rs. 74.91 million) discounted in accordance with ICAP technical service guidelines 'Accounting for Gas Infrastructure Development Cess (GIDC)' dated 19 January 2021.

Current portion of the liability amounts to Rs. 76.01 million (2023: Rs. 70.29 million). The future value has been discounted at 7.1 % per annum. Monthly installments due under a court order amounts to Rs. 1.58 million and is due by September 2024. However, the Company has obtained stay order from Honourable Sindh High Court, against the payment of monthly installments. The case is still pending before Honourable Sindh High Court for adjudication.

21. TRADE AND OTHER PAYABLES

	Note	2024	2023
(Rupees in '000)			
Trade Creditors		2,531,780	1,726,272
Accrued expenses and liabilities		4,668,923	4,772,224
Workers' Profit Participation Fund	21.1	73,184	145,266
Workers' Welfare Fund	21.2	229,064	254,185
Refund liabilities	21.4	21,355	69,694
Tax deducted at source		113,361	72,040
Lease liability - current portion	17	29,262	8,818
Long term Provision - current portion	20	76,014	70,286
Sales tax payable		191,218	24,431
Custom duties payable		72,546	120,283
Other liabilities		23,220	40,881
Due to a related party	21.5	117,889	159,938
		<u>8,147,816</u>	<u>7,464,318</u>

21.1 Workers' Profit Participation Fund

	2024	2023
(Rupees in '000)		
Payable/ (Receivable) as at July 1	145,266	2,187
Allocation for the year	73,184	145,266
	<u>218,450</u>	<u>147,453</u>
Amount paid during the year	(145,266)	(2,187)
Payable as at June 30	<u>73,184</u>	<u>145,266</u>

21.2 The Finance Act 2008 introduced amendments to the Workers' Welfare Fund (WWF) Ordinance, 1971 whereby the definition of industrial establishment was extended. The amendments were challenged at various levels and conflicting judgments were rendered by the Lahore High Court, Sindh High Court and Peshawar High Court. The Company is of the view that it is not liable to pay this liability. However, the management has made provision for WWF for the years from 2015 to 2024 amounting to Rs. 229 million as a matter of abundant caution.

The Honourable Supreme Court of Pakistan vide its judgment dated 10 November 2016, has upheld the view of Lahore High Court and decided that WWF is not a tax and hence the amendments introduced through Finance Act 2008 are ultra-vires to the Constitution. The Federal Board of Revenue has filed Civil Review Petitions in respect of above judgment with the prayer that the judgment dated 10 November 2016 passed in the Civil Appeal may kindly be reviewed in the interest of justice.

The management, as a matter of abundant caution, has decided to maintain the provision of WWF till the decision of Supreme Court in respect of Civil Review Petition.

21.3 All investments out of provident fund have been made in accordance with the provisions of Section 218 of the Companies Act 2017 and the conditions specified thereunder.

21.4 This relates to amount of consideration expected to be refunded to customers, based on the estimated level of returns.

21.5 This represents amount payable to the subsidiary Company in respect of purchase of goods and expenses paid on behalf of the Company.

22. CONTRACT LIABILITY

	Note	2024	2023
(Rupees in '000)			
Advances from customers	22.1	264,459	291,002
22.1 Revenue recognised during the year that was included in the contract liability balance at the beginning of the year is Rs. 291 million (2023: Rs. 93.07 million).			

23. SHORT-TERM BORROWINGS

	Note	2024	2023
(Rupees in '000)			
Secured			
<i>Conventional</i>			
Running finance under mark up arrangements	23.1	1,245,302	2,750,486
Export re-finance	23.2	950,000	800,000
<i>Islamic</i>			
Running finance under Musharakah	23.3	884,695	1,355,274
		<u>3,079,997</u>	<u>4,905,760</u>

23.1 The facilities for running finance available from various commercial banks are for the purpose of meeting working capital requirements. The effective rates of mark-up on these finances range from 22.03% to 22.12% (2023: 21.71% to 21.80%) per annum. The facilities are valid upto 30 September, 2024 and are generally renewable.

23.2 The Company has short term running finance facility under Export Refinance Scheme of the State Bank of Pakistan from commercial banks. The effective rate of mark-up on this facility is 18% (2023: 17%) per annum. The facilities offer are valid upto 20 October, 2024 and are generally renewable.

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23.3 The Company has obtained facilities for short-term finance under Running Musharakah. The effective rate of profit is 22.07% (2023: 21.75%) per annum. This facility matures within twelve months and is renewable. The facilities offer are valid upto 31 January, 2025 and are generally renewable.

23.4 The facilities available from various banks amount to Rs. 9.1 billion (2023: Rs. 6.14 billion). The arrangements are secured by way of pari-passu charge against hypothecation of Company's current and future movable assets having aggregate charge amounting to Rs. 12.19 billion.

23.5 As at 30 June 2024, the unavailed facilities from the above borrowings amounted to Rs. 6.09 billion (2023: Rs. 1.2 billion).

24. CONTINGENCIES AND COMMITMENTS

24.1 There are cases against the Company which are outstanding as at 30 June 2024. The management is confident that the decision will be in favor of the Company.

24.2 The facilities for opening letters of credit amount to Rs. 4.2 billion (2023: Rs. 4.2 billion) and for letters of guarantee amount to Rs. 1,095 million (2023: Rs. 1,071 million) as at 30 June 2024 of which the amount remaining unutilized at period end were Rs 3.6 billion (2023: Rs. 3.5 billion) and 926 million (2023: Rs. 620 million) respectively. The guarantees have mainly been given to utility companies, Collector of Customs and an oil marketing Company, etc.

24.3 Aggregate commitments for capital expenditure as at 30 June 2024 amount to Rs. 369 million (2023: Rs. 2.4 billion).

24.4 Aggregate commitments in respect of ujarah payments for ijarah financing of motor vehicles from a Modaraba bearing markup rate at three months KIBOR + 0.90% (2023: three months KIBOR + 0.90%) and from a commercial bank bearing markup rate at three months KIBOR + 1.25% (2023: three months KIBOR + 1.25%) per annum for rentals payable monthly as at 30 June 2024 amount to:

Note	2024	2023
	(Rupees in '000)	
Not later than one year	417,451	371,529
Later than one year but not later than five years	768,719	791,298
	1,186,170	1,162,827

Total sanctioned facilities amount to Rs. 1.9 billion, out of which Rs. 1.2 billion has been utilized by the company as of the year end.

25. SALES - NET

Note	2024	2023
	(Rupees in '000)	
Local sales	50,506,049	40,107,177
Export sales	3,178,402	2,440,329
Gross sales	53,684,451	42,547,506
Less: Sales tax	(7,050,898)	(5,369,458)
	46,633,553	37,178,048
Less:		
- Discount, rebates and allowances	(8,426,188)	(6,846,810)
- Sales return	(830,120)	(728,362)
	(9,256,308)	(7,575,172)
	37,377,245	29,602,876

25.1 Exports sales includes sales made to National Foods DMCC - a wholly owned subsidiary of the Company.

25.2 Net local sales, net of sales return is Rs. 42.63 billion (2023: Rs. 34.01 billion).

25.3 DISAGGREGATION OF REVENUE

25.3.1 These financial statements has been prepared on a single reporting segment.

25.3.2 The Company has disaggregated revenue recognised from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

In the following table, revenue is disaggregated by primary geographical markets and major product lines:

Note	2024	2023
	(Rupees in '000)	
Primary geographical markets:		
Local	50,506,049	40,107,177
United Arab Emirates	2,906,954	2,258,517
Afghanistan	271,448	181,812
	53,684,451	42,547,506
Major Product Lines:		
Condiments	24,795,041	20,336,520
Culinary	28,889,410	22,210,986
	53,684,451	42,547,506

25.3.3 The Company's customer base is diverse with no single customer accounting for more than 10% of net sales. Sales to domestic customers in Pakistan are 94.08% (2023: 94.26%) and to customers outside Pakistan are 5.92% (2023: 5.74%) of the revenue.

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26. COST OF SALES

	Note	2024	2023
		(Rupees in '000)	
Raw material consumed		13,461,656	11,775,863
Packing material consumed		5,651,499	4,955,873
Stores and spares consumed		487,169	201,711
Impairment loss / (reversal) against inventory		236,635	(112,052)
Salaries, wages and other benefits		2,384,286	1,694,519
Contribution to the provident fund		31,836	28,994
Depreciation	6.3	692,879	531,443
Depreciation - Right of use asset	6.8.1	12,615	8,390
Amortisation	7.2	1,220	665
Ujrah payments		55,088	47,477
Fuel and power		918,691	666,762
Insurance		33,298	21,515
Laboratory, research and development		29,909	23,739
Postage and communications		8,909	5,805
Printing and stationery		16,033	15,620
Rent, rates and taxes		502,108	453,974
Travelling		368,912	217,152
Repairs and maintenance		307,571	252,976
Security & janitorial charges		185,193	166,885
Inventory destruction charges		12,334	12,609
Others	26.1	96,707	68,684
		25,494,548	21,038,604
Opening work in process		2,474,424	1,617,287
Closing work in process		(3,012,839)	(2,474,424)
Cost of goods manufactured		24,956,133	20,181,467
Opening stock of finished goods		2,146,990	1,326,045
Closing stock of finished goods		(1,561,826)	(2,146,990)
		25,541,297	19,360,522

26.1 This includes service charges amounting to Rs. 34 million.

27. SELLING AND DISTRIBUTION COSTS

	Note	2024	2023
		(Rupees in '000)	
Salaries, wages and other benefits		1,806,586	1,547,718
Advertising and sales promotion		2,089,494	1,881,205
Outward freight and handling charges		1,433,355	1,351,785
Contribution to the provident fund		49,371	42,133
Depreciation	6.3	18,935	28,196
Depreciation - Right of use asset	6.8.1	4,793	2,357
Ujrah payments		231,721	186,578
Fuel and power		8,193	7,853
Forwarding charges		30,629	27,363
Insurance		41,505	26,683
Printing and stationery		4,783	6,155
Rent, rates and taxes		272,322	214,030
Travelling		249,675	240,350
Repairs and maintenance		62,375	45,558
Postage and communications		11,688	10,414
Others	27.1	94,325	23,718
		6,409,750	5,642,096

27.1 This includes expenses in relation to the business review meetings amounting to Rs. 13 million.

28. ADMINISTRATIVE EXPENSES

	Note	2024	2023
		(Rupees in '000)	
Salaries, wages and other benefits		1,178,123	914,404
Contribution to the provident fund		29,827	24,174
Depreciation	6.3	75,767	116,577
Depreciation - Right of use asset	6.8.1	4,875	5,571
Amortisation	7.2	38,332	17,649
Ujrah payments		118,327	72,106
Fuel and power		57,573	41,999
Insurance		9,088	11,497
Legal and professional charges		95,591	101,705
Postage and communications		42,160	16,305
Printing and stationery		19,646	18,763
Rent, rates and taxes		12,758	9,078
Travelling		110,550	85,930
Repairs and maintenance		620,406	411,904
Security & janitorial charges		29,880	20,073
Others	28.1	127,099	42,442
		2,570,002	1,910,177

28.1 This includes expenses in relation to inauguration of plant and training of employees amounting to Rs. 40 & 32 million respectively.

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29. OTHER EXPENSES

Note	2024	2023
	(Rupees in '000)	
Workers' Profits Participation Fund	73,184	145,266
Workers' Welfare Fund	3,114	58,106
Auditors' remuneration	6,837	5,839
Exchange loss - net	45,305	-
Provision on property, plant and equipment	71,000	-
Impairment of long term Investments	-	14,216
Unrealized loss short term investments at fair value through profit or loss	198	4,710
Donations	24,031	49,839
	<u>223,669</u>	<u>277,976</u>

29.1 Auditors' remuneration

Note	2024	2023
	(Rupees in '000)	
Audit fee	3,475	2,908
Limited review, special reports and other certifications	2,162	2,510
Out of pocket expenses	1,200	421
	<u>6,837</u>	<u>5,839</u>

29.2 Donations to following Organizations and Trusts exceed 10% of the Company's total amount of donation or Rs. 1 million, whichever is higher:

	2024	2023
	(Rupees in '000)	
The Indus Hospital	2,200	16,033
Hisaar Foundation	-	9,941
Karachi Relief Trust	-	9,934
Allah Walay Trust	4,000	2,000
The Citizens Foundation	11,000	2,000
Childlife Foundation	1,000	1,500
Go Read.pk	2,000	1,500

Donations did not include any amount paid to any person or organization or institution in which a director or his/her spouse had any interest.

30. OTHER INCOME

Income from financial instruments

	2024	2023
	(Rupees in '000)	
Exchange gain - net	-	573,414
Return on profit and loss sharing bank account and term deposits - conventional	65,711	336
Realized gain on short term investments at fair value through profit or loss (FVTPL)	9,035	11,644
Liability written back	43,474	-
Income from short term investments at FVTPL - dividend income	23,188	193,283
	<u>141,408</u>	<u>778,677</u>

Income from non-financial instruments

	2024	2023
Profit on disposal of property, plant and equipment	57,644	13,297
Export rebate	8,910	3,370
Rental income	3,638	3,610
Amortisation of government grant	-	2,037
Scrap sales	96,196	83,481
Others	11,499	-
	<u>177,887</u>	<u>105,795</u>
	<u>319,295</u>	<u>884,472</u>

31. FINANCE COSTS

	2024	2023
	(Rupees in '000)	
Mark-up on:		
- Short-term running finances	277,437	253,240
- Export refinance facility	138,118	77,926
- Short-term borrowing - running musharakah	358,364	189,068
- Long-term loans	744,806	61,768
- Interest on lease liabilities	9,836	3,102
Bank charges	39,171	36,287
	<u>1,567,732</u>	<u>621,391</u>

32. FINAL TAXES

This represents Final Taxes payable under sections 150 and 154 of Income Tax Ordinance, 2001 (final tax regimes).

33. MINIMUM TAX

This represents portion of minimum tax payable under section 113 of Income Tax Ordinance, 2001.

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34. INCOME TAX

Note	2024	2023 (Restated)
	(Rupees in '000)	
Current	326,275	638,935
Deferred	(247,983)	130,196
Prior year	(219,390)	(317,000)
	(141,098)	452,131

34.1 The aggregate of final taxes, minimum tax differential and current tax, amounting to Rs. 586.18 million (2023: Rs. 692.33 million) represents tax liability of the Company calculated under the relevant provisions of Income Tax Ordinance, 2001.

Reconciliation of Current Tax Charge charged as per tax laws for the year, with current tax recognised in the profit and loss account, is as follows:

	2024	2023
	(Rupees in '000)	
Current tax liability for the year as per applicable tax laws	586,184	692,331
Portion of current tax liability as per tax laws, representing income tax under IAS 12	(326,275)	(638,935)
Portion of current tax computed as per tax laws, representing levy (refer notes 32 & 33)	(259,909)	(53,396)
Difference	-	-

34.2 Income Tax assessment for various tax and accounting years 2004, 2005, 2008, 2011, 2012 and 2014 to 2021, taken as deemed assessments under section 120 of the Income Tax Ordinance, 2001 were subsequently amended under section 122(5A) of the Income Tax Ordinance, 2001 in which the Tax authorities has raised several demands. The Company has filed appeals before various appellate forums and has maintained an adequate provision for any potential future liability.

34.3 The Company has filed its income tax return up to the tax year 2023. Tax returns filed by the Company are deemed to be assessed under Section 120 of the Income Tax Ordinance, 2001 unless selected for an amendment / audit by the taxation authorities. Tax return may be selected for detailed audit within six years from the end of tax year to which it relates and the Income Tax Commissioner may amend the assessment.

34.4 Relationship between income tax expense and accounting profit

	2024	2023 (Restated)
	(Rupees in '000)	
Profit before taxation	1,387,379	2,656,988
Tax at applicable rate of 39% (2023: 39%)	541,078	1,036,225
Prior year tax effect	(219,390)	(317,000)
Tax effect of permanent differences	(51,006)	37,176
Tax effect of final tax regime	(56,821)	(227,747)
Income subject to lower rate	(90,967)	(27,060)
Others	(4,083)	3,933
	118,811	505,527

35. EARNINGS PER SHARE - BASIC AND DILUTED

35.1 Basic

	2024	2023 (Restated)
	(Rupees in '000)	
Profit after taxation attributable to ordinary shareholders	1,268,568	2,151,461
	(Number)	
Weighted average number of ordinary shares outstanding during the year	233,115,425	233,115,425
	(Rupees)	
Earnings per share	5.44	9.23

35.2 A diluted earnings per share has not been presented as the Company did not have any convertible instruments in issue as at balance sheet date which would have any effect on the earnings per share if the option to convert is exercised.

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36. CASH GENERATED FROM OPERATIONS

Note	2024	2023 (Restated)
	(Rupees in '000)	
Profit before taxation	1,387,379	2,656,988
Adjustments for non-cash charges and other items		
Depreciation	787,581	676,216
Amortisation	39,552	18,314
Depreciation - Right of use asset	22,283	16,318
Gain on disposal of property, plant and equipment	(57,644)	(13,297)
Amortisation of government grant	-	(2,037)
Provision/ (reversal) for slow moving stock	236,594	(112,053)
Impairment loss on long term investment	-	14,216
(Reversal)/ impairment loss on trade debts	(3,289)	18,198
Gain on remeasurement of investment at fair value through profit or loss	(9,035)	(11,644)
Interest expense - Lease liability	9,836	3,102
Finance costs	1,557,896	618,289
Retirement benefits expense	65,357	42,960
	2,649,131	1,268,582
Profit before working capital changes	4,036,510	3,925,570
Working capital changes		
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	(55,229)	(92,916)
Stock in trade	1,007,834	(3,028,305)
Trade debts	335,165	360,540
Advances	722,966	(475,148)
Trade deposits and prepayments	20,983	(54,950)
Other receivables	83,550	(83,550)
	2,115,269	(3,374,329)
Increase / (decrease) in current liabilities		
Trade and other payables	658,428	1,717,863
Contract liability	(26,543)	197,926
	631,885	1,915,788
	6,783,664	2,467,030

37. CASH AND CASH EQUIVALENTS

Note	2024	2023
	(Rupees in '000)	
Cash and bank balances	4,358,974	1,191,325
Running finance	(2,129,997)	(4,105,760)
	2,228,977	(2,914,435)

38. REMUNERATION TO CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

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

	Chief Executive Officer		Directors		Executives	
	2024	2023	2024	2023	2024	2023
	(Rupees in '000)					
Managerial remuneration and allowances	71,120	45,745	-	-	907,286	625,600
Utilities	5,770	4,574	-	-	73,601	56,331
Bonus / variable pay	43,499	53,109	-	-	247,397	256,226
Housing	25,967	20,585	-	-	331,206	253,489
Retirement benefits	5,770	4,574	-	-	68,545	53,331
Meeting fee	-	-	5,100	5,160	-	-
Fuel allowance	-	-	-	-	174,700	117,760
Medical allowance	-	-	-	-	74,352	58,249
Travelling	-	-	-	-	7,580	13,548
Relocation allowance	-	-	-	-	34,937	21,811
Car maintenance allowance	-	-	-	-	35,747	26,728
Other expenses	4,292	3,352	-	-	183,445	109,337
	156,418	131,939	5,100	5,160	2,138,796	1,592,410
Number of persons	1	1	6	6	248	184

38.2 The Chief Executive, two non-executive directors and certain executives of the Company are also provided with Company maintained cars, residence and mobile telephones.

39. RELATED PARTY DISCLOSURES

Related parties comprise the Holding Company, subsidiaries (direct and indirect), key management personnel, staff retirement funds, directors, major shareholders and key management personnel.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company considers its Chief Executive Officer, Chief Financial Officer, Company Secretary, Non-Executive Directors and Departmental Heads to be its key management personnel. Transactions with key management personnel are in accordance with their terms of employment / entitlement. Contribution charged for retirement benefit plan are in accordance with the terms of the service rules / trust deed and actuarial valuation as relevant. Other transactions are in accordance with the agreed terms.

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39.1 Balance outstanding with related parties

	2024	2023
	(Rupees in '000)	
Receivable from the parent company	5,160	5,188
Payable to the parent company	7,607	2,518
Receivable from the subsidiary company	679,480	860,160
Payable to the subsidiary company	117,889	159,938
Payable to associated companies - net	55,250	63,107

39.2 Transaction with related parties other than those disclosed elsewhere in the notes are disclosed below:

Relationship with the Company	Nature of transaction	2024	2023 (Restated)
		(Rupees in '000)	
Holding Company	Rental income	3,638	3,610
	Rental expense	5,014	5,432
	Reimbursement of expenses from parent	11,465	13,184
	Reimbursement of expenses to parent	2,239	-
	Dividend paid	317,246	394,934
Subsidiary Company	Sale of goods	2,906,954	2,258,517
	Purchase of goods	1,574,676	-
Associates	Purchases	215,865	352,869
	Annual subscription	2,500	2,546
Directors and their family members	Dividend paid	366,857	454,156
Staff retirement funds	Expense charged for defined contribution plan	111,034	95,301
	Payments to defined contribution plan	111,034	100,264
	Charge during the period to the defined benefit plan	66,669	45,973
	Contribution made during the period to the defined benefit plan	73,293	-
Key management personnel compensation:			
	Salaries and other short-term employee benefits	905,121	818,133
	Reimbursement of expenses	45,451	24,688
	Director's meeting fee	5,100	5,160
	Contribution to the Provident Fund	30,069	27,074

39.3 Outstanding balances of related parties as at year end have been included in trade debts, other receivables, trade and other payables and deferred assets. These are settled in ordinary course of business.

39.4 The following are the related parties with whom the Company had entered into transaction during the year:

Name of the Related Party	Basis of association	Aggregate % of Shareholding
ATC Holdings (Private) Limited	Holding Company*	34.02%
National Foods Dubai Multi Commodities Centre	Subsidiary Company (holding by the company)	100%
Cherat Packaging Limited	Associate due to common directorship (no holding in the company)	0%
Pakistan Cables Limited	Associate due to common directorship (no holding in the company)	0%
Associated Environment and Energy	Associate due to common directorship (no holding in the company)	0%
The Pakistan Business Council	Associate due to common directorship (no holding in the company)	0%
Employers' Federation of Pakistan	Associate due to common directorship (no holding in the company)	0%
Pakistan Society for Training & Development	Associate due to common directorship (no holding in the company)	0%
Mungwao Private Limited	Associate due to common directorship (no holding in the company)	0%

*It is the ultimate parent company.

40. PLANT CAPACITY AND PRODUCTION

	2024	2023
	(Metric tons)	
Actual production of plants	84,046	101,083

The capacity and production of the Company's plants are indeterminable as these are multi-product and involve varying processes of manufacture.

41. NUMBER OF EMPLOYEES

	2024	2023
	(Number)	
Total employees of the Company at the year end	825	808
Average employees of the Company during the year	817	829

The details of number of employees are as follows:

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42. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's activities expose it to variety of financial risks namely credit risk, liquidity risk and market risk (including foreign exchange risk and interest rate risk). The Company's overall risk management programme focuses on having cost effective funding as well as managing financial risk to minimise earnings volatility and provide maximum return to shareholders.

42.1.1 Credit risk

Credit risk represents the financial loss that would be recognised at the reporting date if counterparties failed to perform as contracted. The financial assets exposed to the credit risk amount to Rs. 5.65 billion (2023: Rs. 3.76 billion) appropriately.

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

	2024	2023
	(Rupees in '000)	
Financial assets:		
Deposits	53,648	60,829
Trade debts	1,237,991	1,569,867
Short-term investments - at fair value through profit or loss	738	937,047
Bank balances	4,355,459	1,188,975
	5,647,836	3,756,718

The following table provides information about the exposure to credit risk on trade debts from customers as at June 30, 2024:

	Gross carrying amount	Expected credit loss	Net carrying amount
	(Rupees in '000)		
<u>30 June 2024</u>			
Current (not past due)	1,056,384	7,507	1,048,877
1-30 days past due	172,705	9,951	162,754
31-60 days past due	24,970	3,292	21,678
61-180 days past due	25,473	20,791	4,682
181-360 days past due	617	617	-
More than 360 days past due	9,585	9,585	-
	1,289,734	51,743	1,237,991

30 June 2023

	Gross carrying amount	Expected credit loss	Net carrying amount
	(Rupees in '000)		
Current (not past due)	1,211,304	2,874	1,208,430
1-30 days past due	118,883	727	118,156
31-60 days past due	116,298	6,832	109,466
61-180 days past due	163,103	32,139	130,964
181-360 days past due	5,151	2,300	2,851
More than 360 days past due	10,160	10,160	-
	1,624,899	55,032	1,569,867

Based on the past experience, consideration of financial position, past track records and recoveries, the Company believes that the expected credit loss on trade debts past have been adequately accounted for in these financial statements.

The bank balances and investments in mutual funds represent low credit risk as balances are placed at banks and funds having credit ratings of A1+ & A+ as assigned by PACRA or JCR-VIS.

Other financial assets are neither material to the financial statements nor exposed to any significant credit risk. The management does not expect any losses from non-performance by these counterparties.

Concentration of credit risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, management focuses on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Management does not consider that it has any concentration of credit risk at reporting date. Following are the details:

	2024	2023
	(Rupees in '000)	
Trade debts		
- Distributors	33,612	167,505
- Departmental stores	524,899	542,202
- Related party	679,480	860,160
Banks	4,355,459	1,188,975
Mutual funds	738	937,047
Utilities - deposits	53,648	60,829
	5,647,836	3,756,718

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42.1.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk reflects the Company's inability in raising funds to meet commitments. The Company manages liquidity risk by maintaining sufficient cash and bank balances and the availability of financing through banking arrangements. Management monitors rolling forecasts of the Company's liquidity reserve which comprises of undrawn borrowing facility and cash and cash equivalents on the basis of expected cash flows.

	2024			
	Contractual Cashflows			
	Carrying amount	Total Contractual Cash flows	Within one year	More than one year
	(Rupees in '000)			
Non-derivative Financial Liabilities				
Long-term borrowings	6,189,971	10,483,946	1,309,461	9,174,485
Trade and other payables	7,341,812	7,341,812	7,341,812	-
Lease liabilities	67,917	85,365	39,102	46,254
Short-term borrowings - principal amount	3,079,997	3,079,997	3,079,997	-
Mark-up accrued on bank borrowings	937,824	937,824	937,824	-
Unclaimed dividend	22,906	22,906	22,906	-
	<u>17,640,427</u>	<u>21,951,841</u>	<u>12,731,102</u>	<u>9,220,739</u>

	2023			
	Contractual Cashflows			
	Carrying amount	Total Contractual Cash flows	Within one year	More than one year
	(Rupees in '000)			
Non-derivative Financial Liabilities				
Long-term borrowings	3,183,305	5,860,324	794,481	5,065,843
Trade and other payables	6,699,315	6,699,315	6,699,315	-
Lease liabilities	16,672	18,195	10,098	8,097
Short-term borrowings - principal amount	4,905,760	4,905,760	4,905,760	-
Mark-up accrued on bank borrowings	459,706	459,706	459,706	-
Unclaimed dividend	20,639	20,639	20,639	-
	<u>15,285,397</u>	<u>17,963,939</u>	<u>12,889,999</u>	<u>5,073,940</u>

42.1.3 Market risks

Foreign exchange risk

Foreign exchange risk arises mainly where trade receivables and trade payables exist in foreign currency and from bank balances. As at 30 June 2024 net financial assets of Rs. 2.04 billion (2023: Rs. 2.01 billion) were denominated in foreign currency which were exposed to foreign currency risk.

As at 30 June 2024 if the Pak Rupee had strengthened/weaken by 5% against US Dollar with all other variables held constant, profit before tax for the year would have been lower / higher by Rs. 102.17 million (2023: Rs. 102.37 million).

The sensitivity of foreign exchange rate looks at the outstanding foreign exchange balances of the Company only as at the balance sheet date.

Details of balances due/payable as at the year end were as follows:

	2024							
	Rupees in ('000)	AED in ('000)	CNY in ('000)	Euro in ('000)	GBP in ('000)	SAR in ('000)	USD in ('000)	AUD in ('000)
Trade debts	679,480	-	-	-	-	-	2,441.18	-
Bank balance	1,413,326	-	-	-	-	-	5,077.67	-
Trade liabilities	(51,969)	-	-	(4.26)	(3.78)	-	(177)	-
	<u>2,040,837</u>	<u>-</u>	<u>-</u>	<u>(4.26)</u>	<u>(3.78)</u>	<u>-</u>	<u>7,341.48</u>	<u>-</u>

	2023							
	Rupees in ('000)	AED in ('000)	CNY in ('000)	Euro in ('000)	GBP in ('000)	SAR in ('000)	USD in ('000)	AUD in ('000)
Trade debts	860,160	-	-	-	-	-	3,007.66	-
Bank balance	1,187,292	-	-	-	-	-	4,151.52	-
Trade liabilities	(35,648)	(4.00)	(90.17)	(29.72)	(0.35)	(0.22)	(61.61)	(23.61)
	<u>2,011,804</u>	<u>(4.00)</u>	<u>(90.17)</u>	<u>(29.72)</u>	<u>(0.35)</u>	<u>(0.22)</u>	<u>7,097.56</u>	<u>(23.61)</u>

The following significant exchange rates were applied during the year:

	2024	
	Average rate	Reporting date rate
Rupees / USD	283.25	278.34

	2023	
	Average rate	Reporting date rate
Rupees / USD	248.00	285.99

Interest rate risk

At 30 June 2024 the Company had variable interest bearing financial liabilities of Rs. 9.27 billion (2023: Rs. 8.09 billion) and interest bearing financial assets of Rs. 1.7 million (2023: 0.491 million). Had the interest rates varied by 100 basis points (2023: 100 basis points) with all the other variables held constant, profit before tax for the year would have been lower / higher by approximately Rs. 92.7 million (2023: Rs. 80.89 million), mainly as a result of higher / lower interest expense on floating rate borrowings.

Notes to the Unconsolidated

Financial Statements

For the year ended 30 June 2024

Details of the financial instruments, exposed to interest rate risk, based on the earlier of re-pricing or contractual maturity dates are as follows:

	Exposure to Interest / Mark up rate risk		
	Upto 1 Month	Upto 3 Months	Total
	(Rupees in '000)		
Financial assets			
Bank balances	1,669	-	1,669
30 June 2024	1,669	-	1,669
30 June 2023	411	-	411
Financial liabilities			
Long term finance	-	6,189,971	6,189,971
Short term borrowings	3,079,997	-	3,079,997
30 June 2024	3,079,997	6,189,971	9,269,968
30 June 2023	4,905,760	3,183,305	8,089,065

Details of interest / markup rates are disclosed in the respective notes.

43. RECONCILIATION OF MOVEMENTS OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	2024					
	Short term borrowings used for cash management purpose	Other short term borrowings including related accrued markup	Long term borrowings (including related accrued markup)	Lease liability	Retained earnings	Total
	(Rupees in '000)					
Balance as at 1 July 2023	4,105,760	800,000	3,183,305	16,672	6,096,863	14,202,600
<i>Changes from financing cash flows</i>						
Proceeds from long term loan	-	-	3,006,666	-	-	3,006,666
Lease rental paid	-	-	-	(29,176)	-	(29,176)
Proceeds from short term borrowings	-	150,000	-	-	-	150,000
Dividend paid	-	-	-	-	(930,194)	(930,194)
Total changes from financing activities	-	150,000	3,006,666	(29,176)	(930,194)	2,197,296
<i>Other changes - interest cost</i>						
Interest expense	277,437	138,118	744,806	9,836	-	1,170,197
Interest paid	(277,437)	(138,118)	(744,806)	-	-	(1,160,361)
Additions in lease liabilities	-	-	-	70,585	-	70,585
Changes in running finance	(1,975,763)	-	-	-	-	(1,975,763)
Total loan related other changes	(1,975,763)	-	-	80,421	-	(1,895,342)
Total equity related other changes	-	-	-	-	1,261,626	1,261,626
Balance as at 30 June 2024	2,129,997	950,000	6,189,971	67,917	6,428,295	15,766,180

43.1 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefit for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. During the year, the Company's strategy was to maintain leveraged gearing. The gearing ratio as at 30 June 2024 was as follows:

	2024	2023 (Restated)
	(Rupees in '000)	
Total borrowings	10,207,792	8,548,771
Cash and bank balances	(4,358,974)	(1,191,325)
Net debt	5,848,818	7,357,446
Total equity	7,593,871	7,262,439
Total capital	13,442,689	14,619,885
Gearing ratio	44%	50%

The Company finances its operations through equity, borrowings and management of working capital with a view to maintain an appropriate mix between various sources of finance to minimise risk. The Company is not exposed to externally imposed capital requirement.

Notes to the Unconsolidated

Financial Statements

For the year ended 30 June 2024

43.2 Fair values of financial assets and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Company is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (level 2).
- Unobservable inputs for the asset or liability (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

		2024			
Carrying amount		Fair value			
Financial Assets at Amortised cost	Fair Value	Financial Liabilities at amortised cost	Level 1	Level 2	Level 3
(Rupees in '000)					
Financial assets not measured at fair value - note 43.2.1					
Trade debts	1,237,991	-	-	-	-
Bank balances	4,355,459	-	-	-	-
Deposits	53,648	-	-	-	-
Cash in hand	3,515	-	-	-	-
Financial assets measured at fair value					
Short-term investments at FVTPL	-	738	-	738	-
Financial liabilities not measured at fair value - note 43.2.1					
Long-term borrowings	-	6,189,971	-	-	-
Trade and other payables	-	7,341,812	-	-	-
Short-term borrowings	-	3,079,997	-	-	-
Lease liabilities	-	67,917	-	-	-
Mark-up accrued on bank borrowings	-	937,824	-	-	-
Unclaimed dividend	-	22,906	-	-	-
5,650,613	738	17,640,427	-	738	-

Notes to the Unconsolidated

Financial Statements

For the year ended 30 June 2024

	2023					
	Carrying amount			Fair value		
	Financial Assets at Amortised cost	Fair Value	Financial Liabilities at amortised cost	Level 1	Level 2	Level 3
	(Rupees in '000)					
Financial assets not measured at fair value - note 43.2.1						
Trade debts	1,569,867	-	-	-	-	-
Bank balances	1,188,975	-	-	-	-	-
Deposits	60,829	-	-	-	-	-
Cash in hand	2,350	-	-	-	-	-
Financial assets measured at fair value						
Short-term investments at FVTPL	-	937,047	-	-	937,047	-
Financial liabilities not measured at fair value - note 43.2.1						
Long-term borrowings	-	-	3,183,305	-	-	-
Trade and other payables	-	-	6,699,315	-	-	-
Short-term borrowings	-	-	4,905,760	-	-	-
Lease liabilities	-	-	16,672	-	-	-
Mark-up accrued on bank borrowings	-	-	459,706	-	-	-
Unclaimed dividend	-	-	20,639	-	-	-
	<u>2,822,021</u>	<u>937,047</u>	<u>15,285,397</u>	<u>-</u>	<u>937,047</u>	<u>-</u>

43.2.1 The Company has not disclosed the fair values of the above financial assets and financial liabilities, as these are either short term in nature or repriced, periodically. Therefore, carrying amounts of financial instruments carried at amortised cost are reasonable approximation of their fair values.

44. EVENTS OCCURRING AFTER BALANCE SHEET DATE

The Board of Directors of the Company in their meeting held on 5 September 2024 has proposed a final dividend of Rs. 5 per share (2023: Rs. 2.5 per share) amounting to Rs. 1,165.58 million (2023: 582.79 million) for the year ended 30 June 2024. The approval of the shareholders of the Company for the dividend shall be obtained at the upcoming Annual General Meeting for the year ended 30 June 2024. The financial statements for the year ended 30 June 2024, do not include the effect of the proposed final cash dividend which will be accounted for in the year ending 30 June 2025.

45. DATE OF AUTHORISATION

These financial statements were authorised for issue by the Board of Directors of the Company on 5 September, 2024.


Chief Executive Officer


Chief Financial Officer


Director

Consolidated Financial Statements 2024



Independent Auditor's Report

To The Members of National Foods Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the annexed consolidated financial statements of National Foods Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 30 June 2024, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Following is the Key audit matter:

Key audit matter	How the matter was addressed in our audit
<p>Valuation of stock-in-trade</p> <p>Refer notes 4.11 and 9 to the consolidated financial statements for the accounting policy and particulars of stock-in-trade.</p> <p>Stock-in-trade represents 30.5% of the Group's total assets at year-end. Stock-in-trade comprise of raw materials, packing materials, work in process and finished goods which are stated at lower of cost and estimated net realisable value.</p> <p>We have identified the valuation of stock-in-trade as a key audit matter as it represents a significant proportion of the Group's total assets and determination of an appropriate write-down to net realisable value involves considerable management judgment and estimation which are subjective in nature.</p>	<p>Our audit procedures to assess the valuation of stock-in-trade, amongst others, included the following:</p> <ul style="list-style-type: none"> obtained an understanding of and assessed the design and tested the implementation of management's controls over determination of net realisable value; assessed the reasonableness of the Group's method for determination of net realisable value; checked, on a sample basis, reasonableness of the management's determination of the write-down of inventory to its net realisable value, including estimates for selling price, costs necessary to make the sale, cost of completion and provision for obsolescence, along with the basis of calculations, to ensure consistency of the application of the Group's accounting policy and mathematical accuracy of the underlying calculations; and ensured the appropriateness of the disclosure as presented in note 9 to the consolidated financial statements in accordance with the requirements of the accounting and reporting standards as applicable in Pakistan. component auditor has performed audit procedures on valuation of stock-in-trade in accordance with the instructions issued by us and reported the results thereof to us. We, as auditors of the Group, also evaluated the work performed by the component auditor by reviewing their working files.

Independent Auditor's Report

To The Members of National Foods Limited

Report on the Audit of the Consolidated Financial Statements

Information Other than the Consolidated and Unconsolidated Financial Statements and Auditor's Reports Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2024, but does not include the consolidated and unconsolidated financial statements and our auditor's reports thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The Board of directors is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objective are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Group'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 Group'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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 consolidated 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.

The engagement partner on the audit resulting in this independent auditor's report is Aryn Pirani.

Date: 28 September 2024
Karachi

UDIN: AR202410201C0RqhpjeN


KPMG Taseer Hadi & Co.
Chartered Accountants

Consolidated Statement of Cash Flow

For the year ended 30 June 2024

	Note	2024	2023
(Rupees in '000)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	36	10,382,744	4,948,938
Finance cost paid		(1,814,843)	(779,254)
Income tax paid		(1,612,794)	(1,239,634)
Retirement benefits paid		(29,134)	-
Long term deposits - net		3,209	751
Net cash flows from operating activities		6,929,182	2,930,801
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(3,630,897)	(3,693,722)
Proceeds from disposal of fixed assets		135,859	78,921
Business acquisition		-	(577,872)
Purchase of intangible assets		(185,756)	(79,733)
Redemption of short term investment - net		945,344	399,392
Net cash flows from investing activities		(2,735,450)	(3,873,014)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds / (Repayment) of short term borrowings - net		71,809	(726,439)
Proceeds of long term finance - net		2,796,916	2,959,608
Lease rental paid		(1,201,014)	(560,991)
Dividend paid		(1,310,299)	(1,387,850)
Net cash flows from financing activities		357,412	284,328
Net increase / (decrease) in cash and cash equivalents		4,551,144	(657,885)
Cash and cash equivalents at beginning of the year		(2,392,534)	(1,890,231)
Currency translation difference on cash and cash equivalents		(34,874)	155,582
Cash and cash equivalents at end of the year	37	2,123,736	(2,392,534)

The annexed notes 1 to 45 form an integral part of these consolidated financial statements.

Chief Executive Officer

Chief Financial Officer

Director

Consolidated Statement of Changes in Equity

For the year ended 30 June 2024

Note	Attributable to shareholders of the Parent Company				Non controlling interest	Total Equity
	Issued, subscribed and paid-up capital	Revenue Reserves unappropriated profit	Foreign exchange translation reserve	Sub-total		
(Rupees in '000)						
	Balance as at 1 July 2022 - as previously reported	1,165,576	6,961,970	577,421	8,704,967	767,772 9,472,739
5	Impact of restatement	-	(212,158)	-	(212,158)	- (212,158)
	Balance as at 1 July 2022 - restated	1,165,576	6,749,812	577,421	8,492,809	767,772 9,260,581
5	Total comprehensive income for the year ended 30 June 2023					
	Profit for the period - restated	-	3,174,768	-	3,174,768	619,956 3,794,724
	Other comprehensive income for the period - restated	-	(20,439)	693,095	672,656	612,178 1,284,834
		-	3,154,329	693,095	3,847,424	1,232,134 5,079,558
	Transactions with owners recorded directly in equity - distributions					
	Final cash dividend for the year ended 30 June 2022 @ Rs. 5 per ordinary share	-	(1,165,576)	-	(1,165,576)	- (1,165,576)
	Dividend paid to non-controlling interest	-	-	-	-	(219,751) (219,751)
	Balance as at 30 June 2023 - restated	1,165,576	8,738,565	1,270,516	11,174,657	1,780,155 12,954,812
	Balance as at 1 July 2023 - restated	1,165,576	8,738,565	1,270,516	11,174,657	1,780,155 12,954,812
	Total comprehensive income for the year ended 30 June 2024					
	Profit for the period	-	1,910,182	-	1,910,182	884,728 2,794,910
	Other comprehensive income for the period	-	(4,675)	(313,767)	(318,442)	(62,693) (381,135)
		-	1,905,507	(313,767)	1,591,740	822,035 2,413,775
	Transactions with owners recorded directly in equity - distributions					
	Final cash dividend for the year ended 30 June 2023 @ Rs. 2.5 per ordinary share	-	(582,788)	-	(582,788)	- (582,788)
	Interim cash dividend for the period ended 31 December 2023 @ Rs. 15 per share	-	(349,673)	-	(349,673)	- (349,673)
	Dividend paid to non-controlling interest	-	-	-	-	(380,105) (380,105)
	Balance as at 30 June 2024	1,165,576	9,711,611	956,749	11,833,936	2,222,085 14,056,021

The annexed notes 1 to 45 form an integral part of these consolidated financial statements.

Chief Executive Officer

Chief Financial Officer

Director

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

1. THE GROUP AND ITS OPERATIONS

1.1 The group consists of:

- i) Parent Company - National Foods Limited
- ii) Subsidiary Company - National Foods DMCC, Dubai, United Arab Emirates.

National Foods Limited

National Foods Limited ("Parent Company") was incorporated in Pakistan on 19 February 1970 as a private limited company under the Companies Act, 1913 and subsequently converted into a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) by special resolution passed in the extra ordinary general meeting held on 30 March 1988. The Parent Company is principally engaged in the manufacturing and sale of convenience based food products. The Company is listed on Pakistan Stock Exchange. The registered office of the Parent Company is situated at 12 / CL - 6, Claremont Road, Civil Lines, Karachi.

- 1.2 The ultimate parent entity of the National Foods Limited is ATC Holdings (Private) Limited based on control model as provided under IFRS10 - 'Consolidated Financial Statements'.

1.3 Details of the subsidiary companies are as follows:

National Foods DMCC

The Parent Company has a wholly owned (100%) subsidiary which was set up in United Arab Emirates in 2012 and is carried at cost. The subsidiary was formed as a limited liability company and commenced operations from March 2013. National Foods DMCC (NF DMCC) was registered on 7 November 2012 in Dubai Multi Commodities Centre ("DMCC") pursuant to Dubai (DMCC) Law No. 4 of 2001 and operates in the United Arab Emirates ("UAE") under a trade license issued by DMCC. The registered address of the Company is Unit No. 2404-19, Reef Tower, Plot No. JLT-Ph 2-01A, Jumeirah Lake Towers, Dubai, United Arab Emirates.

The primary objective of NF DMCC is to boost export sales of its parent company through trading in food stuff. NF DMCC also has following two wholly owned direct subsidiaries, two indirect subsidiaries, which are as follows:

National Foods Pakistan (UK) Limited

National Foods Pakistan (UK) Limited was incorporated in United Kingdom on 29 May 2013 as a private company under the UK Companies Act, 2006. The company is a wholly owned subsidiary of National Foods DMCC and will be principally engaged in the trading of food products, although currently it is not operational.

National Epicure Inc.

National Epicure Inc. ("NEI") was incorporated in Canada on 16 October 2013 under the Canada Business Corporations Act. NEI is a wholly owned subsidiary of National Foods DMCC and is principally engaged in the trading of food products. NEI is the holding company of A-1 Bags & Supplies Inc. and National Epicure USA Inc. as mentioned below.

A-1 Bags & Supplies Inc.

A-1 Bags & Supplies Inc. was incorporated under the Business Corporations Act of Ontario on March 14, 2001. National Epicure Inc. acquired 60% parent in A-1 Bags and Supplies Inc. in the year 2017 and is

principally engaged in distribution and wholesale of food products, disposables, janitorial and sanitation products.

National Epicure USA Inc.

National Epicure USA Inc. was incorporated in USA on 1 December 2021 under the General Corporation Law of the State of Delaware, USA with an authorized share capital of 500 shares with a par value of \$0.0001 per share. Shares have not yet been issued by this entity and has not commenced its operations. The company is a subsidiary of National Epicure Inc - Canada.

National Foods (FZE)

National Foods (FZE) has been established in Sharjah, United Arab Emirates on 23 November 2023. The company is a wholly owned subsidiary of National Foods DMCC and will be principally engaged in the manufacturing of food products, although the entity has not commenced its operations.

1.4 The manufacturing facilities and sales offices of the Group companies are situated at the following locations:

Manufacturing facilities:

- Unit F-160/ C, F- 133, S.I.T.E., Karachi (Non Operational);
- Office A-13, North Western Industrial Zone, Bin Qasim, Karachi;
- A-393, Nooriabad Industrial Estate, Nooriabad; and
- Plot No. 346 & 347 Phase - 2, M-3 Industrial City, Faisalabad.

Sales offices:

- Office No.107, 1st Floor Parsa Tower, Sharah-e-Faisal, Karachi;
- Office No.309, 3rd Floor Parsa Tower, Sharah-e-Faisal, Karachi;
- Office No. 84/2 Bomanji Square, Nusrat Road, Adali Colony, Multan;
- 18-CCA (Commercial Area), Phase VIII, DHA Lahore, Cantt;
- 1st Floor, Bilal Complex, Main PWD Road, Sector O-9, Islamabad.
- Sixteenth Avenue Mall, 16-A Grand Trunk Road, Small Industrial Estate-1 Gujranwala;
- Unit No. 2404-19, Reef Tower, Plot No. JLT-Ph 2-01A, Jumeirah Lake Towers, Dubai, United Arab Emirates.
- 193 Maxome Avenue, Toronto, Ontario, Canada.
- 27 Second Floor, Gloucester Place, London, United Kingdom.
- 6400 Kennedy Road, Mississauga, Ontario
- 1110 Dearness Dr, Toronto, Ontario
- 7300 Torbram Road, Mississauga, Ontario.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These consolidated 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 (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017 .

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards or IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention except as stated otherwise.

2.3 Functional and presentation currency

These consolidated financial statements are presented in Pakistani Rupees which is also the Group's functional currency. All financial information presented in Pakistani Rupees has been rounded to the nearest thousand of rupees, unless stated otherwise.

2.4 Basis of consolidation

These consolidated financial statements consists of financial statements of the Parent Company and its subsidiary companies as disclosed in note 1.1 to these consolidated financial statements (here in after referred as Group).

The financial statements of the Parent Company and its subsidiary companies are prepared up to the same reporting date and are combined on a line-by-line basis and investments held by the Parent Company is eliminated against corresponding share capital of subsidiary in these consolidated financial statements.

2.5 Use of significant estimates and judgments

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

The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. In the process of applying the Group's accounting policies, the management has made the following estimates and judgments which are significant to the financial statements:

	Note
Property, plant and equipment	4.2
Intangible assets and Goodwill	4.4
Leases	4.5
Taxation	4.9
Retirement benefits obligations	4.10
Stock-in-trade	4.11
Impairment losses	4.12
Refund liability	4.76

3 ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS

3.1 Standards, interpretations and amendments to published approved accounting standards that have become effective in the current year

The Group has adopted the certain amendments and improvements to approved accounting and reporting standards as applicable in Pakistan which became effective for the current year. Except for the adoption of the amendment as mentioned below, the said amendment did not have any material impact on these financial statements.

The Group has adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 1 July 2023. These amendments did not result in any changes to the accounting policies itself and did not impact the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality for the disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

3.2 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 1 July 2024:

- Classification of liabilities as current or non-current (Amendments to IAS 1 in January 2020) apply retrospectively for the annual periods beginning on or after 1 January 2024 (as deferred vide amendments to IAS 1 in October 2022) with earlier application permitted. These amendments in the standards have been added to further clarify when a liability is classified as current. Convertible debt may need to be reclassified as 'current'. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity's expectation and discretion at the reporting date to refinance or to reschedule payments on a long-term basis are no longer relevant for the classification of a liability as current or non-current. An entity shall apply those amendments retrospectively in accordance with IAS 8.
- Non-current Liabilities with Covenants (amendment to IAS 1 in October 2022) aims to improve the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with conditions. The amendment is also intended to address concerns about classifying such a liability as current or non-current. Only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which the company must comply after the reporting date (i.e. future covenants) do not affect a liability's classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date. The amendments apply retrospectively for annual reporting periods beginning on or after 1 January 2024, with earlier application permitted. These amendments also specify the transition requirements for companies that may have early-adopted the previously issued but not yet effective 2020 amendments to IAS 1 (as referred above).

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

- Lease Liability in a Sale and Leaseback (amendment to IFRS 16 in September 2022) adds subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements to be accounted for as a sale. The amendment confirms that on initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction. After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognizes no gain or loss relating to the right of use it retains. A seller-lessee may adopt different approaches that satisfy the new requirements on subsequent measurement. The amendments are effective for annual reporting periods beginning on or after 1 January 2024 with earlier application permitted. Under IAS 8, a seller-lessee will need to apply the amendments retrospectively to sale-and-leaseback transactions entered into or after the date of initial application of IFRS 16 and will need to identify and re-examine sale-and-leaseback transactions entered into since implementation of IFRS 16 in 2019, and potentially restate those that included variable lease payments. If an entity (a seller-lessee) applies the amendments arising from Lease Liability in a Sale and Leaseback for an earlier period, the entity shall disclose that fact.
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) amend accounting treatment on loss of control of business or assets. The amendments also introduce new accounting for less frequent transaction that involves neither cost nor full step-up of certain retained interests in assets that are not businesses. The effective date for these changes has been deferred indefinitely until the completion of a broader review
- Supplier Finance Arrangements (amendments to IAS 7 and IFRS 7) introduce two new disclosure objectives for a company to provide information about its supplier finance arrangements that would enable users (investors) to assess the effects of these arrangements on the company's liabilities and cash flows, and the company's exposure to liquidity risk. Under the amendments, companies also need to disclose the type and effect of non-cash changes in the carrying amounts of the financial liabilities that are part of a supplier finance arrangement. The amendments also add supplier finance arrangements as an example to the existing disclosure requirements in IFRS 7 on factors a company might consider when providing specific quantitative liquidity risk disclosures about its financial liabilities. The amendments are effective for periods beginning on or after 1 January 2024, with early application permitted. However, some relief from providing certain information in the year of initial application is available.
- Lack of Exchangeability (amendments to IAS 21) clarify:
 - when a currency is exchangeable into another currency; and
 - how a company estimates a spot rate when a currency lacks exchangeability.

Further, companies will need to provide new disclosures to help users assess the impact of using an estimated exchange rate on the financial statements. These disclosures might include:

- the nature and financial impacts of the currency not being exchangeable;
- the spot exchange rate used;
- the estimation process; and
- risks to the company because the currency is not exchangeable.

The amendments apply for annual reporting periods beginning on or after 1 January 2025. Earlier application is permitted.

- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures:

- Financial Assets with ESG-Linked features:

Under IFRS 9, it was unclear whether the contractual cash flows of some financial assets with ESG-linked features represented SPPI. This could have resulted in financial assets with ESG-linked features being measured at fair value through profit or loss.

The amendments introduce an additional SPPI test for financial assets with contingent features that are not related directly to a change in basic lending risks or costs – e.g., where the cash flows change depending on whether the borrower meets an ESG target specified in the loan contract.

The amendments also include additional disclosures for all financial assets and financial liabilities that have certain contingent features that are:

- not related directly to a change in basic lending risks or costs; and
- are not measured at fair value through profit or loss.

The amendments apply for reporting periods beginning on or after 1 January 2026. Companies can choose to early-adopt these amendments (including the associated disclosure requirements), separately from the amendments for the recognition and derecognition of financial assets and financial liabilities.

- Recognition / Derecognition requirements of Financial Assets / liabilities by Electronic Payments:

The amendments to IFRS 9 clarify when a financial asset or a financial liability is recognized and derecognized and provide an exception for certain financial liabilities settled using an electronic payment system. Companies generally derecognize their trade payables on the settlement date (i.e., when the payment is completed). However, the amendments provide an exception for the derecognition of financial liabilities. The exception allows the company to derecognize its trade payable before the settlement date, when it uses an electronic payment system that meets all of the following criteria:

- no practical ability to withdraw, stop or cancel the payment instruction;
- no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- the settlement risk associated with the electronic payment system is insignificant.

The amendments apply for reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

The above are not likely to have a material impact on the financial statements of the Group based on the current balance.

4. MATERIAL ACCOUNTING POLICY INFORMATION

Except for the change in accounting policy, described below, the accounting policies set out below have been applied consistently to all periods presented in the financial statements.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Change in an accounting policy

The Group has adopted the "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes" issued by the Institute of Chartered Accountants of Pakistan (ICAP) vide Circular No 7 of 2024 dated 15 May 2024. The Group has applied the change in accounting policy retrospectively in accordance with IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors. Resultantly there is a reclassification of amounts of final tax, designated as such under Income Tax Ordinance, 2001, previously classified as "current income tax" to "levy" in the statement of profit or loss. The detailed accounting policy with regards to taxation is disclosed in note 4.9.

There is no change in the Group's profit after taxation, either for the current year, or the previous year. However, income tax charge of Rs. 53.396 million, relating to the previous year and chargeable under the financial tax regime of the Income Tax Ordinance, 2001 has been bifurcated from the income tax charge of the previous year and presented separately on the Statement of Profit or Loss.

Similar treatment has been made for the current year, whereby tax payable under final tax regime and minimum Tax differential has been separately presented in the Statement of Profit or Loss.

4.1. Business Combination

The Group accounts for business combination using the acquisition method when control is transferred to the Group. The consideration transferred (including contingent consideration) in the year of acquisition is measured at fair value, as are the identifiable net assets acquired. Any goodwill acquired is not amortized but tested annually for impairment. Any gain on a bargain purchase is recognized in profit or loss immediately. Transaction cost are expensed as incurred, except if related to the issue of debt or equity securities. When the initial accounting for a business combination is incomplete at the end of a reporting period, provisional amounts are used. During the measurement period, the provisional amounts are retrospectively adjusted and additional assets and liabilities are recognized, to reflect new information obtained about the facts and circumstances that existed at the acquisition date which would have affected the measurement of the amounts recognized at that date, had they been known. The measurement period does not exceed twelve months from the date of acquisition.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity generally accompanying a share parent of more than fifty percent of the voting rights. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and up to the date when the control ceases.

Non-controlling interest

Non-controlling interest is that portion of equity in a subsidiary that is not attributable, directly or indirectly, to the Parent Company. Non-controlling interests are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Non-controlling interests are presented as a separate item in the consolidated financial statements.

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in the equity.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost. Subsequently, it is accounted for as an equity-accounted investee or as a financial asset depending on the level of influence retained.

Transactions eliminated at consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transaction, are eliminated.

4.2 Property, plant and equipment

Initial recognition

The cost of an item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the entity and the cost of such item can be measured reliably.

Recognition of the cost in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by the management.

Measurement

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment includes:

- (a) its purchase price including import duties, non refundable purchase taxes after deducting trade discounts and rebates;
- (b) any other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management; and
- (c) Borrowing costs, if any.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure (including normal repairs and maintenance)

Expenditures incurred to replace a significant component of an item of property, plant and equipment is capitalised and the asset so replaced is retired. Other subsequent expenditure is capitalised only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the items can be measured reliably. All other expenditures (including normal repairs and maintenance) is recognised in the profit or loss as an expense when it is incurred.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Depreciation

Depreciation on all items, except land, is charged on straight line method. The useful lives for depreciation are indicated in note 6.1 of the financial statement. Depreciation on additions to property, plant and equipment is charged from the month the asset is available for use up to the month of disposal. Depreciation methods, useful lives and residual values of each part of property, plant and equipment that is significant in relation to the total cost of the asset are reviewed, and adjusted if appropriate, at each reporting date.

Gains and losses on disposal

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment, and is recognized in the profit or loss.

Capital work in progress

Capital work in progress is stated at cost less impairment loss, if any and consists of all expenditures incurred (including any borrowing cost, if applicable) and advances made in the course of their construction and installation. Transfers are made to relevant asset category, of property, plant and equipment as and when assets are available for intended use.

4.3 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset (i.e. an asset that necessarily takes substantial period of time to get ready for intended use) form part of the cost of that asset and, therefore are capitalized. Other borrowing costs are recognised as an expense. Borrowing cost are calculated based on the effective interest rate.

4.4 Intangible assets and Goodwill

Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses. Other intangible assets, including customer relationships that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Trademark have indefinite useful life and are not amortised, therefore, these are measured at cost less any accumulated impairment losses.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Goodwill is not amortised.

The carrying values of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable, if any such indication exists and where the carrying values exceed the estimated recoverable amounts, the assets are written down to their recoverable amount.

4.5 Leases

The Group assesses whether a contract is or contains a lease at inception of the contract. This assessment involves the exercise of judgement about whether it depends on a specified asset, whether the Group obtains substantially all the economic benefits from the use of that asset, and whether the Group has the right to direct the use of the asset.

The Group recognizes a right-of-use (ROU) asset and a lease liability at the lease commencement date, except for short term leases of 12 months or less and leases of low value items, which are expensed in the statement of profit or loss on a straight-line basis over the lease term.

The lease liability is initially measured at the present value of the lease payment that are not paid at the commencement date, discounted using the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate applicable in the market for such leases.

The lease liability is subsequently measured at amortized cost using the effective interest rate method and remeasured (with a corresponding adjustment to the related ROU asset) when there is a change in future lease payments in case of renegotiation, changes of an index or rate or in case of reassessment of options.

At inception, the ROU asset comprises the initial lease liability, initial direct costs and the obligations to refurbish the asset, less any incentives granted by the lessors. The ROU asset is depreciated over the shorter of the lease term or the useful life of the underlying asset. The ROU asset is subject to testing for impairment if there is an indicator for impairment, as for owned assets.

4.6 Cash and cash equivalents

Cash and Cash equivalents comprise of cash in hand and balances with banks on current and profit and loss sharing accounts. Running finance under mark-up arrangements that are repayable on demand and form an integral part of the Group's cash management are included as component of cash and cash equivalents for the purpose of statement of cash flows.

4.7 Financial Instruments

4.7.1 Recognition, classification and measurement - Financial Assets

Classification

The Group currently classifies its financial assets in the following measurement categories:

- fair value through profit or loss (FVTPL); and
- measured at amortised cost.

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

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

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

A financial asset shall be measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. However the Group may make an irrevocable election

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at initial recognition for particular investments in equity instruments that would otherwise be measured at FVTPL to present subsequent changes in fair value in other comprehensive income.

On initial recognition, the Group may, irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency ('accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Initial measurement

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent measurement

Financial assets at FVTPL	<p>These assets are subsequently measured at fair value. Net gains and losses, including any interest / markup or dividend income, are recognised in statement of profit or loss.</p> <p>Investments in mutual funds are measured at fair value based on net asset value of the fund on each balance sheet date (as per the redemption prices quoted by each mutual fund) and the unrealized gain / (loss) is recognized in the statement of profit or loss.</p>
Financial assets measured at amortised cost	<p>These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest / markup income, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss.</p>

4.7.2 Financial liabilities - Classification, subsequent measurement and gains and losses

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

4.7.3 Derecognition

Financial assets:

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or

- it transfers the rights to receive the contractual cash flows in a transaction in which either:
 - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
 - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities:

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

4.7.4 Trade and other payables

Trade and other payables are recognised initially at fair value plus directly attributable costs, if any, and subsequently measured at amortised costs.

4.7.5 Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated financial statements only when the Group has currently legally enforceable right to set-off the recognised amounts and the Group intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

4.7.6 Refund Liability

A refund liability is initially measured at the amount of consideration received or receivable to which the entity does not expect to be entitled. The Group updates the measurement of the refund liability at each reporting date for changes in expectations about the amount of the refunds and recognises adjustments to the refund liability as revenue. No asset is recognized for returns as they are not anticipated to be resold.

4.8 Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Group performs under the contract.

4.9 Taxation

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to, or items recognised directly in equity or in other comprehensive income, in which case the tax amounts are recognized directly in other comprehensive income or equity, as the case may be.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

i) Current

Current tax is the expected tax payable or receivable on the taxable income or loss for the year; calculated using tax rates enacted or substantively enacted by the end of the reporting period. The calculation of current tax takes into account tax credit and tax rebates, if any, and is inclusive of any adjustments to income tax payable or recoverable in respect of previous years.

The Group recognises provision for income tax based on best current estimates. However, where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax provision in the period in which such determination is made.

ii) Deferred

Deferred tax is accounted for using the balance sheet method on all temporary differences arising between tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax liability is recognised for all taxable temporary differences and deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. However, tax holiday period is also considered for the purposes of determination of deductible / taxable temporary differences. Deferred tax is charged or credited in the profit or loss (except to the extent that it relates to items recognized directly in equity or other comprehensive income in which cases these are recognized directly in equity or other comprehensive income as the case may be).

4.9.1 Levy of income tax

Final taxes of parent company, designated as such under various provisions of Income Tax Ordinance, 2001, charged / withheld / paid on various income streams and calculated on basis other than the taxable income are recognized as a levy in accordance with the IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the Institute of Chartered Accountants of Pakistan vide Circular No 7 of 2024 dated 15 May 2024.

4.10 Employee retirement benefits

Defined benefit plans

The Group operates a funded pension scheme and post retirement medical benefit for the individuals mentioned in note 20 to these financial statements. The liability recognised in the statement of financial position in respect of the defined benefit plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. Remeasurements which comprise actuarial gains and losses are recognised immediately in other comprehensive income. The latest actuarial valuation of the defined benefit plans was conducted at 30 June 2024.

The current and past-service costs and interest income / expenses are recognized immediately in the statement of profit or loss.

Surplus arising on the actuarial valuation is recognized to the extent these are available under the applicable trust deed at the present value of economic benefits available in the form of refund or reductions in future contribution to the fund.

Defined contribution plan

The Group operates an approved contributory provident fund for eligible employees. Equal monthly contributions are made, both by the Group and the employees, to the fund at the rate of 10% per annum of the basic salary.

Other long-term employee benefits - unfunded gratuity scheme

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise. Remaining policy is the same as mentioned above for funded define benefit plan.

4.11 Stores and spare parts

These are valued at cost less provision for slow moving and obsolete items (if any). Items in transit are valued at cost comprising invoice value plus other charges incurred thereon.

4.12 Stock-in-trade

All stocks are stated at the lower of cost and estimated net realisable value. Cost is determined by weighted average method except for those in transit where it represents invoice value and other charges incurred thereon. Net realisable value signifies the estimated selling price in the ordinary course of business less cost necessarily to be incurred in order to make the sale. Cost of work in process and finished goods includes direct cost of materials, direct cost of labour and production overheads. Provisions and write-offs for damaged and obsolete stock in trade are made based on the specific identification of items of stock in trade by management.

4.13 Impairment losses

4.13.1 Financial assets

The Group recognises loss allowances for Expected Credit Losses (ECLs) in respect of financial assets measured at amortised cost.

The Group measures loss allowances at an amount equal to lifetime Expected Credit Losses (ECLs) for trade receivables.

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

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

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

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For the year ended 30 June 2024

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

4.13.2 Non-financial assets

At the end of each reporting period, the Group reviews the carrying amount of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the Group estimates the recoverable amount of the asset and when the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in statement of profit or loss.

At the end of each reporting period, the Group also assesses whether there is an indication that an impairment loss recognized in prior periods for an asset may no longer exist or may have decreased. If any such indication exists, the Group estimates the recoverable amount of the asset and reverses the impairment loss recognized in previous period such that the increased carrying amount of the asset does not exceed the carrying amount that would have been determined (net of amortization and depreciation) had no impairment loss been recognized for the asset in prior years. Reversal of impairment loss is recognized in statement of profit or loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs and accordingly recognizes impairment loss or reverses the impairment loss recognized in prior periods.

Recoverable amount of an asset or cash-generating unit is the higher of its fair value less cost of disposal and its value in use.

Value in use is estimated as the present value of estimated future cash flows from the continuing use of an asset / cash generating unit and from its disposal at the end of its useful life. A pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset for which the estimates of future cash flows have not been adjusted.

4.14 Ijarah

In ijarah transactions' significant portion of the risks and rewards of ownership are retained by the lessor. Islamic Financial Accounting Standard 2 – 'Ijarah', issued by the Institute of Chartered Accountants of Pakistan, requires the recognition of 'ujrah payments' (lease rentals) against ijarah financing as an expense in the statement of profit or loss on a straight-line basis over the ijarah term.

4.15 Provisions

Provisions are recognized when the Group has present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the outflow of resources embodying economic benefits is not probable, a contingent liability is disclosed, unless the possibility of outflow is remote. Provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

4.16 Foreign currency

4.16.1 Foreign currency transactions

Transactions in foreign currencies are translated into rupees at the foreign exchange rates prevailing on the transaction date. Monetary assets and liabilities denominated in foreign currency are translated into rupees at the rates of exchange prevailing on the date of the statement of financial position.

4.16.2 Foreign operations

The assets and liabilities of foreign operations are translated to Pakistani rupees at exchange rates prevailing at the date of the statement of financial position. The income and expenses of foreign operations are translated to Pakistani Rupees at average rates of exchange prevailing during the year.

Goodwill arising on the acquisition of an entity by an overseas subsidiary is treated as an asset of the overseas subsidiary and is translated at foreign exchange rates prevailing as at the date of the statement of financial position.

4.16.3 Translation gains and losses

Gains and losses arising from foreign currency translations are taken to the profit and loss account, except those arising from the translation of the net investment in foreign subsidiaries, which are recognized through the statement of other comprehensive income as an Exchange Translation Reserve (ETR). Balances in the ETR are only taken to the profit and loss account on the disposal of the investment.

4.17 Revenue recognition

Revenue from contracts with customers is recognized at the point in time when a contractual promise to a customer (performance obligation) has been fulfilled by transferring control over the promised goods and services to the customer. Accordingly:

- Local sales are recognized when the products are delivered to the customer's designated location.
- Export sales are recognized at the point of shipment, as evidenced by the issuance of the bill of lading.

Revenue is measured based on the consideration specified in a contract with a customer, net of returns, amounts collected on behalf of third parties (sales taxes etc.), pricing allowances and other trade discounts.

The consideration which the Group receives in exchange for its goods or services may be fixed or variable. Variable consideration is only recognized when it is highly probable that a significant reversal will not occur. Revenue is measured based on the consideration specified in a contract with a customer, net of returns, amounts collected on behalf of third parties (sales taxes etc.), pricing allowances, other trade discounts, volume rebates and couponing, price promotions to consumers / customers and any other consideration payable to customers. The level of discounts, allowances and promotional rebates are recognized, on estimated basis using historical experience and the specific terms of the arrangement, as a deduction from revenue at the time that the related sales are recognized or when such incentives are offered to the customer or consumer. Sales return provisions are recognized as deduction from revenue based on terms of the arrangements with the customer and are included in trade and other payables. No asset is recognized for returns as they are not anticipated to be resold. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

The Group provides discounts to its customers on all products purchased by the customer once the quantity of products purchased during the period exceeds a threshold specified in the contract. A contract liability is recognised for expected discount payable to customers in relation to sales made until the end of the reporting period. Further, a contract liability is also recognised for short term advances that the Group receives from its customers.

4.18 Miscellaneous income

Miscellaneous income including export rebate is recognised on receipt basis.

4.19 Interest / Mark-up income / Rental income

Income on Interest / Mark up income and rental income is recognised on a time proportionate basis and in case of interest and mark-up at the rate of return implicit in the arrangement.

4.20 Dividend income

Dividend income is recognised when the Group's right to receive dividend is established.

4.21 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Parent Group that makes strategic decisions.

4.22 Research and development

Research and development expenditure is charged to statement of profit or loss in the period in which it is incurred.

4.23 Dividends and appropriations

Final dividend distributions to the Group's shareholders are recognized as a liability in the unconsolidated financial statements in the period in which the dividends are approved by the Group's shareholders at the Annual General Meeting, while the interim dividend distributions are recognized in the period in which the dividends are declared by the Board of Directors. Appropriations of profit are reflected in the unconsolidated statement of changes in equity in the period in which such appropriations are approved.

4.24 Government grants

Government grant includes any benefit earned on account of a government loan obtained at below market rate of interest. The loan is recognized and measured in accordance with IFRS 9 "Financial Instruments". The benefit of the below-market rate of interest shall be measured as the difference between the initial fair value of the loan determined in accordance with IFRS 9 and the proceeds received. The difference, representing the grant amount (income) is recognized over the period of the loan.

4.25 Earnings per share

The Group 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 Group 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 for the effects of all dilutive potential ordinary shares.

5. RESTATEMENT OF PRIOR YEARS FINANCIAL STATEMENTS

In the 37th Annual General Meeting of the Parent Company held on 15 October 2008 for the purpose of the consideration and approval of several matters by the shareholders, including the approval of the audited financial statements of the company for the year ended 30 June 2008, a proposal was then submitted for the provision of certain retirement benefits to the then Chief Executive and the Executive Directors of the Parent Company. Accordingly, the shareholders had then resolved to grant an authority to the Board of Directors for the determination of payment of remuneration, including but not limited to perquisites, bonus, vacation pay, other allowances and retirement benefits to four individuals, who then were the Executive Directors and the Chief Executive of the Parent Company.

However, one of the individuals so mentioned in the resolution, inadvertently was not included in the defined pension and medical benefits schemes, due to which his entitlement thereunder was not included in subsequent years actuarial valuations for the purpose of the determination of Parent Company's obligation to him, recognition of liability in the Parent Company's books and records and related contributions to the respective funds. Obligation to the other three directors, however, was being so determined and also so recorded in the books and records. This inadvertent omission was noted by the Parent Company during the current year.

Accordingly, adjustments have been recognised by restating the comparative figures to account for the impact retrospectively in accordance with International Accounting Standard (IAS) 8 - Accounting policies, changes in accounting estimates and errors, details of which are as follows:

	Impact of restatement As at 1 July 2022			Impact of restatement As at 30 June 2023		
	As previously reported	Adjustments	As restated	As previously reported	Adjustments	As restated
	(Rupees in '000)					
Statement of Financial Position						
Deferred assets	53,656	(53,656)	-	44,158	(44,158)	-
Others	27,041,055	-	27,041,055	39,152,633	-	39,152,633
Total Assets	<u>27,094,711</u>	<u>(53,656)</u>	<u>27,041,055</u>	<u>39,196,791</u>	<u>(44,158)</u>	<u>39,152,633</u>
Deferred liabilities	6,341	213,973	220,314	13,547	282,322	295,869
Deferred taxation - net	199,509	(55,471)	144,038	412,344	(64,317)	348,027
Others	17,416,122	-	17,416,122	25,553,925	-	25,553,925
Total Liabilities	<u>17,621,972</u>	<u>158,502</u>	<u>17,780,474</u>	<u>25,979,816</u>	<u>218,005</u>	<u>26,197,821</u>
Unappropriated profit	6,961,970	(212,158)	6,749,812	9,000,728	(262,163)	8,738,565
Others	2,510,769	-	2,510,769	4,216,247	-	4,216,247
Total Equity	<u>9,472,739</u>	<u>(212,158)</u>	<u>9,260,581</u>	<u>13,216,975</u>	<u>(262,163)</u>	<u>12,954,812</u>

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Statement of Profit or Loss and Other Comprehensive income

	Impact of restatement For the year ended 30 June 2023		
	As previously reported	Adjustments	As restated
	(Rupees in '000)		
Administrative expenses	(2,721,150)	(44,956)	(2,766,106)
Others	7,725,951	-	7,725,951
Profit before tax	5,004,801	(44,956)	4,959,845
Taxation - net	(1,173,499)	8,378	(1,165,121)
Profit for the year	3,831,302	(36,578)	3,794,724
	(Rupees)		
Remeasurements of retirement benefit liability actuarial (loss) / gain	(11,493)	(13,897)	(25,390)
Related deferred tax thereon	4,482	469	4,951
Exchange differences on translation of foreign operations	1,305,273	-	1,305,273
	1,298,262	(13,428)	1,284,834
	(Rupees)		
Total comprehensive income for the year	5,129,564	(50,006)	5,079,558
	(Rupees)		
Earnings per share- basic and diluted	13.78	(0.16)	13.62

There is no impact on the company's total operating, investing and financing cash flows for the year ended 30 June 2023.

6. PROPERTY, PLANT AND EQUIPMENT

	Note	2024	2023
		(Rupees in '000)	
Operating fixed assets	6.1	13,138,271	6,366,654
Capital work-in-progress	6.6	403,577	4,834,734
Right-of-use assets	6.8	5,654,496	3,066,328
		19,196,344	14,267,716

6.1 Operating fixed assets:

	2024											
	Freehold land	Leasehold land	Leasehold improvements	Building on freehold land	Building on leasehold land	Plant and machinery	Furniture and fittings	Office and other equipments	Computers	Laboratory equipments	Vehicles	Total
	(Rupees in '000)											
At 1 July 2023												
Cost	207,335	179,992	252,292	-	3,189,588	4,179,216	797,557	562,423	586,270	84,922	178,155	10,217,750
Accumulated depreciation	-	-	(109,151)	-	(727,880)	(2,333,955)	(479,978)	(363,960)	(376,278)	(47,047)	(115,574)	(4,553,823)
Net exchange difference	-	-	133,173	-	-	-	297,423	117,071	94,312	-	60,748	702,727
Net book value	207,335	179,992	276,314	-	2,461,708	1,845,261	615,002	315,534	304,304	37,875	123,329	6,366,654
Additions/transfer-note-662	-	-	305,857	4,100,340	16,455	2,241,960	287,075	793,879	163,272	18,070	141,676	8,068,584
Disposals												
Cost	-	(693)	(904)	-	(104,953)	(135,305)	(35,734)	(49,533)	(67,635)	(4,917)	(5,201)	(404,875)
Accumulated depreciation	-	143	-	-	51,662	115,499	31,061	48,585	67,414	4,305	2,035	320,704
Effect of movement in exchange rate	-	(550)	(904)	-	(53,291)	(19,806)	(4,673)	(948)	(221)	(612)	(3,166)	(84,171)
Depreciation charge for the year	-	-	(56,025)	(61,316)	(109,911)	(481,960)	(143,598)	(123,616)	(73,897)	(11,895)	(50,043)	(1,112,261)
Closing net book value	207,335	179,442	501,589	4,039,024	2,314,961	3,585,454	716,711	966,803	380,547	43,438	202,967	13,138,271
At 30 June 2024												
Cost	207,335	179,299	557,245	4,100,340	3,101,090	6,285,871	1,048,898	1,306,769	681,907	98,075	314,630	17,881,459
Accumulated depreciation	-	143	(165,176)	(61,316)	(786,129)	(2,700,416)	(592,515)	(438,991)	(382,761)	(54,637)	(163,582)	(5,345,380)
Net exchange difference	-	-	156,826	-	-	-	334,518	135,117	107,223	-	69,577	803,261
Net book value	207,335	179,442	501,589	4,039,024	2,314,961	3,585,454	716,711	966,803	380,547	43,438	202,967	13,138,271
Useful life (years)	-	-	4 - 5	5 - 49	3 - 52	5 - 23	5	2 - 10	3	2 - 10	4 - 5	

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

6.6 Capital work-in-progress (CWIP)

	Note	2024	2023
		(Rupees in '000)	
Civil works	6.6.1 & 6.6.2	32,439	3,593,846
Advance against civil work		7,664	367,575
Plant and machinery	6.6.1 & 6.6.2	228,849	264,473
Advance against Plant & Machinery and Office Equipment		122,283	248,101
Office equipment		-	277,157
Furniture & Fixtures		12,342	80,401
Advance against motor Vehicles and furniture & fixtures		-	3,181
		<u>403,577</u>	<u>4,834,734</u>

6.6.1 During the year, borrowing cost amounting to Rs. 526.6 million (2023: Rs. 569.4 million) has been capitalized in CWIP.

6.6.2 This includes borrowing costs amounting to Rs. 12 million (2023: Rs. 673.4 million).

6.6.3 During the year the additions to CWIP and transfer of respective assets to operating fixed assets amounted to Rs. 3,314 million (2023: Rs. 3,295 million) and Rs. 7,256 million (2023: Rs. 608 million) respectively.

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

Location	Usage of immovable property	Geographical Location	Total Area (In Sq. Ft.)	Covered Area (In Sq. Ft.)
Corporate office	Office Building	12/CL-6 Claremount Road, Civil Lines, Karachi	<u>45,099</u>	<u>16,301</u>
S.I.T.E.	Manufacturing plant (Non-operational)	Unit F-160/ C, F- 133, S.I.T.E., Karachi	<u>76,491</u>	<u>50,786</u>
Port Qasim	Manufacturing plant	Office A-13, North Western Industrial Zone, Bin Qasim, Karachi	<u>435,602</u>	<u>283,132</u>
Nooriabad	Manufacturing plant	A-393, Nooriabad Industrial Estate, Nooriabad	<u>602,942</u>	<u>147,045</u>
Faisalabad	Manufacturing plant	Plot No. 346 & 347 Phase - 2, M-3 Industrial City, Faisalabad	<u>1,086,456</u>	<u>412,862</u>

6.8 Right-of-use assets

The Group leases many assets including buildings and vehicles with lease terms of four to five years.

	2024			
	Properties	Equipments	Vehicles	Total
(Rupees in '000)				
Balance at 1 July 2023				
Cost	3,097,823	20,029	119,439	3,237,291
Accumulated depreciation	(1,223,957)	(17,683)	(33,919)	(1,275,559)
Net exchange difference	1,047,467	3,769	53,360	1,104,596
Net Book Value	<u>2,921,333</u>	<u>6,115</u>	<u>138,880</u>	<u>3,066,328</u>
Additions	3,945,784	28,669	16,477	3,990,931
Charge for the year	(1,076,413)	(13,438)	(53,595)	(1,143,446)
Balance at 30 June 2024	5,790,704	21,346	101,762	5,913,813
Effect of movements in exchange rates	(251,885)	(257)	(7,174)	(259,317)
	<u>5,538,819</u>	<u>21,089</u>	<u>94,588</u>	<u>5,654,496</u>
Net book value				
As at 30 June 2024	<u>5,538,819</u>	<u>21,089</u>	<u>94,588</u>	<u>5,654,496</u>

	2023			
	Properties	Equipments	Vehicles	Total
(Rupees in '000)				
Balance at 1 July 2022				
Cost	2,219,562	17,700	149,467	2,386,729
Accumulated depreciation	(671,178)	(12,753)	(71,393)	(755,324)
Net exchange difference	324,842	1,777	17,575	344,194
Net Book Value	<u>1,873,226</u>	<u>6,724</u>	<u>95,649</u>	<u>1,975,599</u>
Additions	878,261	2,329	71,646	952,236
Derecognition during the year*	-	-	(101,674)	(101,674)
	878,261	2,329	(30,028)	850,562
Charge for the year	(552,779)	(4,930)	(57,516)	(615,225)
Derecognition during the year*	-	-	94,990	94,990
	(552,779)	(4,930)	37,474	(520,235)
Balance at 30 June 2023	2,198,708	4,123	103,095	2,305,926
Effect of movements in exchange rates	722,625	1,992	35,785	760,402
	<u>2,921,333</u>	<u>6,115</u>	<u>138,880</u>	<u>3,066,328</u>
Net book value				
As at 30 June 2023	<u>2,921,333</u>	<u>6,115</u>	<u>138,880</u>	<u>3,066,328</u>

* Derecognition comprises of transfer from right-of-use assets to property, plant and equipment upon exercise of purchase option, and return of right-of-use assets to the lessor prior to the end of the lease term.

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

	Note	2024	2023
		(Rupees in '000)	
Cost of sales	26	12,615	8,390
Selling and Distribution costs	27	1,040,156	541,373
Administrative expenses	28	90,676	65,462
		<u>1,143,447</u>	<u>615,225</u>

6.8.2 Equipments and vehicles represent the asset obtained under finance lease arrangements.

7. INTANGIBLES AND GOODWILL

	Note	2024	2023
		(Rupees in '000)	
Goodwill and intangibles	7.1	1,520,186	1,419,596
Systems under development - Capital work-in-progress	7.3	23,438	96,293
		<u>1,543,624</u>	<u>1,515,889</u>

7.1 Goodwill and intangibles

	2024				
	Computer softwares and ERP System	Goodwill	Customer relationships	Trademark	Total
(Rupees in '000)					
Cost					
Balance as at 1 July 2023	356,336	677,510	357,549	495,994	1,887,389
Addition	258,611	-	-	-	258,611
Effect of movement in exchange rates	(521)	(40,684)	(23,469)	(29,785)	(94,459)
Balance as at 30 June 2024	<u>614,426</u>	<u>636,826</u>	<u>334,080</u>	<u>466,209</u>	<u>2,051,541</u>
Accumulated amortisation					
Balance as at 1 July 2023	315,203	-	152,590	-	467,793
Amortisation for the year	41,531	-	34,383	-	75,914
Effect of movement in exchange rates	(215)	-	(12,137)	-	(12,352)
Balance as at 30 June 2024	<u>356,519</u>	<u>-</u>	<u>174,836</u>	<u>-</u>	<u>531,355</u>
Carrying amounts As at 30 June 2024	<u>257,907</u>	<u>636,826</u>	<u>159,244</u>	<u>466,209</u>	<u>1,520,186</u>
Useful life (years)	3 - 5	Indefinite	10	Indefinite	

	2023				
	Computer softwares and ERP System	Goodwill	Customer relationships	Trademark	Total
(Rupees in '000)					
Cost					
Balance as at 1 July 2022	329,829	453,300	168,294	364,405	1,315,828
Addition	25,569	46,134	92,185	-	163,888
Effect of movement in exchange rates	938	178,076	97,070	131,589	407,673
Balance as at 30 June 2023	<u>356,336</u>	<u>677,510</u>	<u>357,549</u>	<u>495,994</u>	<u>1,887,389</u>
Accumulated amortisation					
Balance as at 1 July 2022	295,990	-	89,332	-	385,322
Amortisation for the year	18,830	-	20,089	-	38,919
Effect of movement in exchange rates	383	-	43,169	-	43,552
Balance as at 30 June 2023	<u>315,203</u>	<u>-</u>	<u>152,590</u>	<u>-</u>	<u>467,793</u>
Carrying amounts As at 30 June 2023	<u>41,133</u>	<u>677,510</u>	<u>204,959</u>	<u>495,994</u>	<u>1,419,596</u>
Useful life (years)	3 - 4	Indefinite	10	Indefinite	

7.2 The amortization charge for the year has been allocated as follows:

	Note	2024	2023
		(Rupees in '000)	
Cost of sales	26	1,220	665
Selling and Distribution costs	27	-	20,605
Administrative expenses	28	74,694	17,649
		<u>75,914</u>	<u>38,919</u>

7.3 This represent amount given to vendor for the development of ERP which is expected to be capitalised next year.

7.4 Impairment testing of goodwill, trademark and other indefinite useful life

For the purpose of the impairment testing, goodwill acquired through business combination and trademarks with indefinite useful lives are allocated to the A-1 Bags and Supplies.

The recoverable amount of business operations of A-1 Bags and Supplies. (acquired entity) has been determined based on its value in use, determined by discounting the future cash flows to be generated from its continuing use. The cash flow projections are prepared covering period from 2024 to 2029 till terminal period. The calculations used for cash flow projections are based on financial projections prepared by management.

The value in use determined for underlying cash generating unit is higher than its carrying amount.

Notes to the Consolidated Financial Statements

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The key assumptions used in the estimation of value in use were as follow:

	Percentage (%)
Sales (% annual growth rate)	10.0
Budgeted gross margin (%)	10.0
Other operating cost	6.4
Long term growth rate	5.0
Pre-tax discount rate (%)	17.5

Management has determined the values assigned to each of the above key assumptions as follows:

Assumptions	Approached used to determine values
Sales Volume	Average annual growth rate over the forecast period based on recent performance and management's expectations of market development. Management does not anticipate material impact owing to change in the assumptions used for growth in sales volume.
Sales Price	Average annual growth rate over the forecast period based on current industry trend and including long term inflation forecast. Management does not anticipate material impact owing to change in the assumptions used for growth in sales price.
Budgeted Gross Margin	Based on recent performance and management's expectation for the future.
Other Operating Cost	Fixed cost of the CGU, which do not vary significantly with sales volume or price. Management forecast these costs based on the current structure of the business, adjusting for inflationary increases but not reflecting any future restructuring or cost saving measures. The amounts disclosed above are the average operating costs for the forecast period. Management does not anticipate material impact owing to change in the assumptions used for growth in other operating cost.
Long Term Growth Rate	This is the weighted average growth rate used to extrapolate cash flows beyond the budget period. Management does not anticipate material impact owing to change in the assumptions used for growth in the long term rate.
Pre-tax Discount Rates	Reflect specific risks relating to the business segment, and the country in which it operates.
Sensitivity to changes in other assumptions	Management have considered and assessed reasonably possible changes for other key assumptions and have not identified any instances that could cause the carrying amount to exceed its recoverable amount.

8. DEFERRED TAXATION - NET

Note	2024	2023 (Restated)
(Rupees in '000)		
Taxable temporary differences:		
Accelerated tax depreciation / amortisation & goodwill	(644,238)	(598,974)
Right-of-use assets	(24,325)	(5,062)
	<u>(668,563)</u>	<u>(604,036)</u>
Deductible temporary differences:		
Provision for stock obsolescence	244,268	92,434
Unused tax losses	268,867	-
Allowance for impairment on trade debts	20,180	19,800
Lease liabilities	26,488	5,998
Retirement benefits	63,248	55,053
Provisions for GIDC and others	78,884	82,724
	<u>701,935</u>	<u>256,009</u>
	<u>33,372</u>	<u>(348,027)</u>

8.1 During the year tax effect of temporary differences of Rs. (379.33) million (2023: Rs. 200.55 million) was recognized in profit or loss and Rs. 1.13 million (2023: Rs. 4.951 million) recognized in other comprehensive income.

9. STOCK-IN-TRADE

Note	2024	2023
(Rupees in '000)		
Raw materials	3,239,970	3,923,355
Provision for obsolescence	(96,628)	(51,543)
	<u>3,143,342</u>	<u>3,871,812</u>
Packing materials	850,265	1,362,662
Provision for obsolescence	(43,416)	(86,604)
	<u>806,849</u>	<u>1,276,058</u>
Work-in-process	3,264,881	2,523,297
Provision for obsolescence	(252,042)	(48,873)
	<u>3,012,839</u>	<u>2,474,424</u>
Finished goods	7,135,730	7,325,424
Provision for obsolescence	(296,559)	(142,521)
	<u>6,839,171</u>	<u>7,182,903</u>
	<u>13,802,201</u>	<u>14,805,197</u>

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

- 9.1** Stock in trade includes Rs. 5.41 billion (2023: Rs. 5.84 billion) held with third parties.
- 9.2** This include goods in transit pertaining to raw materials amounting to Rs. 97.2 million (2023: Rs. 310 million).
- 9.3** Above balances include items costing Rs. 295.68 million (2023: Rs. 66.55 million) valued at net realisable value of Rs. 257.14 million (2023: Rs. 55.87 million).
- 9.4** During the year, the Group recorded charge of provision (2023: reversal) for obsolescence of Rs. 301.49 million (2023: Rs. 182.24 million) and has written off stocks against provision amounting to Rs. 205.69 million (2023: Rs.239.16 million).

10. TRADE DEBTS

	Note	2024	2023
(Rupees in '000)			
Unsecured			
- Local		610,254	764,739
- Foreign		2,805,319	2,650,342
		<u>3,415,573</u>	<u>3,415,081</u>
Expected Credit Loss	10.1	(175,140)	(186,664)
		<u>3,240,433</u>	<u>3,228,417</u>

- 10.1** The movement in the allowance for expected credit loss for trade debts is as follows:

	Note	2024	2023
(Rupees in '000)			
Opening expected credit loss		186,664	150,255
Charge for the year - net		25,081	10,024
Write-offs		(29,435)	(13,712)
Exchange difference		(7,170)	40,097
Closing expected credit loss		<u>175,140</u>	<u>186,664</u>

11. ADVANCES

	Note	2024	2023
(Rupees in '000)			
Considered good			
Suppliers & others	11.1	575,375	1,236,168
		<u>575,375</u>	<u>1,236,168</u>
Considered doubtful			
Suppliers		51,827	37,558
		<u>627,202</u>	<u>1,273,726</u>
Provision for doubtful advances to suppliers		(51,827)	(37,558)
		<u>575,375</u>	<u>1,236,168</u>

- 11.1** These advances include cash margin of Rs. 79.33 million. Remaining balance of Rs. 496.04 million has been paid to the supplier for the purchase of raw materials, packing materials, stores & spares and for marketing services.

12. DEPOSITS AND PREPAYMENTS

	Note	2024	2023
(Rupees in '000)			
Deposits - considered good		685,183	20,570
Prepayments	12.1	927,385	990,311
		<u>1,612,568</u>	<u>1,010,881</u>

- 12.1** These trade deposits and prepayments are mainly against rent, insurance and IT utilities and are not considered doubtful. These do not carry any mark up arrangement.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

13. SHORT-TERM INVESTMENTS - AT FAIR VALUE THROUGH PROFIT OR LOSS

Name of the Mutual Fund	As at 1 July 2023	Invested during the year	Redeemed during the year	As at 30 June 2024
(Number of units)				
HBL Cash Fund	178,803	26,460	205,263	-
MCB Pakistan Sovereign Fund	-	834,533	834,533	-
Pakistan Cash Management Fund	-	1,004,559	1,004,559	-
Habib Islamic Money Market Fund	2,704,051	46,740	2,750,791	-
Faysal Stock Fund	669,106	-	669,106	-
Faysal Islamic Cash Fund	2,738,554	2,024,366	4,762,920	-
Faysal Money Market Fund	775	140	-	915
Faysal Financial Sector Opportunity Fund	-	333,916	333,916	-
ABL Cash fund	29,444,907	628,486	30,073,393	-
Alfalah GHP Stock Fund	422,996	6,840	422,996	6,840
Total	36,159,192	4,906,040	41,057,477	7,755

Name of the Mutual Fund	As at 1 July 2023	Invested during the year	Redeemed during the year	As at 30 June 2024
(Rupees in '000)				
HBL Cash Fund	18,258	2,699	20,957	-
MCB Pakistan Sovereign Fund	-	50,698	50,698	-
Pakistan Cash Management Fund	-	50,698	50,698	-
Habib Islamic Money Market Fund	273,581	4,729	278,310	-
Faysal Stock Fund	32,097	-	32,097	-
Faysal Islamic Cash Fund	273,857	202,437	476,294	-
Faysal Money Market Fund	79	15	-	94
Faysal Financial Sector Opportunity Fund	-	35,174	35,174	-
ABL Cash fund	301,183	6,445	307,628	-
Alfalah GHP Stock Fund	37,992	859	38,207	644
Total	937,047	353,754	1,290,063	738

14. CASH AND BANK BALANCES

	Note	2024	2023
(Rupees in '000)			
Cash in hand		17,366	9,432
Cash at bank - current account			
- local currency	14.1	2,963,981	1,272
- foreign currency		1,849,330	1,702,111
		4,813,311	1,703,383
Cash at bank - profit and loss sharing accounts			
- local currency	14.2	1,669	411
		4,832,346	1,713,226

14.1 The current accounts are placed with banks under conventional banking arrangements.

14.2 These carry markup rates of 20.5% per annum (2023: 19.5% per annum).

15. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

	2024	2023		2024	2023
(Number of shares)					
	3,139,975	3,139,975	Ordinary shares of Rs. 5 (2023: Rs. 5) each issued for consideration paid in cash	15,700	15,700
	229,975,450	229,975,450	Ordinary shares of Rs. 5 (2023: Rs. 5) each as fully paid bonus shares	1,149,876	1,149,876
	233,115,425	233,115,425		1,165,576	1,165,576

15.1 As at 30 June 2024, ATC Holdings (Private) Limited (ultimate parent company) held 79,311,413 (2023: 79,311,413) ordinary shares of the Company.

16. NON-CONTROLLING INTEREST (NCI)

Below is summarised financial information of A-1 Bags & Supplies Inc. that has a non-controlling interest (40% stake) that is material to the Group. The amounts disclosed are before inter-group eliminations.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Summarised balance sheet	Note	2024	2023
(Rupees in '000)			
Non-current assets		7,310,242	4,706,420
Current assets		8,141,163	7,635,276
Non-current liabilities		(4,927,108)	(3,314,359)
Current liabilities		(5,297,873)	(4,844,109)
		<u>5,226,424</u>	<u>4,183,228</u>
Accumulated NCI		<u>2,222,085</u>	<u>1,780,155</u>
Summarised statement of profit or loss and comprehensive income			
Sales		48,414,009	34,006,991
Profit for the period		2,234,503	1,569,980
Total comprehensive income		<u>2,055,088</u>	<u>1,569,980</u>
Profit allocated to NCI		<u>884,728</u>	<u>619,956</u>
Eligible dividend to NCI		<u>822,035</u>	<u>578,595</u>
Summarised cash flows			
Cash flow from operating activities		3,035,351	1,583,014
Cash flow from investing activities		(794,625)	(816,212)
Cash flow from financing activities		(2,233,335)	(759,641)
Net (decrease) / increase in cash and cash equivalents		<u>7,391</u>	<u>7,161</u>

17. LONG-TERM FINANCE AND DEFERRED INCOME

	Note	2024	2023
(Rupees in '000)			
Long-term finance			
- Local currency	17.1	6,189,971	3,183,305
- Foreign currency	17.2	821,068	1,150,318
		<u>7,011,039</u>	<u>4,333,623</u>
Less: Current maturity of long-term finance		(293,616)	(372,404)
		<u>6,717,423</u>	<u>3,961,219</u>

17.1 This represents original long term finance facilities of Rs. 6,600 million obtained from commercial banks. These finances carry markup ranging from 3 months Kibor + 0.1% to 3 months Kibor + 0.4%. The loans are secured by way of hypothecation of Company's present and future fixed assets. Loan tenures range from 5 years to 10 years. These loans are fully repayable in quarterly installments of Rs. 15 million, 8.33 million, 187.5 million and 187.5 million until November 2029.

17.2 A-1 Bags & Supplies Inc., obtained loan from a commercial bank details of whose are as follows:

	Note	2024	2023
(Rupees in '000)			
Bank loan (i)	17.2.1	10,501	43,657
Bank loan (ii)	17.2.2	31,798	51,306
Bank loan (iii)	17.2.3	-	1,564
Bank loan (iv)	17.2.4	98,048	146,288
Bank loan (v)	17.2.5	11,707	16,888
Bank loan (vi)	17.2.6	33,075	45,952
Vehicle loan (vii)	17.2.7	12,009	14,435
Bank loan (viii)	17.2.8	185,145	246,706
Bank loan (ix)	17.2.9	438,785	583,522
		<u>821,068</u>	<u>1,150,318</u>

17.2.1 The loan, secured by accounts receivable, bears interest at a rate of 4.85% per annum and is repayable in 60 equal monthly payments of Rs. 2.7 million including interest, maturing in October 2024.

17.2.2 The loan, to finance equipment purchase, secured by accounts receivable, bears interest at a rate of 3.85% per annum and is repayable in 60 equal monthly payments of Rs. 1.3 million including interest, maturing in October 2026.

17.2.3 The loan, to finance equipment purchase, secured by accounts receivable, bears interest at a rate of 3.55% per annum and is repayable in 24 equal monthly payments of Rs. 1.3 million including interest, maturing in July 2023.

17.2.4 The loan, to finance equipment purchase, secured by accounts receivable, bears interest at a rate of 4.09% per annum and is repayable in 60 equal monthly payments of Rs. 3.3 million including interest, maturing in October 2026.

17.2.5 TD Bank loan, to finance equipment purchase, secured by accounts receivable, bears interest at a rate of 4.67% per annum and is repayable in 60 equal monthly payments of Rs. 0.36 million including interest, maturing in January 2027.

17.2.6 The loan, to finance equipment purchase, secured by accounts receivable, bears interest at a rate of 5.79% per annum and is repayable in 60 equal monthly payments of Rs. 1 million including interest, maturing in May 2027.

17.2.7 Vehicle loan payable, secured by a charge of the vehicle, bears interest at a rate of 3.65% per annum and is repayable in 96 equal monthly payments of Rs. 0.19 million including interest, maturing in March 2030.

17.2.8 The loan, to finance equipment purchase, secured by accounts receivable, bears interest at a rate of 6.62% per annum and is repayable in 60 equal monthly payments of Rs. 4.5 million including interest, maturing in November 2027.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

17.2.9 The loan, secured by accounts receivable, bears interest at a rate of prime + 0.5% per annum and is repayable in 60 equal monthly payments of Rs. 9.3 million including interest, maturing in June 2028.

Under the terms of the Bank's credit facility, A-1 Bags & Supplies Inc., is required to comply with certain financial and non-financial covenants. As at June 30 2024, the A-1 Bags & Supplies Inc., is in compliance of these covenants.

18. LEASE LIABILITIES

	2024	2023
	(Rupees in '000)	
Opening balance	3,026,285	2,114,940
Additions	3,971,299	692,140
Interest expense	304,303	133,384
Rental paid	(1,201,014)	(560,994)
Effect of movements in exchange rates	(263,239)	646,815
	5,837,634	3,026,285
Current portion	(1,239,268)	(644,680)
Balance as at 30 June	4,598,366	2,381,605

	Future Minimum lease payments	Interest charge	Present value of Minimum lease payments
	(Rupees in '000)		
Not later than one year	1,566,374	327,106	1,239,268
Later than one year but not later than five years	4,677,437	280,469	4,396,968
Later than five years and above	581,719	54,658	527,062
	6,825,530	662,232	6,163,298

19. LONG TERM PROVISIONS

This represents liability against Gas Infrastructure Development Cess (GIDC) amounting to Rs. 76.01 million and are presented at present value of the total liability of Rs. 76.01 million (2023: Rs. 74.91 million) discounted in accordance with ICAP technical service guidelines 'Accounting for Gas Infrastructure Development Cess (GIDC)' dated 19 January 2021.

Current portion of the liability amounts to Rs. 76.01 million (2023: Rs. 70.29 million). The future value has been discounted at 71% per annum. Monthly installments due under a court order amounts to Rs. 1.58 million and is due by September 2024. However, the Company has obtained stay order from Honourable Sindh High Court, against the payment of monthly installments. The case is still pending before Honourable Sindh High Court for adjudication.

20. DEFERRED LIABILITIES - FOR RETIREMENT BENEFITS

	Note	2024	2023 (Restated)
		(Rupees in '000)	
Pension Plan - Parent Company	20.4	342,483	267,293
Pensioners' Medical Plan - Parent Company	20.4	(18,131)	15,029
Retirement benefits - Subsidiary Company	20.14	46,254	13,547
		370,606	295,869

20.1 The Parent Company currently operates a funded pension scheme and post retirement medical benefit for the Chief Executive and a Director. In addition, payments are also being made from the pension scheme for the spouses of the two late Directors. Actuarial valuation of these plans is carried out every year and the latest actuarial valuation was carried out as at 30 June 2024.

20.2 Plan assets held in trust are governed by local regulations which mainly include the Trust Act, 1882, the Companies Act, 2017, the Income Tax Rules, 2002 and Rules under the Trust Deed of the Plans. Responsibility for governance of the Plans, including investment decisions and contribution schedules, lies with the Board of Trustees. The Parent Company appoints the Trustees and all Trustees are employees of the Parent Company.

20.3 The latest actuarial valuation of the Fund as at 30 June 2024 was carried out using the Projected Unit Credit Method (for earlier years also same method has been used). Details of the Fund as per the actuarial valuation of the plan assets of the parent company are as follows:

20.4 Balance sheet reconciliation of the plan assets of the Parent Company

	Note	Pension Plan		Pensioners' Medical Plan	
		2024	2023 (Restated)	2024	2023 (Restated)
		(Rupees in '000)			
Present value of defined benefit obligations	20.8	706,351	552,106	67,039	87,159
Fair value of plan assets	20.9	(363,868)	(284,813)	(85,170)	(72,130)
		342,483	267,293	(18,131)	15,029

20.5 Movement in the net liability recognised in the balance sheet

	Note	2024	2023 (Restated)	2024	2023 (Restated)
Opening balance		267,293	192,245	15,029	21,727
Remeasurements recognised in					
Other Comprehensive Income	20.6	42,124	33,946	(36,317)	(8,556)
Charge / (income) for the year	20.7	62,201	41,102	4,468	4,871
Contribution made		29,135	-	-	-
Payments made to members by Parent Company		-	-	(1,311)	(3,013)
Closing balance		400,753	267,293	(18,131)	15,029

Notes to the Consolidated Financial Statements

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20.6 Remeasurements recognised in other comprehensive income

Note	Pension Plan		Pensioners' Medical Plan	
	2024	2023 (Restated)	2024	2023 (Restated)
	(Rupees in '000)			
Re-measurements: actuarial loss / (gain) on obligation				
- Loss / (gain) due to change in financial assumptions	(4,047)	5,762	139	(314)
- Loss / (gain) due to change in experience adjustments	50,032	25,527	(35,059)	(8,735)
Actuarial loss / (gain) on defined benefit obligation - net	45,985	31,289	(34,920)	(9,049)
Re-measurements: Return on plan assets				
Actuarial loss / (gain)	(3,861)	2,657	(1,397)	493
Total defined benefit cost recognised in other comprehensive income	<u>42,124</u>	<u>33,946</u>	<u>(36,317)</u>	<u>(8,556)</u>

20.6.1 Net actuarial loss recognized in other comprehensive income for the above two plans is Rs. 5.807 million (2023 (restated): Rs. 25.39 million).

20.7 Expense recognised in statement of profit or loss

Note	Pension Plan		Pensioners' Medical Plan	
	2024	2023 (Restated)	2024	2023 (Restated)
	(Rupees in '000)			
Component of defined benefit costs recognized in profit and loss account				
Current service cost	18,868	15,252	2,203	2,117
Net interest cost				
- Interest cost on defined benefit obligation	90,962	61,128	13,908	11,440
- Interest income on plan assets	(47,629)	(35,278)	(11,643)	(8,686)
	43,333	25,850	2,265	2,754
	<u>62,201</u>	<u>41,102</u>	<u>4,468</u>	<u>4,871</u>

20.8 Movement in the present value of defined benefit

Note	Pension Plan		Pensioners' Medical Plan	
	2024	2023 (Restated)	2024	2023 (Restated)
	(Rupees in '000)			
Obligation as at 1 July	552,106	446,792	87,159	85,664
Current service cost	18,868	15,252	2,203	2,117
Interest cost	90,962	61,128	13,908	11,440
Benefits paid	(1,570)	(2,355)	(1,311)	(3,013)
Actuarial loss / (gain)	45,985	31,289	(34,920)	(9,049)
Obligation as at 30 June	<u>706,351</u>	<u>552,106</u>	<u>67,039</u>	<u>87,159</u>

20.9 Movement in the fair value of plan assets

Note	Pension Plan		Pensioners' Medical Plan	
	2024	2023	2024	2023
	(Rupees in '000)			
As at 1 July	284,813	254,547	72,130	63,937
Income on plan assets	47,629	35,278	11,643	8,686
Contribution made	29,135	-	-	-
Benefits paid	(1,570)	(2,355)	-	-
Actuarial gain / (loss) on plan assets	3,861	(2,657)	1,397	(493)
As at 30 June	<u>363,868</u>	<u>284,813</u>	<u>85,170</u>	<u>72,130</u>

20.10 Components of Plan assets

Cash at bank - current account		94,548	63,663	22,131	16,123
Investment in mutual fund	20.10.1	269,320	221,151	63,039	56,007
		<u>363,868</u>	<u>284,814</u>	<u>85,170</u>	<u>72,130</u>

20.10.1 This represents 6,043,604 units, 254,741 units, 604,939 units, 597,298 units, 625,733 units and 122,847 units invested in ABL Cash Fund, Al Ameen Islamic Cash Plan, UBL Liquidity Plus Fund, UBL Cash Fund, Alfalah GHP Money Market Fund and Alfalah GHP Cash Fund respectively with the fair value of Rs. 61.88 million, Rs. 25.49 million, Rs. 61.32 million, Rs. 59.82 million, Rs. 61.91 million and Rs. 61.93 million respectively.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

20.11 Principal actuarial assumptions

	2024	2023
Expected rate of increase in salaries	14.75%	16.25%
Expected rate of increase in pension	7.75%	9.25%
Expected rate of increase in medical benefits	12.75%	14.25%
Discount factor used	14.75%	16.25%
Mortality rate	SLIC (2001-05)	SLIC (2001-05)
Rates of employee turnover	Light	Light

20.12 Cost for the next financial year

As per the actuarial valuation report charge for the next financial year is as follows:

	2025	
	Pension Plan	Pensioners' Medical Plan
	(Rupees in '000)	
Service cost	23,377	1,643
Interest cost / (income) - net	51,463	(2,497)
Pension cost to be recognized in profit and loss for the next financial year	<u>74,840</u>	<u>(854)</u>

20.13 Sensitivity analysis for actuarial assumptions

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	2024		
Change in assumption	Defined benefit obligation - Increase / decrease in liability		
	(Rupees in '000)		
Discount rate at June 30	1.00%	702,933	855,684
Future salary increases	1.00%	717,151	695,638
Future pension increases	1.00%	771,784	649,235
Medical cost increases	1.00%	74,436	60,709
	2023		
Change in assumption	Defined benefit obligation - Increase / decrease in liability		
	(Rupees in '000)		
			(Restated)
Discount rate at June 30	1.00%	579,687	708,948
Future salary increases	1.00%	562,442	541,919
Future pension increases	1.00%	602,461	508,058
Medical cost increases	1.00%	96,868	78,855

The sensitivity analysis is based on a change in an assumption while parent all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied when calculating the pension liability recognised within the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

20.14 Retirement benefits - Subsidiary Company

	2024	2023
	(Rupees in '000)	
Opening liability	13,547	6,341
Charge for the year	33,654	4,072
Exchange difference	(947)	3,134
Closing liability	<u>46,254</u>	<u>13,547</u>

This represent staff terminal benefits obligation relating to National Foods DMCC (subsidiary company) calculated in accordance with U.A.E. labour laws. Seven employees are covered under the above scheme.

21. TRADE AND OTHER PAYABLES

	Note	2024	2023
		(Rupees in '000)	
Creditors		5,060,053	4,173,046
Accrued liabilities		5,990,005	5,839,678
Workers' Profits Participation Fund	21.1	73,184	145,266
Workers' Welfare Fund	21.2	229,064	254,185
Refund liabilities	21.3	21,355	69,694
Tax deducted at source		113,361	72,040
Long term provision - current portion		76,014	70,286
Sales tax payable		286,850	24,431
Custom duties payable		72,546	120,283
Other liabilities		23,220	40,881
Due to a related party - Director		3,617	39,982
		<u>11,949,269</u>	<u>10,849,772</u>

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

21.1 Workers' Profit Participation Fund

Note	2024	2023
	(Rupees in '000)	
Payable/ (Receivable) as at July 1	145,266	2,187
Allocation for the year	73,184	145,266
	218,450	147,453
Amount paid during the year	(145,266)	(2,187)
Payable as at 30 June	73,184	145,266

21.2 The Finance Act, 2008 introduced amendments to the Workers' Welfare Fund (WWF) Ordinance, 1971 whereby the definition of industrial establishment was extended. The amendments were challenged at various levels and conflicting judgments were rendered by the Lahore High Court, Sindh High Court and Peshawar High Court. The Company is of the view that it is not liable to pay this liability. However, the management has made provision for WWF for the years from 2015 to 2024 amounting to Rs. 229 million as a matter of abundant caution.

The Honourable Supreme Court of Pakistan vide its judgment dated 10 November 2016, has upheld the view of Lahore High Court and decided that WWF is not a tax and hence the amendments introduced through Finance Act 2008 are ultra-vires to the Constitution. The Federal Board of Revenue has filed Civil Review Petitions in respect of above judgment with the prayer that the judgment dated 10 November 2016 passed in the Civil Appeal may kindly be reviewed in the interest of justice.

The management, as a matter of abundant caution, has decided to maintain the provision of WWF till the decision of Supreme Court in respect of Civil Review Petition.

21.3 This relates to amount of consideration expected to be refunded to customers, based on the estimated level of returns.

21.4 All investments out of provident fund have been made in accordance with the provisions of Section 218 of the Companies Act 2017 and the conditions specified thereunder.

22. CONTRACT LIABILITIES

	2024	2023
	(Rupees in '000)	
Advances from customers	308,907	355,136

22.1 Revenue recognised during the year that was included in the contract liability balance at the beginning of the year is Rs. 355.14 million (2023: Rs. 109.1 million)

23. SHORT-TERM BORROWINGS

Note	2024	2023
	(Rupees in '000)	
Conventional - local currency		
Running finance under mark up arrangements	1,245,302	2,750,486
Export re-finance	950,000	800,000
Conventional - foreign currency		
Demand operating loan	264,217	501,509
Running finance	578,613	-
Short term loan	132,686	-
Islamic - local currency		
Running finance under Musharakah	884,695	1,355,274
	4,055,513	5,407,269

23.1 The facilities for running finance available from various commercial banks are for the purpose of meeting working capital requirements. The effective rates of mark-up on these finances range from 22.03% to 22.12% (2023: 21.71% to 21.80%) per annum. The facilities are valid upto 30 September 2024 and are generally renewable.

23.2 A demand operating loan has been authorized by Toronto Dominion ("TD") bank to a maximum of Rs. 4.1 billion (2023: Rs. 2.4 billion) and bears interest at TD bank's prime lending rate plus 0.3% (2023: 0.3%) per annum and is secured by a general security agreement, an assignment of insurance and postponement of related party loans. The agreement was amended during the year to increase the maximum credit limit. The loan is guaranteed of the shareholders of the subsidiary company. As at 30 June 2024, the Company has used Rs. 264 million (2023: Rs. 502 million) of the bank credit facility.

23.3 The Company has short term running finance facility under Export Refinance Scheme of the State Bank of Pakistan from commercial banks. The effective rate of mark-up on this facility is 18% (2023: 17%) per annum. The facilities offer are valid upto 20 October, 2024 and are generally renewable.

23.4 The Company has obtained facilities for short-term finance under Running Musharakah. The effective rate of profit is 22.07% (2023: 21.75%) per annum. This facility matures within twelve months and is renewable. The facilities offer are valid upto 31 January, 2025 and are generally renewable.

23.5 The facilities available from various banks amount to Rs. 9.1 billion (2023: Rs. 6.14 billion). The arrangements are secured by way of pari-passu charge against hypothecation of Company's current and future movable assets having aggregate charge amounting to Rs. 12.19 billion.

23.6 As at 30 June 2024, the unavailed facilities from the above borrowings amounted to Rs. 6.09 billion (2023: Rs. 1.2 billion).

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

24. CONTINGENCIES AND COMMITMENTS

- 24.1** There are cases against the Group which are outstanding as at 30 June 2024. The management is confident that the decision will be in favor of the Group.
- 24.2** The facilities for opening letters of credit amount to Rs. 7.7 billion (2023: Rs. 4.2 billion) and for letters of guarantee amount to Rs. 1,095 million (2023: Rs. 1,071 million) as at 30 June 2024 of which the amount remaining unutilized at period end were Rs 6.8 billion (2023: Rs. 3.5 billion) and 926 million (2023: Rs. 620 million) respectively. The guarantees have mainly been given to utility companies, Collector of Customs and an oil marketing Company, etc.
- 24.3** Aggregate commitments for capital expenditure as at 30 June 2024 amount to Rs. 369 million (2023: Rs. 2.4 billion).
- 24.4** Aggregate commitments in respect of ujarah payments for ijarah financing of motor vehicles from a Modaraba bearing markup rate at three months KIBOR + 0.90% (2023: three months KIBOR + 0.90%) and from a commercial bank bearing markup rate at three months KIBOR + 1.25% (2023: three months KIBOR + 1.25%) per annum for rentals payable monthly as at 30 June 2024 amount to:

	2024	2023
	(Rupees in '000)	
Not later than one year	417,451	371,529
Later than one year but not later than five years	768,719	791,298
	<u>1,186,170</u>	<u>1,162,827</u>

Total sanctioned facilities amount to Rs. 1.9 billion, out of which Rs. 1.2 billion has been utilized by the Company as of the year end.

25. SALES - NET

	Note	2024	2023
		(Rupees in '000)	
- Local sales		50,506,049	40,107,177
- Export sales	25.1	55,360,575	39,344,295
Gross sales		<u>105,866,624</u>	<u>79,451,472</u>
Less: Sales tax		(9,377,521)	(7,122,934)
		96,489,103	72,328,538
Less:			
- Discount, rebates and allowances		(9,112,424)	(7,271,560)
- Sales return		(1,001,573)	(734,691)
		(10,113,997)	(8,006,251)
		<u>86,375,106</u>	<u>64,322,287</u>

- 25.1** Export sales comprise of sales made in the following regions:

Middle East
United States of America / Canada
Kingdom of Saudi Arabia
Europe / United Kingdom
Others

Above export sales includes sales by the subsidiary companies.

	2024	2023
	(Rupees in '000)	
	1,310,021	1,100,805
	52,138,717	37,092,512
	585,804	351,129
	763,485	395,490
	562,548	404,359
	<u>55,360,575</u>	<u>39,344,295</u>

25.2 DISAGGREGATION OF REVENUE

Local sales are within Pakistan only. The Group has disaggregated revenue recognised from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

Major Product Lines:

Condiments
Culinary
Retail business (departmental stores)

	2024	2023
	(Rupees in '000)	
	25,328,439	21,148,873
	29,797,553	22,587,577
	50,740,632	35,715,022
	<u>105,866,624</u>	<u>79,451,472</u>

- 25.3** Sales, net of sales return is Rs. 95.49 billion (2023: Rs. 71.59 billion).

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For the year ended 30 June 2024

26. COST OF SALES

	Note	2024	2023
		(Rupees in '000)	
Raw material consumed		13,318,463	11,737,878
Packing material consumed		5,651,499	4,955,873
Stores and spares consumed		487,169	201,711
Impairment loss / (reversal) against inventory		236,635	(112,052)
Salaries, wages and other benefits		2,384,286	1,694,519
Contribution to the provident fund		31,836	28,994
Depreciation	6.3	692,880	531,443
Depreciation of right-of-use assets	6.8.1	12,615	8,390
Amortization	7.2	1,220	665
Ujrah payments		55,088	47,477
Fuel and power		918,691	666,762
Insurance		33,298	21,515
Laboratory, research and development		29,909	23,739
Postage and communications		8,909	5,805
Printing and stationery		16,033	15,620
Rent, rates and taxes		502,108	453,974
Travelling		368,912	217,152
Repairs and maintenance		307,571	252,976
Security & janitorial charges		185,193	166,885
Inventory destruction charges		12,334	12,609
Others	26.1	96,706	68,684
		<u>25,351,355</u>	<u>21,000,619</u>
Opening work in process		2,474,424	1,617,287
Closing work in process		(3,012,839)	(2,474,424)
Cost of goods manufactured		<u>24,812,940</u>	<u>20,143,482</u>
Opening stock of finished goods		2,146,990	1,326,045
Closing stock of finished goods		(1,561,826)	(2,146,990)
Cost of sales for manufacturing business		<u>25,398,104</u>	<u>19,322,537</u>
Cost of sales for retail business		37,407,009	26,805,871
		<u>62,805,113</u>	<u>46,128,408</u>

26.1 This includes service charges amounting to Rs. 34 million.

27. SELLING AND DISTRIBUTION COSTS

	Note	2024	2023
		(Rupees in '000)	
Salaries, wages and other benefits		5,319,792	3,833,674
Advertising and sales promotion		2,569,760	2,270,000
Outward freight and handling charges		1,308,511	1,238,781
Contribution to the provident fund		49,371	42,133
Depreciation	6.3	288,628	244,088
Depreciation of right-of-use assets	6.8.1	1,040,156	541,373
Amortization	7.2	-	20,605
Ujrah payments		231,721	186,578
Fuel and power		217,582	141,617
Forwarding charges		30,629	27,363
Insurance		144,117	83,067
Legal and professional charges		218,509	92,386
Postage and communications		24,935	23,043
Printing and stationery		299,206	232,289
Rent, rates and taxes		407,665	286,578
Travelling		509,175	406,232
Repairs and maintenance		280,915	174,145
Others	27.1	123,910	69,404
		<u>13,064,582</u>	<u>9,913,356</u>

27.1 This includes expenses in relation to the business review meetings amounting to Rs. 13 million.

28. ADMINISTRATIVE EXPENSES

	Note	2024	2023
		(Rupees in '000)	
Salaries, wages and other benefits		1,987,236	1,321,230
Contribution to the provident fund		29,827	24,174
Depreciation	6.3	130,753	140,565
Depreciation of right-of-use assets	6.8.1	90,676	65,462
Amortization	7.2	74,694	17,649
Ujrah payments		118,327	72,106
Fuel and power		82,009	56,862
Insurance		35,495	21,081
Legal and professional charges		585,498	348,661
Postage and communications		62,876	31,347
Printing and stationery		52,493	43,875
Rent, rates and taxes		48,226	15,050
Travelling		178,268	117,404
Repairs and maintenance		620,406	411,904
Security & janitorial charges		29,880	20,073
Others	28.1	130,518	58,663
		<u>4,257,182</u>	<u>2,766,106</u>

28.1 This includes expenses in relation to inauguration of plant and training of employees amounting to Rs. 40 & 32 million respectively.

Notes to the Consolidated Financial Statements

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29. OTHER EXPENSES

	Note	2024	2023
(Rupees in '000)			
Workers' Profits Participation Fund		73,184	145,266
Workers' Welfare Fund		3,114	58,106
Auditors' remuneration	29.1	33,296	25,642
Exchange loss - net		64,912	-
Provision on property, plant and equipment		71,000	-
Impairment on long term Investments		-	14,216
Unrealized loss on short term investments at FVTPL		198	4,710
Donations	29.2	24,031	49,839
		<u>269,735</u>	<u>297,779</u>

29.1 Auditors' remuneration

	2024		2023	
	(Rupees in '000)			
	KPMG Taseer Hadi & Co.	Other KPMG firms	KPMG Taseer Hadi & Co.	Other KPMG firms
Audit fee	3,475	26,459	2,908	19,803
Limited review, special reports and other certifications	2,162	-	2,510	-
Out of pocket expenses	1,200	-	421	-
	<u>6,837</u>	<u>26,459</u>	<u>5,839</u>	<u>19,803</u>

29.2 Donations to following Organizations and Trusts exceed 10% of the Group's total amount of donation or Rs. 1 million, whichever is higher:

	2024	2023
(Rupees in '000)		
The Indus Hospital	2,200	16,033
Hisaar Foundation	-	9,941
Karachi Relief Trust	-	9,934
Allah Walay Trust	4,000	2,000
The Citizens Foundation	11,000	2,000
Childlife Foundation	1,000	1,500
Go Read.pk	2,000	1,500

Donations did not include any amount paid to any person or organization or institution in which a Director or his / her spouse had any interest.

30. OTHER INCOME

Income from financial instruments

Exchange gain - net	-	591,166
Return on profit or loss sharing bank account and term deposits - conventional	65,711	336
Realized gain on short term investments at FVTPL	9,035	11,644
Income from short term investments at FVTPL - dividend income	23,188	193,283
	<u>97,934</u>	<u>796,429</u>

Income from non-financial instruments

Gain on disposal of property, plant and equipment	58,222	23,193
Export rebate	8,910	3,370
Rental income	3,638	3,610
Amortisation of government grant	-	2,037
Scrap sales	96,196	83,481
Others	11,499	-
	<u>178,465</u>	<u>115,691</u>
	<u>276,399</u>	<u>912,120</u>

31. FINANCE COSTS

Mark-up on:

- Short-term running finances	291,595	253,389
- Export refinance facility	138,118	77,926
- Short-term borrowing - running musharakah	358,364	189,068
- Long-term loans	906,665	150,421
- Interest on lease liability	304,303	133,384

Bank charges

	598,220	354,701
	<u>2,597,265</u>	<u>1,158,889</u>

32. FINAL TAXES

This represents final taxes payable under sections 150 and 154 of Income Tax Ordinance, 2001 (final tax regimes).

33. MINIMUM TAX

This represents portion of minimum tax payable under section 113 of Income Tax Ordinance, 2001.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

34. INCOME TAX

	2024	2023 (Restated)
	(Rupees in '000)	
Current	1,176,450	1,228,171
Deferred	(379,332)	200,554
Prior year	(219,390)	(317,000)
	<u>577,728</u>	<u>1,111,725</u>

34.1 The aggregate of final taxes, minimum tax differential and current tax, amounting to Rs. 1.44 billion (2023: Rs. 1.28 billion) represents tax liability of the Company calculated under the relevant provisions of Income Tax Ordinance, 2001.

Reconciliation of Current Tax Charge charged as per tax laws for the year, with current tax recognised in the profit and loss account, is as follows:

	2024	2023
	(Rupees in '000)	
Current tax liability for the year as per applicable tax laws	1,436,359	1,281,567
Portion of current tax liability as per tax laws, representing \ income tax under IAS 12	(1,176,450)	(1,228,171)
Portion of current tax computed as per tax laws, representing levy	(259,909)	(53,396)
Difference	<u>-</u>	<u>-</u>

34.2 Income tax assessments of the Parent Company for various tax and accounting years 2004, 2005, 2008, 2011, 2012 and 2014 to 2021, taken as deemed assessments under section 120 of the Income Tax Ordinance, 2001 were subsequently amended under section 122(5A) of the Income Tax Ordinance, 2001 in which the Tax authorities has raised several demands. The Parent Company has filed appeals before various appellate forums and has maintained an adequate provision for any potential future liability.

34.3 The Parent Company has filed its income tax return up to the tax year 2023. Tax returns filed by the Company are deemed to be assessed under Section 120 of the Income Tax Ordinance, 2001 unless selected for an amendment / audit by the taxation authorities. Tax return may be selected for detailed audit within six years from the end of tax year to which it relates and the Income Tax Commissioner may amend the assessment.

34.4 On 9 December 2022, the UAE (Federal Tax Authority) released the Federal Decree-Law No. (47) of 2022 on the Taxation of Corporations and Businesses (CT Law). The CT Law was published in the Official Gazette on 10 October 2022 and became effective on 25 October 2022. The said law will be applicable to taxable persons for financial years commencing on or after 1 June 2023.

The Cabinet of Ministers Decision No. 116/2022 effective from January 2023, has confirmed the threshold of income over which the 9% tax rate would apply, the Law is considered to be substantively enacted. A rate of 9% will apply to taxable income exceeding AED 375,000. A rate of 0% will apply to taxable income not exceeding AED 375,000 and a rate of 0% on qualifying income of free zone entities.

34.5 Relationship between income tax expense and accounting profit

	2024	2023 (Restated)
	(Rupees in '000)	
Profit before taxation	3,632,547	4,959,845
Tax at applicable rate of 39% (2023: 39%)	1,434,188	1,934,340
Prior year tax effect	(219,390)	(317,000)
Tax effect of permanent differences	(93,131)	106,983
Tax effect of final tax regime & super tax	(56,821)	(227,747)
Income subject to lower rate	(90,967)	(27,060)
Effect of tax in foreign jurisdictions (effect of nil / lower tax rates)	(98,552)	(307,277)
Unused tax losses	(45,002)	-
Others	7,313	2,882
	<u>837,637</u>	<u>1,165,121</u>

35. EARNINGS PER SHARE - basic and diluted

	2024	2023 (Restated)
	(Rupees in '000)	
Profit after taxation attributable to owners of the parent company	1,910,182	3,174,768
	(Number of shares)	
Weighted average number of ordinary shares outstanding during the year	233,115,425	233,115,425
	(Rupees)	
	(Restated)	
Earnings per share	8.19	13.62

35.2 A diluted earnings per share has not been presented as the Group did not have any convertible instruments in issue as at balance sheet date which would have any effect on the earnings per share if the option to convert is exercised.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

36. CASH GENERATED FROM OPERATIONS

Note	2024	2023 (Restated)
	(Rupees in '000)	
Profit before final taxes, minimum tax differential and income tax	3,632,545	4,959,845
Adjustments for non-cash charges and other items		
Depreciation	1,112,261	916,096
Amortisation	75,914	38,919
Depreciation of right-of-use assets	1,143,448	615,225
Profit on disposal of property, plant and equipment	(58,222)	(23,193)
Amortisation of government grant	-	(2,037)
Provision for slow moving stock	306,767	(112,052)
Impairment loss on long term investment	-	14,216
Impairment loss on trade debts	25,080	10,024
Gain on remeasurement of investment at FVTPL	(9,035)	(11,644)
Interest expense - lease liability	304,303	133,384
Finance costs	2,292,961	1,025,505
Retirement benefits expense	99,011	47,032
	5,292,489	2,651,475
Profit before working capital changes	8,925,034	7,611,320
Working capital changes		
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	(55,229)	(92,915)
Stock in trade	376,254	(3,778,616)
Trade debts	646,681	470,076
Advances	(22,834)	(475,148)
Trade deposits and prepayments	20,983	(54,950)
Other receivables	73,251	(83,550)
	1,039,105	(4,015,103)
Increase / (decrease) in current liabilities		
Trade and other payables	445,149	1,154,795
Contract liability	(26,543)	197,926
	418,606	1,352,721
	10,382,744	4,948,938

37. CASH AND CASH EQUIVALENTS

	Note	2024	2023
		(Rupees in '000)	
Cash and bank balances	14	4,832,346	1,713,226
Short term borrowings - running finance	23.1 & 23.4	(2,708,610)	(4,105,760)
		2,123,736	(2,392,534)

38. REMUNERATION TO CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES OF PARENT COMPANY

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

	Chief Executive Officer		Directors		Executives	
	2024	2023	2024	2023	2024	2023
	(Rupees in '000)					
Managerial remuneration and allowances	71,120	45,745	-	-	907,286	625,600
Utilities	5,770	4,574	-	-	73,601	56,331
Bonus / variable pay	43,499	53,109	-	-	247,397	256,226
Housing	25,967	20,585	-	-	331,206	253,489
Retirement benefits	5,770	4,574	-	-	68,545	53,331
Meeting fee	-	-	5,100	5,160	-	-
Fuel allowance	-	-	-	-	174,700	117,760
Medical allowance	-	-	-	-	74,352	58,249
Travelling	-	-	-	-	7,580	13,548
Relocation allowance	-	-	-	-	34,937	21,811
Car maintenance allowance	-	-	-	-	35,747	26,728
Other expenses*	4,292	3,352	-	-	183,445	109,337
	156,418	131,939	5,100	5,160	2,138,796	1,592,410
Number of persons	1	1	6	6	248	184

* In respect of the executives, these represents allowances for several other benefits.

38.2 The Chief Executive, two non-executive directors and certain executives of the parent company are also provided with Company maintained cars, residence and mobile telephones.

Notes to the Consolidated Financial Statements

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39. RELATED PARTY DISCLOSURES

Related parties comprise of the ultimate Holding Company, Parent Company, subsidiaries (direct and indirect), key management personnel, staff retirement funds, directors, major shareholders and key management personnel.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company considers its Chief Executive Officer, Chief Financial Officer, Company Secretary, Non-Executive Directors and Departmental Heads to be its key management personnel. Transactions with key management personnel are in accordance with their terms of employment / entitlement. Contribution charged for retirement benefit plan are in accordance with the terms of the service rules / trust deed and actuarial valuation as relevant. Other transactions are in accordance with the agreed terms.

39.1 Balance outstanding with related parties

	2024	2023
	(Rupees in '000)	
Receivable from the parent company	5,160	5,188
Payable to the parent company	7,607	2,518
Payable to associated companies - net	55,250	63,107
Due to Directors	3,617	39,982

39.2 Transaction with related parties other than those disclosed else where in the notes are disclosed below:

Relationship with the Group	Nature of transaction	2024	2023
		(Rupees in '000)	
Parent Company	Rental income	3,638	3,610
	Rental expense	5,014	5,432
	Reimbursement of expenses from parent	11,465	13,184
	Reimbursement of expenses to parent	2,239	-
	Dividend paid	317,246	394,934
Associates	Purchases	215,865	352,869
	Annual subscription	2,500	2,546
Non-Controlling Interest	Dividend paid	380,105	219,751
Directors and their family members	Dividend paid	366,857	454,156
Staff retirement funds	Expense charged for defined contribution plan	111,034	95,301
	Payments to defined contribution plan	111,034	100,264
	Charge during the period to the defined benefit plan	66,669	45,973
	Contribution made during the period to the defined benefit plan	73,293	-

Key management personnel compensation:

	2024	2023
	(Rupees in '000)	
Salaries and other short-term employee benefits	1,443,463	1,005,143
Reimbursement of expenses	45,451	24,688
Director's meeting fee	29,174	16,564
Contribution to the Provident Fund	30,069	27,074
Retainers fee	208,275	22,313
Retirement benefits	5,855	2,514

39.3 The following are the related parties with whom the Group had entered into transaction or have arrangement / agreement in place:

Name of the Related Party	Basis of association	Aggregate % of Shareparent
ATC Holdings (Private) Limited	Holding Company*	34.02%
Cherat Packaging Limited	Associate due to common directorship (no holding in the company)	0%
Pakistan Cables Limited	Associate due to common directorship (no holding in the company)	0%
Associated Environment and Energy	Associate due to common directorship (no holding in the company)	0%
The Pakistan Business Council	Associate due to common directorship (no holding in the company)	0%
Employers' Federation of Pakistan	Associate due to common directorship (no holding in the company)	0%
Pakistan Society for Training & Development	Associate due to common directorship (no holding in the company)	0%
Mungwao Private Limited	Associate due to common directorship (no holding in the company)	0%

*It is the ultimate parent company.

40. PLANT CAPACITY AND PRODUCTION

	2024	2023
	(Metric tons)	
Actual production of plants	84,046	101,083

40.1 The capacity and production of the Parent Company plants are indeterminable as these are multi-product and involve varying processes of manufacture.

41. NUMBER OF EMPLOYEES

	2024	2023
	(Number)	
The details of number of employees are as follows:		
Total employees of the Group at the year end	953	929
Average employees of the Group during the year	941	939

42. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

The Board of Directors of the Group has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's activities expose it to variety of financial risks namely credit risk, liquidity risk and market risk (including foreign exchange risk and interest rate risk). The Group's overall risk management programme focuses on having cost effective funding as well as managing financial risk to minimise earnings volatility and provide maximum return to shareholders.

Notes to the Consolidated Financial Statements

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42.1 Credit risk

Credit risk represents the financial loss that would be recognised at the reporting date if counterparties failed to perform as contracted. The financial assets exposed to the credit risk amount to Rs. 8.78 billion (2023: Rs. 5.93 billion) appropriately.

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

	2024	2023
	(Rupees in '000)	
Financial assets:		
Deposits	722,233	60,829
Trade debts	3,240,433	3,228,417
Short-term investments - at fair value through profit or loss	738	937,047
Bank balances	4,814,980	1,703,794
	<u>8,778,384</u>	<u>5,930,087</u>

The maximum exposure to credit risk for trade receivables at the reporting date by geographic region was:

	2024	2023
	(Rupees in '000)	
Local	558,511	709,707
UAE	30,854	102,036
Canada	2,122,763	1,799,700
Other region	528,305	616,973
	<u>3,240,433</u>	<u>3,228,416</u>

The following table provides information about the exposure to credit risk for trade debts from individual customers as at 30 June 2024:

	Gross carrying amount	Expected credit loss	Net carrying amount
	(Rupees in '000)		
30 June 2024			
Current (not past due)	1,522,731	10,281	1,512,450
1-30 days past due	1,407,262	12,195	1,395,067
31-60 days past due	245,539	15,216	230,323
61-180 days past due	106,553	38,202	68,351
181-360 days past due	74,575	40,333	34,242
More than 360 days past due	58,913	58,913	-
	<u>3,415,573</u>	<u>175,140</u>	<u>3,240,433</u>

30 June 2023

Current (not past due)
1-30 days past due
31-60 days past due
61-180 days past due
181-360 days past due
More than 360 days past due

	Gross carrying amount	Expected credit loss	Net carrying amount
	(Rupees in '000)		
Current (not past due)	1,730,916	12,990	1,717,926
1-30 days past due	1,049,931	10,463	1,039,468
31-60 days past due	298,095	25,012	273,083
61-180 days past due	265,917	70,829	195,088
181-360 days past due	60,061	57,210	2,851
More than 360 days past due	10,160	10,160	-
	<u>3,415,080</u>	<u>186,664</u>	<u>3,228,416</u>

Based on the past experience, consideration of financial position, past track records and recoveries, the Group believes that the impairment on trade debts have been adequately accounted for in these financial statements.

The cash and bank balances and investment in mutual funds represent low credit risk balances are placed with banks having credit ratings of A1+ or above as assigned by PACRA or JCR-VIS and other reputed credit agencies.

Other financial assets are neither material to the financial statements nor exposed to any significant credit risk. The management does not expect any losses from non-performance by these counterparties.

Concentration of credit risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, management focuses on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Management does not consider that it has any concentration of credit risk at reporting date. Following are the details:

	2024	2023
	(Rupees in '000)	
Trade Debts		
-Local	558,511	709,707
-UAE	30,854	102,036
-Canada	2,122,763	1,799,700
-Other region	528,305	616,974
Banks	4,814,980	1,703,794
Mutual funds	738	937,047
Deposits - Utilities	722,233	60,829
	<u>8,778,384</u>	<u>5,930,087</u>

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

42.2 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk reflects the Group's inability in raising funds to meet commitments. The Group manages liquidity risk by maintaining sufficient cash and bank balances and the availability of financing through banking arrangements. Management monitors rolling forecasts of the Group's liquidity reserve which comprises of undrawn borrowing facility and cash and cash equivalents on the basis of expected cash flows.

	2024			
	Contractual Cashflows			
	Carrying amount	Total Contractual Cash flows	Within one year	More than one year
	(Rupees in '000)			
Non-derivative Financial Liabilities				
Long-term borrowings	7,011,039	11,305,014	1,554,744	9,750,270
Trade and other payables	11,076,895	11,076,895	11,076,895	-
Lease liabilities	5,837,634	6,825,510	1,566,354	5,259,156
Short-term borrowings - principal amount	4,055,513	4,055,513	4,055,513	-
Mark-up accrued on bank borrowings	937,824	937,824	937,824	-
Unclaimed dividend	22,906	22,906	22,906	-
	<u>28,941,811</u>	<u>34,223,662</u>	<u>19,214,236</u>	<u>15,009,426</u>
	2023			
	Contractual Cashflows			
	Carrying amount	Total Contractual Cash flows	Within one year	More than one year
	(Rupees in '000)			
Non-derivative Financial Liabilities				
Long-term borrowings	4,333,623	9,355,205	1,588,082	7,767,123
Trade and other payables	10,093,587	10,093,587	10,093,587	-
Lease liabilities	3,026,285	3,513,076	750,000	2,763,076
Short-term borrowings - principal amount	5,407,269	5,407,269	5,407,269	-
Mark-up accrued on bank borrowings	459,706	459,706	459,706	-
Unclaimed dividend	20,639	20,639	20,639	-
	<u>23,341,109</u>	<u>28,849,482</u>	<u>18,319,283</u>	<u>10,530,199</u>

42.3 Market risks

Foreign exchange risk

Foreign exchange risk arises mainly where trade receivables and trade payables exist in foreign currency and from bank balances. As at 30 June 2024 net financial assets/ (liabilities) of Rs. 2 billion (2023: Rs. 1.87 million) were denominated in foreign currency which were exposed to foreign currency risk.

As at 30 June 2024 if the Pak Rupee had strengthened/weaken by 5% against US Dollar with all other variables held constant, profit before tax for the year would have been lower / higher by Rs. 97.67 million (2023: Rs. 59.3 million).

The sensitivity of foreign exchange rate looks at the outstanding foreign exchange balances of the Group only as at the balance sheet date.

Details of balances due / payable as at the year end were as follows:

	2024								
	Rupees in ('000)	AED in ('000)	CNY in ('000)	Euro in ('000)	GBP in ('000)	SAR in ('000)	USD in ('000)	AUD in ('000)	CAD in ('000)
Trade debts	2,805,319	115.67	-	-	-	-	2,117.43	-	10,867.64
Bank balance	1,849,329	3,990.64	-	-	-	-	5,077.67	-	658.04
Trade liabilities	(2,653,200)	(940.13)	-	(4.26)	(3.78)	-	(177.38)	-	(12,462.18)
	<u>2,001,448</u>	<u>3,166.18</u>	<u>-</u>	<u>(4.26)</u>	<u>(3.78)</u>	<u>-</u>	<u>7,017.73</u>	<u>-</u>	<u>(936.50)</u>
	2023								
	Rupees in ('000)	AED in ('000)	CNY in ('000)	Euro in ('000)	GBP in ('000)	SAR in ('000)	USD in ('000)	AUD in ('000)	CAD in ('000)
Trade debts	3,415,081	11,064.20	-	-	-	-	-	-	8,277.20
Bank balance	1,702,111	161.17	-	-	-	-	4,151.52	-	2,310.82
Trade liabilities	(3,244,604)	(4.00)	(90.17)	(29.72)	(0.35)	(0.22)	(61.61)	(23.61)	(14,729.41)
	<u>1,872,588</u>	<u>11,221.37</u>	<u>(90.17)</u>	<u>(29.72)</u>	<u>(0.35)</u>	<u>(0.22)</u>	<u>4,089.90</u>	<u>(23.61)</u>	<u>(4,141.39)</u>

The following significant exchange rates were applied during the year:

	2024	
	Average rate	Reporting date rate
Rupees / USD	283.25	278.34
Rupees / AED	77.12	75.78
Rupees / CAD	209.10	203.01

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

	2023	
	Average rate	Reporting date rate
Rupees / USD	248.00	285.99
Rupees / CNY	35.65	39.67
Rupees / AED	67.52	77.86
Rupees / CAD	185.03	217.84

Interest rate risk

At 30 June 2024 the Group had variable interest bearing financial liabilities of Rs. 11.07 billion (2023: Rs. 9.74 billion) and interest bearing financial assets of Rs. 1.7 million (2023: 0.411 million). Had the interest rates varied by 100 basis points (2023: 100 basis points) with all the other variables held constant, profit before tax for the year would have been lower / higher by approximately Rs. 110.67 million (2023: Rs. 97.41 million), mainly as a result of higher.

Details of the financial instruments, exposed to interest rate risk, based on the earlier of re-pricing or contractual maturity dates are as follows:

	Exposure to Interest / Mark up rate risk		
	Upto 1 month	Upto 3 Months	Total
	(Rupees in '000)		
Financial assets			
Bank balances	1,669	-	1,669
30 June 2024	<u>1,669</u>	<u>-</u>	<u>1,669</u>
30 June 2023	<u>411</u>	<u>-</u>	<u>411</u>
Financial liabilities			
Long term finance	-	7,011,039	7,011,039
Short term borrowings	4,055,513	-	4,055,513
30 June 2024	<u>4,055,513</u>	<u>7,011,039</u>	<u>11,066,552</u>
30 June 2023	<u>5,407,269</u>	<u>4,333,623</u>	<u>9,740,892</u>

Details of interest / markup rates are disclosed in the respective notes

42.4 Reconciliation of movements of liabilities to cash flows arising from financing activities

	2024					
	Short term borrowings used for cash management purpose	Other short term borrowings including related accrued markup	Lease liabilities	Long term borrowings including loan classified as current [including related accrued markup] (refer note 19)	Retained earnings	Total
	(Rupees in '000)					
Balance as at 1 July 2023	4,607,269	800,000	3,026,285	4,333,623	12,954,812	25,721,989
Changes from financing cash flows						
Repayment of loan	(78,191)	150,000	-	-	-	71,809
Proceeds from long term loan	-	-	-	2,796,916	-	2,796,916
Lease Rental Payment	-	-	(1,201,014)	-	-	(1,201,014)
Dividend paid	-	-	-	-	(1,310,299)	(1,310,299)
Total changes from financing activities	<u>(78,191)</u>	<u>150,000</u>	<u>(1,201,014)</u>	<u>2,796,916</u>	<u>(1,310,299)</u>	<u>357,412</u>
Other changes - interest cost						
Interest expense	649,959	138,118	304,303	906,665	-	1,999,045
Interest paid	(649,959)	(138,118)	-	(906,665)	-	(1,694,742)
Additions in lease liabilities	-	-	3,971,299	-	-	3,971,299
Changes in running finance	(1,975,763)	-	-	-	-	(1,975,763)
Exchange difference	552,198	-	(263,239)	(119,500)	(376,460)	(207,001)
Total loan related other changes	<u>(1,423,565)</u>	<u>-</u>	<u>4,012,363</u>	<u>(119,500)</u>	<u>(376,460)</u>	<u>2,092,838</u>
Total equity related other changes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,787,968</u>	<u>2,787,968</u>
Balance as at 30 June 2024	<u>3,105,513</u>	<u>950,000</u>	<u>5,837,634</u>	<u>7,011,039</u>	<u>14,056,021</u>	<u>30,960,207</u>

42.5 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefit for other stake holders and to maintain an optimal capital structure to reduce the cost of capital. During the year, the Group's strategy was to maintain leveraged gearing. The gearing ratio as at 30 June 2024 was as follows:

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

	2024	2023 (Restated)
	(Rupees in '000)	
Total borrowings	12,004,376	10,200,598
Cash and bank balances	(4,832,346)	(1,713,226)
Net debt	7,172,030	8,487,372
Total equity	14,056,021	12,954,812
Total capital	21,228,051	21,442,184
Gearing ratio	34%	40%

The Group finances its operations through equity, borrowings and management of working capital with a view to maintain an appropriate mix between various sources of finance to minimise risk. The Group is not exposed to externally imposed capital requirement.

Fair values of financial assets and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Management considers fair value of financial assets approximate its fair value owing to their short term maturities and credit quality of counter parties.

42.6 Fair values of financial assets and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Group is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Group is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' requires the Group to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the 'measurement date (level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (level 2).
- Unobservable inputs for the asset or liability (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

	2024					
	Carrying amount		Fair value			
	Financial assets at amortised cost	Fair Value	Financial Liabilities at amortised cost	Level 1	Level 2	Level 3
(Rupees in '000)						
Financial assets not measured at fair value - note 42.6.1						
Trade debts	3,240,433	-	-	-	-	-
Bank balances	4,814,980	-	-	-	-	-
Cash in hand	17,366	-	-	-	-	-
Deposits	722,233	-	-	-	-	-
Financial assets measured at fair value						
Short-term investments at FVTPL	-	738	-	-	738	-
Financial liabilities not measured at fair value - note 42.6.1						
Long term borrowings	-	-	7,011,039	-	-	-
Trade and other payables	-	-	11,076,895	-	-	-
Short-term borrowings	-	-	4,055,513	-	-	-
Lease liabilities	-	-	5,837,634	-	-	-
Mark-up accrued on bank borrowings	-	-	937,824	-	-	-
Unclaimed dividend	-	-	22,906	-	-	-
	<u>8,795,012</u>	<u>738</u>	<u>28,941,811</u>	<u>-</u>	<u>738</u>	<u>-</u>

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

	2023					
	Carrying amount		Fair value			
	Financial assets at amortised cost	Fair Value	Financial Liabilities at amortised cost	Level 1	Level 2	Level 3
	(Rupees in '000)					
Financial assets not measured at fair value - note 42.6.1						
Trade debts	3,228,417	-	-	-	-	-
Bank balances	1,703,794	-	-	-	-	-
Cash in hand	9,432	-	-	-	-	-
Deposits	60,829	-	-	-	-	-
Financial assets measured at fair value						
Short-term investments at FVTPL	-	937,047	-	-	937,047	-
Financial liabilities not measured at fair value - note 42.6.1						
Long term borrowings	-	-	4,333,623	-	-	-
Trade and other payables	-	-	10,093,587	-	-	-
Short-term borrowings	-	-	5,407,269	-	-	-
Lease liabilities	-	-	3,026,285	-	-	-
Mark-up accrued on bank borrowings	-	-	459,706	-	-	-
Unclaimed dividend	-	-	20,639	-	-	-
	<u>5,002,472</u>	<u>937,047</u>	<u>23,341,109</u>	<u>-</u>	<u>937,047</u>	<u>-</u>

42.6.1 The Group has not disclosed the fair values of the above financial assets and financial liabilities, as these are either short term in nature or repriced, periodically. Therefore, carrying amounts of financial instruments carried at amortised cost are reasonable approximation of their fair values.

43. OPERATING SEGMENT

The Group has the two operating segments namely core business and retail (cash and carry). The core business providing wide range of food products to consumers. The retail (cash and carry) offer different products / supplies to restaurants, retailers and industrial customers based in Canada.

The Group's chief executive officer reviews the internal management reports of each segment separately.

43.1 Segment revenue and results

For the year ended 30 June 2024

	Core Segment - Food & Food related products	Retail - (cash and carry)	Total
	(Rupees in '000)		
Sales	37,961,097	48,414,009	86,375,106
Cost of sales	(25,398,104)	(37,407,009)	(62,805,113)
Gross profit	12,562,993	11,007,000	23,569,993
Distribution expenses	(7,149,772)	(5,914,810)	(13,064,582)
Impairment loss on trade debts	(625)	(24,456)	(25,081)
Administrative expenses	(3,156,926)	(1,100,256)	(4,257,182)
Other expenses	(254,525)	(15,210)	(269,735)
Other income	275,821	578	276,399
Finance cost	(1,642,752)	(954,513)	(2,597,265)
Profit before taxation	634,214	2,998,333	3,632,547
Taxation	(73,808)	(763,829)	(837,637)
Profit after taxation	<u>560,406</u>	<u>2,234,504</u>	<u>2,794,910</u>

For the year ended 30 June 2023

	Core Segment - Food & Food related products	Retail - (cash and carry)	Total
	(Rupees in '000)		
Sales	30,315,296	34,006,991	64,322,287
Cost of sales	(19,322,537)	(26,805,871)	(46,128,408)
Gross profit	10,992,759	7,201,120	18,193,879
Selling and distribution expenses	(6,147,403)	(3,765,953)	(9,913,356)
Impairment loss on trade debts	(1,506)	(8,518)	(10,024)
Administrative expenses	(2,084,463)	(681,643)	(2,766,106)
Other operating charges	(283,133)	(14,646)	(297,779)
Other income	902,224	9,896	912,120
Finance Cost	(648,206)	(510,683)	(1,158,889)
Profit before taxation	2,730,272	2,229,573	4,959,845
Taxation	(505,527)	(659,595)	(1,165,122)
Profit after taxation	<u>2,224,745</u>	<u>1,569,978</u>	<u>3,794,723</u>

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

43.2 Segment assets and liabilities

	Core Segment - Food & Food related products	Retail - (cash and carry)	Total
	(Rupees in '000)		
As at 30 June 2024			
Segment assets	29,804,543	15,441,664	45,246,207
Segment liabilities	14,231,947	5,271,844	19,503,791
As at 30 June 2023			
Segment assets	26,810,936	12,341,697	39,152,633
Segment liabilities	14,362,366	4,844,109	19,206,475

43.3 Segment assets reported above comprise of property, plant and equipment, stock in trade and trade debts.

43.4 Information about major customers

The Group's customer base is diverse with no single customer accounting for more than 10% of net sales. Sales to domestic customers in Pakistan are 47.71% (2023: 50.48%) and to customers outside Pakistan are 52.29% (2023: 49.52%) of the revenue.

43.5 Geographical Location

The Group's gross revenue from external customers by geographical location is detailed below:

	2024	2023
	(Rupees in '000)	
Domestic sales	50,506,049	40,107,177
Export sales	55,360,575	39,344,295
	105,866,624	79,451,472
43.5.1 Region wise export sales are as under:		
Middle East	1,310,021	1,100,805
Canada	52,138,717	37,092,512
Kingdom of Saudi Arabia	585,804	351,129
Europe/UK	763,485	395,490
Others	562,548	404,359
	55,360,575	39,344,295

43.6 Management considers that revenue from its ordinary activities are shariah compliant.

43.7 Non-current assets of the Group are located in Pakistan except non-current assets amounting to Rs. 8.7 billion (2023: Rs. 5.9 billion) are located outside Pakistan.

44. EVENT OCCURRING AFTER BALANCE SHEET DATE

The Board of Directors of the Parent Company in their meeting held on 5 September, 2024 has proposed a final dividend of Rs. 5 per share (2023: Rs. 2.5 per share) amounting to Rs. 1,165.58 million (2023: Rs. 582.79 million) for the year ended 30 June 2024. The approval of the shareholders of the Parent Company for the dividend and bonus issue shall be obtained in the upcoming Annual General Meeting for the year ended 30 June 2024. The financial statements for the year ended 30 June 2024, do not include the effect of the proposed final cash dividend which will be accounted for in the financial statements of the year ending 30 June 2025.

45. DATE OF AUTHORISATION

These financial statements were authorised for issue by the Board of Directors of the Parent Company on 5 September 2024.


Chief Executive Officer


Chief Financial Officer


Director

At the Heart of Investor Relations

We aim to build strong relationships with investors with adherence to international standards and the vision of quality, nutrition, and wellness.

The strategic initiatives, financial performance, and growth opportunities, reinforce our dedication to achieve mutual success and long-term trust.



Pattern of Shareholding

As of June 30, 2024

# Of Shareholders	Shareholdings' Slab			Total Shares Held
1,322	1	to	100	49,831
902	101	to	500	253,745
481	501	to	1000	367,830
604	1001	to	5000	1,408,599
167	5001	to	10000	1,187,833
48	10001	to	15000	599,869
43	15001	to	20000	768,777
32	20001	to	25000	713,768
19	25001	to	30000	529,925
12	30001	to	35000	384,729
6	35001	to	40000	234,600
8	40001	to	45000	349,157
4	45001	to	50000	189,602
5	50001	to	55000	258,600
2	55001	to	60000	115,100
2	60001	to	65000	122,300
6	65001	to	70000	404,419
3	70001	to	75000	216,300
2	75001	to	80000	154,375
7	80001	to	85000	575,425
2	85001	to	90000	176,600
2	90001	to	95000	186,681
2	95001	to	100000	200,000
3	100001	to	105000	309,839
1	105001	to	110000	109,720
3	110001	to	115000	340,500
7	115001	to	120000	814,521
1	120001	to	125000	122,500
1	130001	to	135000	134,781
1	135001	to	140000	139,000
1	145001	to	150000	150,000
1	155001	to	160000	157,812
1	160001	to	165000	165,000
2	165001	to	170000	335,786

# Of Shareholders	Shareholdings' Slab			Total Shares Held
1	285001	to	290000	286,000
2	300001	to	305000	603,925
1	335001	to	340000	339,000
1	370001	to	375000	371,250
1	445001	to	450000	446,400
1	470001	to	475000	471,773
1	570001	to	575000	571,877
1	580001	to	585000	585,000
1	590001	to	595000	591,425
1	635001	to	640000	640,000
1	710001	to	715000	714,646
1	760001	to	765000	765,000
1	870001	to	875000	875,000
1	965001	to	970000	966,965
1	995001	to	1000000	1,000,000
2	1035001	to	1040000	2,074,253
3	1515001	to	1520000	4,545,111
1	1550001	to	1555000	1,551,606
1	2215001	to	2220000	2,218,632
1	2745001	to	2750000	2,748,185
1	2860001	to	2865000	2,863,928
1	4350001	to	4355000	4,353,301
1	4495001	to	4500000	4,500,000
1	4665001	to	4670000	4,665,681
1	8440001	to	8445000	8,443,412
1	14875001	to	14880000	14,875,592
1	23000001	to	23005000	23,003,081
1	27860001	to	27865000	27,864,177
1	28640001	to	28645000	28,641,268
1	79310001	to	79315000	79,311,413
				3,737
				233,115,425

Categories of Shareholders

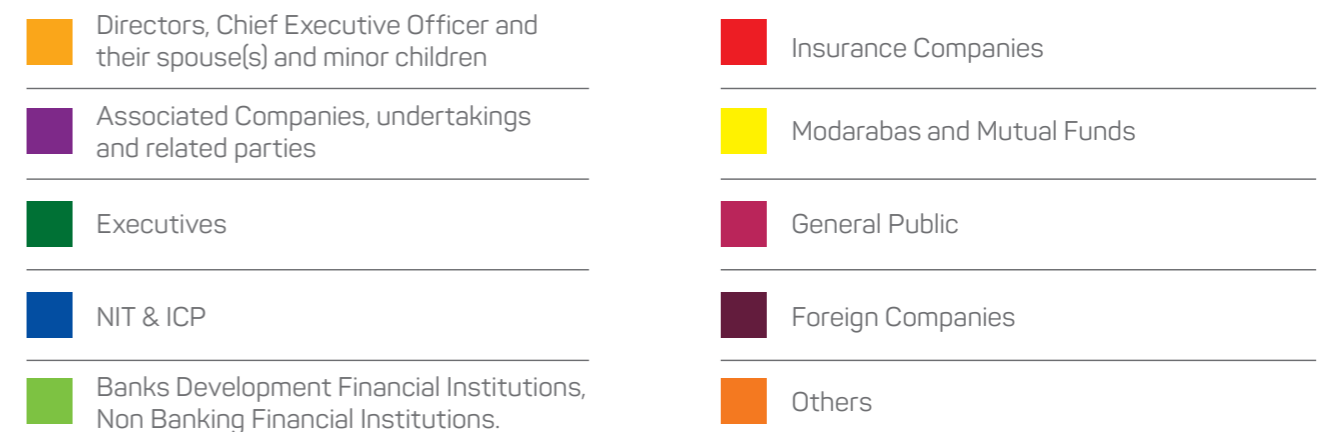
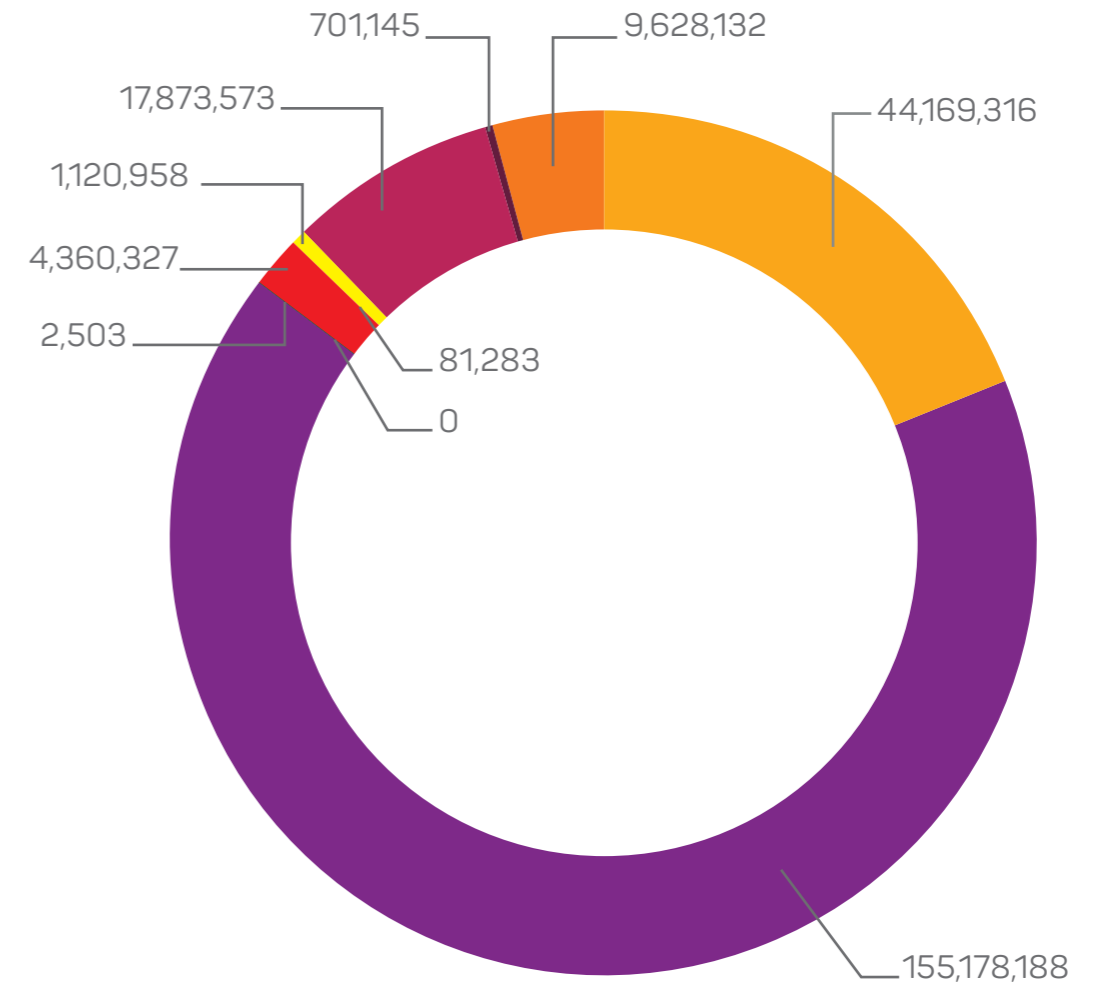
As of June 30, 2024

Categories of Shareholders	Shareholders	Shares Held	Percentage
Directors, Chief Executive Officer, their spouse(s) and minor children			
ZAHID MAJEED	1	14,875,592	6.38
ABRAR HASAN	1	23,003,081	9.87
ALI H.SHIRAZI	1	1,000	0.00
NOREEN HASAN	2	81,000	0.03
SAADIA NAVEED	1	1,515,037	0.65
EHSAN ALI MALIK	1	1,125	0.00
ADAM FAHY MAJEED	1	4,665,681	2.00
MARIAM EHSAN ALI MALIK	1	26,800	0.01
Associated Companies, undertakings and related parties	12	155,178,188	66.57
Executives	2	2,503	0.00
NIT & ICP	-	-	-
Banks Development Financial Institutions, Non Banking Financial Institutions.	2	4,360,327	1.87
Insurance Companies	1	81,283	0.03
Modarabas and Mutual Funds	11	1,120,958	0.48
General Public			
a. Local	3,399	17,607,647	7.55
b. Foreign	177	265,926	0.11
Foreign Companies	2	701,145	0.30
Others	122	9,628,132	4.13
Totals	3,737	233,115,425	100.00

Share holders holding 10% or more	Shares Held	Percentage
KHAWAR M. BUTT	28,641,268	12.29
ATC HOLDINGS (PRIVATE) LIMITED	79,311,413	34.02
MILLVILLE OPPORTUNITIES MASTER FUND LP	27,864,177	11.95

Pattern of Shareholding

as at June 30, 2024



Stakeholders' Information

On 30th June 2024 there were 3,737 members on the record of the Company's Ordinary Shares.

FINANCIAL CALENDAR		
Results		
Q2024 1	Approved and Announced on	19TH October 2023
Q2024 2	Approved and Announced on	27th February 2024
Q2024 3	Approved and Announced on	29th April 2024
YE 2024	Approved and Announced on	5th September 2024
53rd ANNUAL GENERAL MEETING TO BE HELD ON		21st October 2024

Trading in Shares by Directors and Executives

Trading in shares of the Company during the year by Chairman, Executive, Director's spouse, Substantial Shareholder and Associated Company is as follows:

Directors	Mr. Zahid Majeed	Buy	571,367
		Gift Out	4,714,769
	Mr. Adam Fahy Majeed	Gift In	259,800
	Mrs. Noreen Hasan	Buy	13,000
Substantial Shareholder	Millville Opportunities Master Fund, LP	Buy	4,562,654
Executive	Sagheer Ahmed	Sell	1,000
		Buy	900

Members Having 10% or More of Voting Rights

Name of Shareholder(s)	No. of Shares Held	Percentage
KHAWAR M. BUTT	28,641,268	12.29
ATC HOLDINGS (PRIVATE) LIMITED	79,311,413	34.02
MILLVILLE OPPORTUNITIES MASTER FUND LP	27,864,177	11.95

Shareholding Position / IBAN

Shareholding Position

Shares in Physical Register	478	1,596,176	0.68
Shares Deposited in Central Depository System	3259	231,519,249	99.32
Total	3,737	233,115,425	100.00

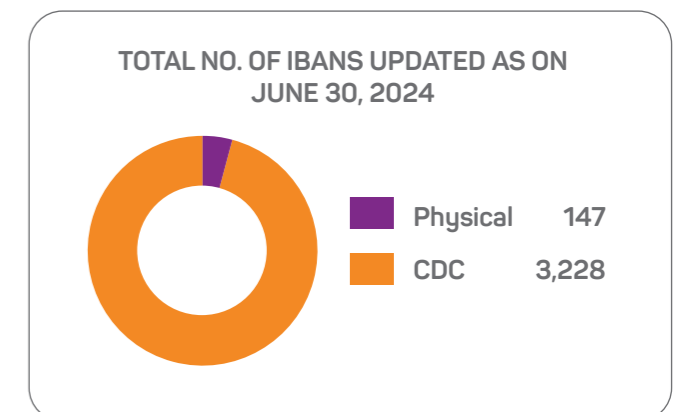
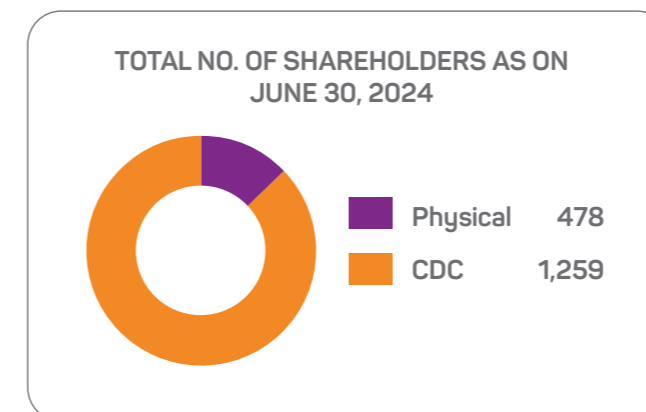
IBAN

IBAN / Account No. Updated (Physical)	147	844,169	3.93
IBAN / Account No. Updated (CDS)	3,228	231,375,298	86.38
Total	3375	232,219,467	90.31

No. of Shareholders	No. of Shares Held	Percentage (%)
478	1,596,176	0.68
3259	231,519,249	99.32
3,737	233,115,425	100.00

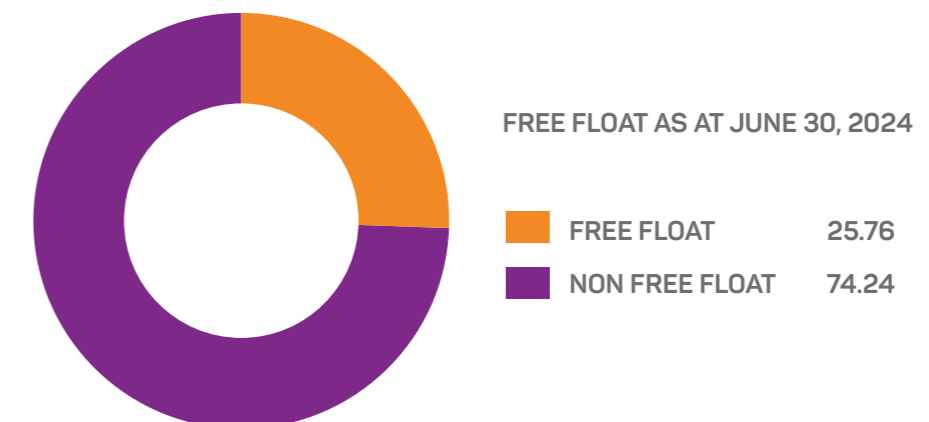
No. of Shareholders	No. of Shares Held	Percentage (%)
147	844,169	3.93
3,228	231,375,298	86.38
3375	232,219,467	90.31

Shareholding Position / IBAN



Free Float of Shares

Free float shares of the Company are 60,045,519 i.e. (25.76%) out of the total 233,115,425 Shares of the Company as at 30th June 2024.



Notice of Annual General Meeting

Notice is hereby given that the 53rd Annual General Meeting of National Foods Limited will be held on **Monday, October 21, 2024**, at 15:00 p.m. at **Beach Luxury Hotel**, Karachi to transact the following business. The shareholders who wish to attend the AGM via video link facility may do so.

Ordinary Business:

1. To confirm the Minutes of 52nd Annual General Meeting held on October 19, 2023.
2. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2024, together with the Directors' and Auditors' Reports thereon, together with Audited consolidated financial statements of the Company and the Auditors' reports thereon for the year ended June 30, 2024.

Note: Member may access the Annual Audited Financial Statements through the following QR code and web-link:



Web Link: <https://qr-codes.io/VVhz5G>

3. To consider, approve and declare the dividend on the ordinary shares of the Company. The Directors have recommended a Final Cash dividend of Rs. 5.00 per ordinary share (100 %) in addition to the 30 % interim cash dividend announced and already paid, making a total dividend of Rs. 6.5 per share (130 %) for the financial year ended 30 June 2024.
4. To appoint External Auditors of the Company for the ensuing year, and to fix their remuneration. The Board of Directors, on the recommendation of Audit Committee of the Company, has proposed re-appointment of M/s KPMG Taseer Hadi & Co. Chartered Accountants as external auditors, for the year ending June 30, 2025.
5. To elect 7 (seven) Directors, as fixed by the Board in accordance with the provision of Section 159 of the Companies Act, 2017, for a term of 3 (three) years commencing immediately upon the conclusion of the 53rd AGM of this Company. The names of the retiring directors of the Company, are as follows:
 1. Mr. Zahid Majeed
 2. Mr. Abrar Hasan
 3. Mr. Adam Fahy Majeed
 4. Mrs. Noreen Hasan
 5. Mrs. Saadia Naveed
 6. Mr. Ali Shirazi
 7. Mr. Ehsan Ali. Malik

Special Business:

6. To consider and, if thought fit, to pass with or without modification(s), the resolution appearing below as ordinary resolution to authorize Mr. Adam Fahy Majeed for holding of office of profit in the Company in terms of Section 171 (1) (c) (i) of the Companies Act, 2017.

"RESOLVED THAT pursuant to the provisions of Section 171 (1) (c) (i) of the Companies Act, 2017, consent of Members be and is hereby accorded to authorize Mr. Adam Fahy Majeed for holding office or place of profit under the Company, as Executive Director of the Company at a remuneration, other entitlements and terms and conditions as may be determined by the directors and altered from time to time, as per the Company's policies".
7. To consider and approve the proposed increase in the Director's Remuneration. For this purpose, pass the following Resolution as ordinary resolution with or without any amendments, modifications, or alterations:-

"RESOLVED THAT the increase in remuneration of the Chairman and the non-executive and independent directors of the Company for attending Board and Committee Meeting, as appearing the statement of material facts, approved by the board of directors in their meeting held on September 5, 2024, is hereby ratified / approved pursuant to Article 62 of the Articles of Association of the Company".

8. To consider, and if thought fit, to pass the following resolutions as special resolutions, (a) to ratify and approve the transactions carried out with related parties during the financial year ended June 30, 2024, and (b) & (c) to authorize the Board of Directors to approve all related party transactions carried out and to be carried out during the year ending June 30, 2025.

- a) **"RESOLVED THAT** the transactions, in which majority of directors are interested, carried out by the company with the following related parties for the financial year ended June 30, 2024, be and are hereby ratified and approved".

ATC Holdings (Private) Limited - Parent Company
National Foods DMCC - Subsidiary

- b) **"FURTHER RESOLVED THAT** the Board of Directors of the Company be and is hereby authorized to approve all related party transactions, in which majority of directors are interested, carried out and to be carried out with any related party including the above-named related parties, on case-to-case basis, for the financial year ending June 30, 2025, and till next Annual General Meeting of the Company".

"FURTHER RESOLVED THAT the approval of transactions by the Board, as aforesaid, shall be deemed to have been approved by the shareholders and the transactions for the year ending June 30, 2025, shall be placed before the shareholders in the next Annual General Meeting for their formal ratification/approval".

9. To consider and approve the sale of Land and Building called "Properties" of the Company located at F-160/C and F-133, S.I.T.E., Karachi, and pass the following Special Resolution(s), with or without modifications, additions or deletions, in terms of Section 183(3)(a) of the Companies Act, 2017:

"RESOLVED THAT the consent of shareholders be and is hereby accorded to the disposal and sale of Company's Land and Building called "Properties" located at F-160/C and F-133, S.I.T.E., Karachi".

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized and empowered to delegate its powers to the Chairman and / or Chief Executive Officer (CEO) or including, with or without any Director of the Company or any other person on such terms and conditions they deem fit, to act on behalf of the Company in doing and performing all acts, matters, things and deeds to implement and / or give effect to the "Properties" and the transaction contemplated by it, which shall include, but not be limited to:

- a) conducting negotiations, obtaining quotations etc., with interested parties in such manner and on such terms and conditions as are in the best interest of the Company and its shareholders and which secure the best available market price for the "Properties";
- b) selling the "Properties" to any individual, firm(s) / partnership, bank(s) or private / public limited companies or organization(s) or to any other person and, for that purpose, negotiating with financial institution(s) for vacating lien/charges against assets if any, entering into an agreement to sell, sale deed or any other agreement with the buyer(s) or any other person, receiving the sale consideration, executing, preparing and signing any sale deed, conveyance deed and / or transfer documents in favor of the buyer(s) or another person to effect the "Properties" in favor of the buyer(s) or any other person by representing the same before all parties & authorities concerned and admitting execution thereof;

- c) representing before the Sub-Registrar or any other competent authority and getting any sale deed or other document(s) registered and collecting consideration amount in respect of the "Properties", and
- d) generally performing and executing in respect of the "Properties" all lawful deeds, agreements, acts and things as they may think fit and proper in order to implement and complete the "Properties" transaction(s).

FURTHER RESOLVED THAT Chairman and / or Chief Executive and / or any Director and Company Secretary, or such other person(s) as may be authorized by any of them (the "Authorized Persons"), be and are hereby, jointly or severally, authorized and empowered to take all necessary steps, make the requisite decisions from time to time, do all such acts, deeds and things, obtain necessary approvals, and to execute and deliver all such deeds, agreements, declarations, undertakings and guarantees, including any ancillary document thereto or provide any such documentation for and on behalf and in the name of the Company as may be necessary or required or as they or any of them may think fit for or in connection with or incidental for the purposes of carrying out the proposed Special Resolutions.

FURTHER RESOLVED THAT the Company be and is hereby authorized to take all actions incidental or ancillary thereto with regard to "Properties".

FURTHER RESOLVED THAT the Board be and is hereby empowered to agree upon modification in these resolutions that may be directed / required by the SECP/PSX or any other competent authority / regulator without the need for any other further approval of the shareholders.

RESOLVED FURTHER THAT all actions heretofore taken by Chairman and /or CEO and / or any Director or Authorized Person(s) on behalf of the Company in respect of the above matters are hereby confirmed, ratified, and adopted by the Company in full.

FURTHER RESOLVED THAT the Chairman and / or, Chief Executive and / or Company Secretary be and are hereby severally authorized to comply with the statutory requirements with the SECP, Pakistan Stock Exchange and or any other relevant regulatory body and do all such acts, deeds and things as may be necessary under the law in this regard.

ALSO RESOLVED THAT certified copies of resolutions as present form or modified by Chairman/CEO/Company Secretary be communicated to the concerned authorities and shall remain in force until notice in writing to the contrary be given."

ANY OTHER BUSINESS:

10. To transact any other business with the permission of the Chair.

Statements under Section 134(3) of the Companies Act, 2017 in respect of special business contained in Agenda Item Number 6, 7, 8 & 9 is annexed to the notice being sent to the members.

Karachi
September 30, 2024

By Order of the Board

Fazal ur Rehman Hajano
Company Secretary

Notes:

1. Election of Directors

- A. Pursuant to Section 159(1) of the Companies Act, 2017, the Board of Directors have fixed the number of Directors at seven (07), to be elected in the Annual General Meeting of the Company for a period of three (03) years. In terms of Regulation 7A of the Listed Companies (Code of Corporate Governance) Regulations, 2019 the election will be held in the following categories for number of seats specified.

Category	Number of Seats
Female Director	One
Independent Directors	Two
Other Directors	Four

- A. Every candidate for the election must be a member of the company except the person representing a member who is a non-natural person.
- B. Any person who seeks to contest the election for the office of Director shall, whether he is a retiring director or otherwise, file following documents/information with the Company at its registered office, no later than fourteen (14) days before the date of meeting:
 - i. Notice of his/her intention to offer himself /herself for election of directors in terms of Section 159(3) of the Companies Act, 2017, stating any one category in which he/she intends to be elected as required under Regulation 7A of the Listed Companies (Code of Corporate Governance) Regulations, 2019 as amended vide SRO 906(I)/2023 dated July 07, 2023.
 - ii. Consent to act as director on Appendix to Form-9 under section 167 of the Companies Act, 2017 along with copy of attested copy of CNIC, NTN or Passport.
 - iii. A detailed profile of the Candidate including his/her office address for placement onto the Company's website as required under SECP's SRO 1196(I) / 2019 dated October 03, 2019.
 - iv. A declaration confirming that:
 - He/she is not ineligible to become a director of a listed company under any provisions of the Act, the Listed Companies (Code of Corporate Governance) Regulations, 2019 and any other applicable law, rules and regulations.
 - He/she is aware of his/her duties, liabilities and powers under the Companies Act 2017, the Securities Act 2015, Listed Companies (Code of Corporate Governance) Regulations, 2019, Rule Book of Pakistan Stock Exchange, Memorandum and Articles of Association and all other applicable laws/rules/regulations/codes etc.
 - He / she is not a minor neither of unsound mind nor an un-discharged insolvent.
 - He / she is born on the register of National Taxpayers.
 - He / she has not been convicted by a court as defaulter in payment of loan to financial institutions, Development Financial Institution and Non-Banking Financial Institution.
 - He / she is not serving as director, including Alternate Director, in more than seven listed companies simultaneously.
 - Neither he / she nor his / her spouse is engaged in the business of stock brokerage.
 - v. Copy of valid CNIC (in case of Pakistani national)/ Passport (in case of foreign national), and NTN and Folio Number/CDC Investors Account No. /CDC Sub-Account No (applicable for person filing consent for the first time). Details of Directorships and Offices held in other companies with respective dates

C. Independent Directors shall be elected through the process of Election of Directors required under section 159 of the Companies Act, 2017. Independent Director(s) shall meet the criteria laid down in Section 166 of the Companies Act, 2017 as well as the Companies (Manner and Selection of Independent Directors) Regulations, 2018. Accordingly, the following additional documents are to be submitted by the candidates intending to contest election of Directors as an Independent Director:

- I. Declaration by Independent Director under Clause 6(3) of the Listed Companies (Code of Corporate Governance) Regulations, 2019.
- II. Undertaking on the appropriate denomination of non-judicial stamp paper that he / she meets the requirements of sub-regulation (1) of Regulation 4 of the Companies (Manner and Selection of Independent Directors) Regulations, 2018.

Statement of Material Fact in respect of Appointment of Independent Directors Under Section 166 (3) of the Companies Act, 2017

Section 166 of the Companies Act, 2017 requires that a statement of material facts is annexed to the notice of the general meeting called for the purpose of election of directors which shall indicate the justification for choosing the appointee for appointment as independent director.

Accordingly, it will be ensured that the independent directors to be elected will meet the criteria set out for independence under Section 166 of the Companies Act, 2017 and Companies (Manner and Selection of Independent Directors) Regulations, 2018 and their names are listed on the data bank of independent directors maintained by Pakistan Institute of Corporate Governance duly authorized by SECP. Appropriate competency, diversity, skill set, knowledge and experience of the contestants shall also be assessed during the finalization of independent directors.

One of the current independent directors, Mr. Ehsan A. Malik, has completed his third term, so he is not eligible for election in the category of independent directors.

No directors have direct or indirect interest in the above-said business, except as shareholders, and they may consent for election of directors accordingly.

2. Notice of Book Closure

The share transfer books of the Company will remain closed from **October 14, 2024, to October 21, 2024** (both days inclusive). Transfers received, in order, at the office of our Share Registrar M/s. CDC Share Registrar Services Limited, CDC House-99B, Block 'B', S.M.C.H.S., main Shahrah-e-Faisal, Karachi-74000, by the close of business on **October 11, 2024**, will be considered in time for the determination of the entitlement of the shareholders to final cash dividend and to attend and vote at the meeting.

3. Participation in the AGM proceedings via Video Link Facility

In addition to in person meeting, the Company shall also hold its AGM through video link facility in pursuance to Circulars notified by the Securities and Exchange Commission of Pakistan (SECP). The members/proxies interested to participate in the AGM through this facility, are requested to get themselves registered with the Company at cdcsr@cdcsrsl.com or WhatsApp Number: **0321-8200864** by providing the following details: –

Shareholder Name	Company name	Folio/ CDC Number	CNIC Number	Cell Number	Registered Email Address
	National Foods				

Video-link and login credentials will be shared with the members/proxies whose email containing all the above particulars are received at the given email address by the close of business on **October 17, 2024**.

The members can also provide their comments and questions for the agenda items of the AGM on email: corporate.secretary@nfoods.com

The Company shall communicate any relevant updates regarding the meeting, including any changes to the arrangements outlined in the Notice of AGM, will be announced via a Regulatory Information Service (PUCAR) and will be available on <https://www.nfoods.com/>

4. Appointment of Proxy and participation in the AGM

A member entitled to attend, speak, and vote at the Annual General Meeting is entitled to appoint another member as his/her proxy to attend, speak and vote on his/her behalf. A proxy must be a member of the Company. A proxy shall also have the right to demand and join in demanding a poll and vote on a poll.

The instrument appointing Proxy must be deposited at the Registered Office of the Company duly signed, not later than 48 hours before the time of the AGM. A member cannot appoint more than one proxy. An attested copy of the shareholder's Computerized National Identity Card (CNIC) must be attached with the Proxy form. For any other relevant aspects and further information, please refer to the contents of section 137 of the Companies Act, 2017. The instrument appointing Proxy is available on the Company's website (<https://www.nfoods.com>)

Owners of the physical shares and of the shares registered in the name of Central Depository Company of Pakistan Ltd. (CDC) and / or their proxies are required to produce their original valid Computerized National Identity Card (CNIC) or Passport, for identification purposes, at the time of attending the meeting in person. In the case of a corporate entity, the Board of Directors' resolution/Power of Attorney, with specimen signature of the nominee, shall be produced at the time of the meeting (unless it has been provided earlier).

5. Submission of CNIC/NTN Number on Electronic Dividend (MANDATORY):

Members are requested to provide copy of valid CNIC/NTN Certificate to their respective Participant/CDC Investor Account Services in case of Book-Entry Form, or to Company's Share Registrar in case of Physical Form, duly quoting thereon Company's name and respective folio numbers.

Shareholders are requested to notify the Company's Share Registrar if there is any change in their registered postal addresses.

As per Regulation No. 4 & 6 of the Companies (Distribution of Dividend) Regulations, 2017, the Company shall be constrained to withhold the payment of dividend to shareholders, in case of non-availability of identification number (CNIC or National Tax Number) of the Shareholder or authorized person.

Accordingly, the shareholders, who have not yet submitted a copy of their valid CNIC or NTN certificate, are once again requested to immediately submit the same to the Company's Share Registrar at CDC Share Registrar Services Limited, CDC House, 99-B, Block – B, S.M.C.H.S., Main Shakra-e-Faisal, Karachi. Those shareholders who hold shares in dematerialized form are requested to submit the dividend bank mandate form duly filled to their participant/investor account services at the CDC. Corporate entities are requested to provide their National Tax Number (NTN) and Folio Number along with the authorized representative's CNIC copy.

For the Convenience of shareholders e-Dividend Mandate Form is available on the Company's website i.e., <https://www.nfoods.com>.

Status of IBAN as on June 30, 2024, of National Foods Limited Shareholders (Physical & CDS) as follows:

Current Total Number of Shareholders as on June 30, 2024			Current Number of IBAN updated as on June 30, 2024			Ratio/Percentage (%) of IBAN updated
Physical	CDS	Total	Physical	CDS	Total	90.31
478	3,259	3,737	147	3,228	3,375	

6. Declaration as per Zakat & Usher Ordinance 1980

To claim exemption from compulsory deduction of Zakat, shareholders are requested to submit a notarized copy of Zakat Declaration Form "CZ-50" on NJSP of Rs.50/- to the Share Registrar. In case shares are held in scripless form such Zakat Declaration Form (CZ -50) must be uploaded in the CDC account of the shareholder, through their participant / Investor Account Services. Further, Non-Muslim shareholders are also required to file Solemn Affirmation (on format available on Company's website) with the Share Registrar of the Company in case of shares are held in physical certificates or with CDC Participant / Investor Account Services in case shares are in scripless form. No exemption from deduction of zakat will be allowed unless the above documents complete in all respects have been made available as above.

7. Deduction of Income Tax under Section 150 of the Income Tax Ordinance, 2001

- a. This is with reference to the final cash dividend announced by National Foods Limited at the rate of Rs. 5.00 per share to the Shareholders for the year ended June 30, 2024.
- b. Shareholders whose names are not appearing in the Active Tax-payers List (ATL) are advised to immediately make the necessary arrangement to make them active. Otherwise, tax on cash dividend to non-filers and late filers will be deducted as per law.
- c. Further, according to clarification received from Federal Board of Revenue [FBR], withholding tax will be determined separately on Active/Non-Active Status of Principal Shareholder as well as Joint-Holder(s) based on their shareholding proportions, in case of joint accounts.
- d. In this regard, all shareholders who hold shares with joint shareholders are requested to provide shareholding proportions of Principal shareholder and Joint Holder(s) in respect of shares held by them to our Share Registrar, in writing as follows:

Folio/CDS Account #	Total Shares	Principal Shareholder		Joint Shareholder	
		Name and CNIC#	Shareholding Proportion (No. of Shares)	Name and CNIC#	Shareholding Proportion (No. of Shares)

Notes:

- I. The required information should be forwarded to the share registrar's office of the company; otherwise, it will be assumed that the shares are equally held by Principal shareholder and Joint Holder(s) and tax will be deducted accordingly.
- II. The Corporate shareholders having CDC accounts are requested to have their National Tax Number (NTN) updated with their respective participants. Corporate Physical Shareholders should send a copy of their NTN Certificate to the Company's Share Registrar. The Shareholders, while sending NTN or NTN certificates, as the case may be, must quote Company name and their respective folio numbers.

Withholding tax exemption from dividend income shall only be allowed if a copy of a valid tax exemption certificate is made available to the Company's Share Registrar.

For any query/problem/information, the investors may contact the company and/or the Share Registrar at the following email addresses:

Company: corporate.secretary@nfoods.com
 Share Registrar: info@cdcsrsl.com

8. Unclaimed Dividend/Shares

Shareholders, who by any reason, could not claim their dividend/shares, if any, are advised to contact our Share Registrar M/s. CDC Share Registrar Services Limited, CDC House-99B, Block 'B', S.M.C.H.S., main Shahrah-e-Faisal, Karachi-74000, to collect / enquire about their unclaimed dividend/shares, if any.

9. Postal Ballot/E-Voting

The members are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018 amended through Notification vide SRO 2192(1)/2022 dated December 05, 2022 issued by the SECP. The SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members on all businesses classified as special business and in case of election of directors, if the number of persons who offer themselves to be elected is more than the number of directors fixed under sub-section (1) of section 159 of the Act. Accordingly, members of National Foods Limited will be allowed to exercise their right to vote through e-voting facility or voting by post for the election of directors in its forthcoming Annual General Meeting to be held on Monday October 21, 2024 at 03:00 P.M., in accordance with the requirements and subject to the conditions contained in the aforesaid Regulations further details will be shared in due course.

10. Code of Conduct for Shareholders in General Meeting:

- I. Section 215 of the Companies Act, 2017 ("the Act") and Regulation 55 of the Companies Regulations, 2024, "Conduct of Shareholders at Meetings" state as follows:
 - i) shall not bring such material that may cause threat to participants or premises where meeting is being held;
 - ii) shall confine themselves to the agenda items covered in the notice of meeting;
 - iii) shall keep comments and discussion restricted to the affairs of the company; and
 - iv) shall not conduct in a manner to disclose any political affiliation or offend religious susceptibility of other members

Additionally, in compliance with Section 185 of Companies Act, 2017; the Company is not permitted to distribute gifts in any form to its members in its meeting.

11. Circulation / Transmission of Annual Report 2024 and Notice of Meeting

In accordance with the provision of Section 223 of the Companies Act, 2017, the audited financial statements of the Company for the year ended June 30, 2024, are available on the Company's website (<https://www.nfoods.com>).

Annual Report 2024 and notice of AGM is also being circulated through post/courier to the members in accordance with section 223(6) of the Companies Act, 2017 and electronically to members via email to all those shareholders whose email addresses are available with the CDC or the Share Registrar.

Any shareholder requiring a printed copy of the Annual Audited Financial Statements 2024 shall be provided with a copy free of cost within seven working days of receipt of such request.

12. Conversion of Physical Shares into Book-Entry Form

Pursuant to Section 72 of the Companies Act and directive issued by SECP vide its letter No. CSD/D/Misc./2016-639-640 dated 26 March 2021, all listed companies are required to pursue their shareholders who still hold shares in physical form, requiring them to convert their shares in Book-Entry-Form. In view of the aforesaid requirement shareholders of the Company are requested to convert their physical shares into book-entry form as soon as possible. Conversion of shares into book-entry form would facilitate the shareholders i.e., readily available market for instant sale and purchase of shares, elimination of risk of loss & damage, easy & safe transfer and less formalities as compared to physical shares. Shareholders may contact the Share Registrar of the Company for assistance in the conversion of shares. Guidelines for Conversion of Physical Shares into Book-entry Form are available on the website of CDC Share Registrar Services Limited at the given link: https://www.cdcsrsl.com/?jet_download=7429

13. Mandatory Registration Details of Physical Shareholders

According to Section 119 of the Companies Act 2017 and Regulation 47 of the Companies Regulations, 2024, all physical shareholders are advised to provide their mandatory information such as CNIC number, address, email address, contact mobile/telephone number, International Bank Account Number (IBAN), etc. to our Share Registrar at their address, provided in Note 1, immediately, to avoid any non-compliance of law or any inconvenience in future.

14. Intimation of Non-Resident Shareholders

Non-resident Shareholder shall submit declaration of Undertaking with copy of valid passport under definition contained in Section 82 of the Income Tax Ordinance, 2001 for determination of residential status for the purposes of tax deduction on dividend to the Share Registrar (Messrs. CDC Share Registrar Services Limited, CDC House, 99-B, Block – B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi) or email at info@cdcsrsl.com at the latest by 17 October 2024. A copy of the declaration form can be downloaded from the Company's Website <https://www.nfoods.com>.

15. Video-Conferencing Facility in Other Cities

If the members holding ten percent of the total paid up capital or such other percentage of the paid-up capital as may be specified by the Commission, are resident in any other city, the company shall provide the facility of video-conferencing to such members for attending annual general meeting of the company, if so required by such members in writing to the company at least seven days (7) before the date of the meeting. The Company will intimate members regarding the venue of conference facility at least 5 days before the date of general meeting along with complete information necessary to enable them to access such facility.

<p>Consent for Video-Conferencing Facility</p> <p>I/We, of being a member of National Foods Limited holder of Ordinary Share(s) as per Register Folio No. _____ hereby opt for participation in the Annual General Meeting to be held on October 21, 2024 or any adjourned meeting through video-conferencing facility at _____ (Please insert name of the City)</p> <p>_____</p> <p>Signature of member</p>

STATEMENTS UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

This statement sets out all the material facts concerning Special Business under Agenda Item No 6, 7, 8, and 9 be transacted at the 53rd Annual General Meeting.

Agenda Item No. 6

Ordinary Resolution – Holding Office Of Profit

Mr. Adam Fahy Majeed was appointed as Executive Director of the Company as "Chief Growth Officer" – International Division – Exports, by the board in terms of Section 208 (1) (f) of the Companies Act, 2017 in the meeting held on September 8, 2022 for remaining term of the board. Accordingly, in the Annual General Meeting held on October 20, 2022 members granted approval for holding office of profit in terms of Section 171 (1) (c) (i) of the Companies Act, 2017.

The Board of Directors of the Company in their meeting held on September 05, 2024 approved extension of appointment of Mr. Adam Fahy Majeed as Executive Director of the company subject to his re-election in the AGM. This appointment is subject to approval by members of the Company in terms of Section 171 (1) (c) (i) of the Companies Act, 2017.

Accordingly, the Board of Directors proposed an ordinary resolution, to accord approval of the members in general meeting to authorize Mr. Adam Fahy Majeed for holding of office of profit under the Company.

Material facts and disclosures, required under Para B(3) and C (2) of the aforesaid SRO 423 of 2018, are provided herein below:

i) Details of the office of profit proposed to be held by the director;	Mr. Adam Fahy Majeed as Executive Director of the Company on account of his appointment as "Head of New Ventures & Innovations"
ii) Brief job description of the office to be held by the director;	a) To implement board's strategy; b) Manage overall operations and resources; c) Focal point of communication between board of directors and the management;
iii) Remuneration of the director, including perks and benefits, pecuniary or otherwise;	Present remuneration is Rs. 19.39 million per annum plus inflationary adjustments (if any) subject to approval of the board as per company policies.
iv) Benefits to the company and its members as a result of such office of profit to be held by the director; and	Expansion into international markets and to increase exports; a) To implement board's International Strategy b) Innovation, New Product Developments, Route to Market Restructuring c) Enter new geographical markets d) Oversea Market and Sales Strategy e) Develop International Hubs
v) Period of holding of such office.	Holding such office of profit being director of the Company
vii) Nature and extent of interest, if any, therein of every director, whether directly or indirectly.	Mr. Adam Fahy Majeed himself and Mr. Zahid Majeed being his father are interested in this matter.

Agenda Item No.7

Ordinary resolution: remuneration paid to the non-executive directors of the company

As per the Listed Companies (Code of Corporate Governance) Regulations, 2019 the remuneration of Directors for attending meetings of the Board and at Committees is required to be fixed in accordance with the formal policy and transparent procedure approved by the Board and the process should comply with the provision of the Companies Act, 2017 and Company's Articles of Association.

NFL's Board approved the Remuneration Policy in accordance with Article 62, it requires that the scale of the remuneration to be paid, from time to time, to the non-executive including Independent Director and the Chairman for attending the board and its Committee(s) meetings shall be determined by the Board and approved by the shareholders on a pre or post facto basis in the Annual General Meeting.

The Board, upon the recommendation of the HR&R Committee, resolved to increase the remuneration of its Chairman and non-executive and independent directors as appearing below, subject to approval of the Shareholders of the Company in light of the following:-

- a) The Importance of sufficient and appropriate remuneration of independent/non-executive directors and its link to the performance of the Company.

- (b) The need to attract, retain and motivate independent/non-executive of the quality required to run the Company successfully.
- c) The need to ensure that Directors are compensated in accordance with their skill set and experience and for the time they contribute to the Board.
- d) To bring the remuneration of the Directors of the Company at par with the remuneration paid to the directors of other companies operating in the same industry.

Designation	Fees per Meeting attended (Amount in PKR).	Revised fees per meeting – FY24
Chairman of the Board	200,000	600,000
Chairman of the Internal Audit Committee and HR&RC	150,000	400,000
All other Members	100,000	300,000

Disclosure of Interest of Directors: All board members to the extent of their directorship in the company.

Agenda Item No. 8

Special Resolutions – Transactions with Related Parties

(a) Ratification and approval of transactions with related parties carried out during the financial year ended June 30, 2024

The company carries out transactions with its related parties on an arm's length basis, as per the approved policy with respect to 'transactions with related parties,' in the normal course of business. All transactions entered into with related parties require the approval of the Board Audit Committee of the Company, which is chaired by an independent director of the Company. Upon the recommendation of the Board Audit Committee, such transactions are placed before the Board of Directors for their approval. However, in terms of Regulation 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Code) approval of shareholders is required for such transactions with related parties in which majority of directors of the company are interested. The Companies Act, 2017 (the Act) also requires approval of such related party transactions by shareholders where the majority of directors are interested.

In view of the above, following transactions, in which majority of directors are interested due to their common directorship, carried out in normal course of business on an arms' length basis with related parties during the financial year ended June 30, 2024, are being placed before the shareholders for their ratification and approval.

Name of related party	Relationship	Nature of Transaction	Amount in Rupees '000'	Pricing Policy
ATC Holding (Private) Limited	Parent Company	Rental Income	3,638	Arm's length/under approved agreement with related Party
ATC Holding (Private) Limited	Parent Company	Rental Expense	5,014	Arm's length/under approved agreement with related Party

ATC Holding (Private) Limited	Parent Company	Reimbursement of expenses from Parent	11,465	Arm's length/under approved agreement with related Party
ATC Holding (Private) Limited	Parent Company	Reimbursement of expenses to parent	2,239	Arm's length/under approved agreement with related Party
National Foods DMCC	Subsidiary Company	Sale of Goods	2,906,954	Arm's length/under approved agreement with related Party
National Foods DMCC	Subsidiary Company	Purchase of Goods	1,574,676	Arm's length/under approved agreement with related Party

(b) & (c) Authorization for the Board of Directors to approve the related party transactions during the financial year ending June 30, 2025, and till next Annual General Meeting

The Company is and shall be conducting transactions with its related parties during the financial year ending June 30, 2024, and subsequently, on arm's length basis as per the approved policy with respect to 'transactions with related parties' in the normal course of business or otherwise.

The related parties' transactions in which the majority of Directors are interested due to their common directorship and/or shareholding, therefore necessitate approval of shareholders. Accordingly, approval of shareholders is being sought to authorize the Board of Directors of the Company to approve all such transactions, in which majority of directors are interested, carried out and to be carried out with such related parties during the financial year ending June 30, 2025, and till next Annual General Meeting, which transactions shall be deemed to be approved by the Shareholders.

The nature and scope of such related party transactions is explained above in the statement under clause (a) of the agenda. The related party transactions requiring shareholders' approval, conducted during the financial year ending June 30, 2025, shall then be placed before the shareholders in the next AGM for their formal approval/ratification.

Disclosure of Interest of Directors: Mr. Abrar Hasan, Mrs. Noreen Hasan, Mr. Adam Fahy Majeed and Mr. Zahid Majeed are interested in the agenda to the extent of their common directorships and/or their shareholding in respective related parties.

Agenda Item No. 9

Special Resolution – Disposal and Sale of Company's Land and Building

This statement sets out below the material facts concerning the Special Business to be transacted at the Annual General Meeting of National Foods Limited (the "Company") to be held at Karachi on October 21, 2024, at 03:00 p.m.

The purpose of this Statement is to set forth the material facts concerning Special Business. The Board of Directors has proposed in its meeting held on February 27, 2024, to dispose its Land and Building "Properties" situated at F-160/C and F-133, S.I.T.E., Karachi. Total area of Land is 76,491 sq. feet and the covered area (Including Building) is 62,029 Sq. Feet. The sale proceeds would be applied for restructuring the Company's financial obligations and improve performance by providing additional liquidity to the Company for utilization of funds towards profitable business activities.

Purpose of the sale

In view of the large market demand for the Company's products, the Company is in the process of restructuring its management, finance and operations. Like many other businesses in the Country, the Company has been hit with high interest rates and control on imports of raw materials and essential items required for production and sales.

To focus on the core business of the Company, the Board of Directors has recommended selling the above properties as described below.

Details as per SRO 423(I)/2018

The material facts required to be disclosed under S.R.O 423 (I) /2018 dated April 3,2018 when the Board of Directors proposes to sell, lease or otherwise dispose of an 'undertaking' or a 'sizeable part" thereof is to be transacted under clause (a) or (b) of sub-section (3) of section 183 of the Act, are given hereunder:

S. No	SRO Description	Detail												
i) Detail of assets to be sold, leased or disposed of shall include the following:														
a)	Description/Name of asset.	<p>Company proposes to sale its Land, Building and other items situated at F-160/C and F-133 S.I.T.E., Karachi.</p> <p>Total area of Land & Building of the respective property is as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>F-160/C SITE</th> <th>F-133 SITE</th> </tr> </thead> <tbody> <tr> <td></td> <td>1.05 Acres</td> <td>0.5 Acres</td> </tr> </tbody> </table> <p>**Other items included fixtures, ducting, lifts, electrical panels, and other ancillary items associated with buildings</p>		F-160/C SITE	F-133 SITE		1.05 Acres	0.5 Acres						
	F-160/C SITE	F-133 SITE												
	1.05 Acres	0.5 Acres												
b)	Acquisition date of the asset.	<p>Land F-160/C purchased by the Company in the year 1987 and building constructed over the years</p> <p>Land F-133 and purchased by the company in 1981 building constructed over the years.</p>												
c)	Cost.	<table border="1"> <thead> <tr> <th></th> <th>F-160/C SITE</th> <th>F-133 SITE</th> </tr> </thead> <tbody> <tr> <td>Land</td> <td>Rs. 2.65 million</td> <td>Rs. 0.07 million</td> </tr> <tr> <td>Building</td> <td>Rs. 183.1 million</td> <td>Rs. 123.3 million</td> </tr> <tr> <td>Others</td> <td>Rs. 142.21 million</td> <td>Rs. 1.9 million</td> </tr> </tbody> </table>		F-160/C SITE	F-133 SITE	Land	Rs. 2.65 million	Rs. 0.07 million	Building	Rs. 183.1 million	Rs. 123.3 million	Others	Rs. 142.21 million	Rs. 1.9 million
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Land	Rs. 2.65 million	Rs. 0.07 million												
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Others	Rs. 142.21 million	Rs. 1.9 million												
d)	Revalued amount and date of revaluation (if applicable).	<p>As per valuation report of the Registered Valuer namely: M/s. Oceanic Surveyors (Pvt) Ltd dated. 30-June-2024</p> <table border="1"> <thead> <tr> <th></th> <th>F-160/C SITE</th> <th>F-133 SITE</th> </tr> </thead> <tbody> <tr> <td>Land</td> <td>Rs. 341.50 million</td> <td>Rs. 220 million</td> </tr> <tr> <td>Building</td> <td>Rs. 142.98 million</td> <td>Rs. 96.3 million</td> </tr> <tr> <td>Others</td> <td>N/A</td> <td>N/A</td> </tr> </tbody> </table>		F-160/C SITE	F-133 SITE	Land	Rs. 341.50 million	Rs. 220 million	Building	Rs. 142.98 million	Rs. 96.3 million	Others	N/A	N/A
	F-160/C SITE	F-133 SITE												
Land	Rs. 341.50 million	Rs. 220 million												
Building	Rs. 142.98 million	Rs. 96.3 million												
Others	N/A	N/A												
e)	Book value.	<table border="1"> <thead> <tr> <th></th> <th>F-160/C SITE</th> <th>F-133 SITE</th> </tr> </thead> <tbody> <tr> <td>Land</td> <td>Rs. 2.20 million</td> <td>Rs. 0.05 million</td> </tr> <tr> <td>Building</td> <td>Rs. 109.2 million</td> <td>Rs. 73.5 million</td> </tr> <tr> <td>Others</td> <td>Rs. 34.54 million</td> <td>Rs. 0.85 million</td> </tr> </tbody> </table>		F-160/C SITE	F-133 SITE	Land	Rs. 2.20 million	Rs. 0.05 million	Building	Rs. 109.2 million	Rs. 73.5 million	Others	Rs. 34.54 million	Rs. 0.85 million
	F-160/C SITE	F-133 SITE												
Land	Rs. 2.20 million	Rs. 0.05 million												
Building	Rs. 109.2 million	Rs. 73.5 million												
Others	Rs. 34.54 million	Rs. 0.85 million												

f)	Approximate current market price/fair value.	The Current market price / fair value is expected to be in line with the re-valued amount as stated. The exact amount, however, will be ascertained at the time of finalizing the transactions with the potential buyer(s).
g)	In case of sale, if the expected sale price is lower than book value or fair value, then the reasons thereof;	N/a
h)	In case of Lease of assets, tenure, Lease rentals, increment rate; mode/basis of determination of Lease rentals; and other important terms and conditions of the Lease;	N/a
ii) Additional information in case of disposal of land:		
a)	i) Location; ii) Nature of land (e.g. commercial, agriculture, etc); and iii) Area proposed to be sold.	i) SITE Karachi ii) Commercial iii) Measuring total area of Land of F-160/C and F-133 is 76,491 Sq. Feet and the covered area (Including Building) is 62,029 Sq. Feet.
b)	The proposed manner of disposal of the said assets.	The Property be disposed through negotiations with the buyer(s) through person(s) authorized by the Board of Directors in a way that is most beneficial for the shareholders and the Company.
c)	In case the company has identified a buyer, who is a related party the fact shall be disclosed in the statement of material facts.	The Company shall exercise all reasonable diligence in identifying buyer(s) willing to pay the fair market value of the "Properties" and completing the transaction(s) in the best interest of the Company and its shareholders. As a result, there is no related party that requires disclosure in the statement of material facts.
iii) Purpose of the sale, lease along with following details:		
a)	Utilization of the proceeds received from the transaction.	The proceeds will be utilized for repayments of loans of the Company. Consequently, the financial cost will be reduced in the next financial year. It will improve running and managing the working capital requirements of the Company and provide additional liquidity to the Company for the utilization towards profitable business activities.

b)	Effect on operational capacity of the company, if any; and	The proposed transactions will not have any impact on the operational capacity of the Company.
c)	Quantitative and qualitative benefits expected to accrue to the members.	The proceeds will enable the Company to improve liquidity and quantitative performance, reduction in bank loans (current liabilities), improvement in current ratio that will eventually lead to better financial performance by the Company and contribute towards increase earnings per share of the Company and the shareholders' value.

(b)	کمپنی کی آپریشنل صلاحیت پر اثر، اگر کوئی ہو؛ اور	مجوزہ لین دین کمپنی کی آپریشنل صلاحیت پر کوئی اثر نہیں پڑے گا۔
(c)	اراکین کو حاصل ہونے والے مقدراری اور معیاری فوائد کی توقع ہے۔	اس سے حاصل ہونے والی آمدنی کمپنی کو Liquidity اور مقدراری کارکردگی کو بہتر بنانے، بینک (موجودہ Liabilities)، میں کمی موجودہ تناسب میں بہتری جو کہ کمپنی کی مالیاتی کارکردگی کو بہتر بناتی ہے اور کمپنی اور حصص یافتگان کی فی حصص آمدنی میں اضافہ کرنے کے قابل بناتی ہے۔

Nature & Extent of Interest of Directors, directly or indirectly

None of the Directors have any direct or indirect interest in the sale/disposal of the said Properties of the Company.

Availability of Relevant Documents

Copies of the documents pertaining to foregoing Special Business are available for inspection at the Registered Office of the Company during normal office working hours from the date of publication of the Notice till the date of the AGM.

Undertaking by the Directors

The Board of Directors have carried-out necessary due diligence for the proposed transaction.

براہ راست یا بالواسطہ طور پر ڈائریکٹرز کی دلچسپی کی نوعیت اور حد

ڈائریکٹرز میں سے کسی کو بھی کمپنی کی مذکورہ پراپرٹیز کی فروخت/تصرف میں براہ راست یا بالواسطہ دلچسپی نہیں ہے۔

متعلقہ دستاویزات کی دستیابی

مذکورہ خصوصی برائس سے متعلق دستاویزات کی کاپیاں AGM کی تاریخ تک نوٹس کی اشاعت کی تاریخ سے عام دفتری اوقات کار کے دوران کمپنی کے رجسٹرڈ آفس میں معائنہ کے

لیے دستیاب ہیں۔

ڈائریکٹرز کی جانب سے انڈرٹیکنگ/بیان طلفی

بورڈ آف ڈائریکٹرز نے مجوزہ لین دین کے لیے ضروری مستعدی سے کام لیا ہے۔

SRO423(I)/2018 کے مطابق تفصیلات

انڈر ٹیکنگ یا اس کے بڑے حصے کی فروخت، لیز یا تصرف کے لیے اراکین کی منظوری سے متعلق خصوصی برنس یا ذیلی ادارے کی فروخت / تصرف جو سیکشن 183 کے ایکٹ کی ذیلی دفعہ (3) کی شق (a) یا (b) کے تحت لین دین کیا جاتا ہے۔

SRO423(I)/2018 مورخہ 3 اپریل 2018 کے تحت ظاہر کیے جانے والے مادی حقائق جب بورڈ آف ڈائریکٹرز کسی 'انڈر ٹیکنگ' یا اس کے 'بڑے حصے' کو فروخت، لیز یا دوسری صورت میں تصرف کرنے کی تجویز کرتا ہے تو ذیل میں دیے گئے ہیں:

(f)	تخمینی موجودہ مارکیٹ قیمت / منصفانہ قیمت۔	موجودہ مارکیٹ کی قیمت / منصفانہ قیمت کی دوبارہ قدر کی گئی رقم کے مطابق ہونے کی توقع ہے جیسا کہ بیان کیا گیا ہے۔ تاہم، ممکنہ خریدار (خریداروں) کے ساتھ لین دین کو حتمی شکل دینے کے وقت درست رقم کا تعین کیا جائے گا۔
(g)	فروخت کی صورت میں، اگر متوقع قیمت فروخت کتابی قیمت یا مناسب قیمت سے کم ہے، تو اس کی وجوہات	N/a
(h)	اثاثوں کی آسانی کی صورت میں، مدت، کرایہ کا کرایہ، اضافہ کی شرح؛ Lease کرایہ کے تعین کا طریقہ / بنیاد؛ اور آسانی کی دیگر اہم شرائط و ضوابط	N/a
(ii)	زمین کو ضائع کرنے کے معاملے میں اضافی معلومات:	
(a)	(i) مقام؛ (ii) زمین کی نوعیت (مثلاً تجارتی، زرعی، وغیرہ) اور (iii) مجوزہ رقبہ sold ہونا۔	(i) SITE Karachi (ii) کمرشل (iii) F-160/C اور F-133 کی زمین کا کل رقبہ 76491 اسکوائر فٹ ہے اور تعمیر شدہ رقبہ (شامل عمارت) 162029 اسکوائر فٹ ہے
(b)	مذکورہ اثاثوں کو ضائع کرنے کا مجوزہ طریقہ۔	جانسید اکو خریدار (افراد) کے ساتھ گفت و شنید کے ذریعے بورڈ آف ڈائریکٹرز کے ذریعے اختیار کردہ افراد (شخصیات) کے ذریعے اس طرح سے نمٹا دیا جائے جو حصص یافتگان اور کمپنی کے لیے سب سے زیادہ فائدہ مند ہو۔
(c)	اگر کمپنی نے کسی خریدار کی نشاندہی کی ہے، جو ایک متعلقہ فریق ہے، تو حقیقت کو مادی حقائق کے بیان میں ظاہر کیا جائے گا۔	کمپنی "پراپرٹیز" کی منصفانہ مارکیٹ ویلیو کی ادائیگی کے لیے تیار خریداروں کی شناخت کرنے اور کمپنی اور اس کے حصص یافتگان کے بہترین مفاد میں لین دین کو مکمل کرنے میں معقول احتیاط برتے گی۔ نتیجے کے طور پر، کوئی متعلقہ فریق ایسا نہیں ہے جو مادی حقائق کے بیان میں گفت و شنید کی ضرورت ہو۔
(iii)	فروخت کا مقصد، درج ذیل تفصیلات کے ساتھ لیز:	
(a)	لین دین سے حاصل ہونے والی آمدنی کا استعمال۔	آمدنی کمپنی کے قرضے کی ادائیگی کے لیے استعمال کی جائے گی۔ نتیجے کے طور پر، اگلے مالی سال میں مالیاتی لاگت میں کمی کی جائے گی۔ یہ کمپنی کی ورکنگ کپیٹل کی ضروریات کو چلانے اور ان کے انتظام کو بہتر بنانے کا اور منافع بخش کاروباری سرگرمیوں کے لیے کمپنی کو اضافی Liquidity فراہم کرے گا۔

نمبر شمار	SRO کی تفصیلات	تفصیل												
(i)	فروخت، لیز پر دیئے جانے یا ضائع کیے جانے والے اثاثوں کی تفصیلات میں درج ذیل شامل ہوں گے:													
(a)	تفصیل / اثاثے کا نام	کمپنی نے، S.IT.E., F-133, F-160/C کراچی میں واقع اپنی زمین، عمارت اور دیگر اشیاء فروخت کرنے کی تجویز پیش کی۔ متعلقہ پراپرٹی کی زمین اور عمارت کا کل درج ذیل ہے: <table border="1"> <tr> <td>F-133, S.I.T.E</td> <td>F-160/C, S.I.T.E</td> </tr> <tr> <td>10.5 ایکڑ</td> <td>11.05 ایکڑ</td> </tr> </table> **دیگر اشیاء میں فلکس، ڈکننگ، لفٹیں، الیکٹریکل پینل اور عمارتوں سے وابستہ دیگر معاون اشیاء شامل ہیں	F-133, S.I.T.E	F-160/C, S.I.T.E	10.5 ایکڑ	11.05 ایکڑ								
F-133, S.I.T.E	F-160/C, S.I.T.E													
10.5 ایکڑ	11.05 ایکڑ													
(b)	اثاثہ کے حصول کی تاریخ	کمپنی کی طرف سے سال 1987 میں F-160/C خریدی گئی زمین اور عمارت کئی سالوں میں تعمیر کی گئی کمپنی کی طرف سے 1981 خریدی گئی زمین F-133 سالوں میں تعمیر کی گئی												
(c)	لاگت	<table border="1"> <tr> <td>F-133, SITE</td> <td>F-160/C SITE</td> <td></td> </tr> <tr> <td>زمین</td> <td>2.65 ملین روپے</td> <td>0.07 ملین روپے</td> </tr> <tr> <td>عمارت</td> <td>183.1 ملین روپے</td> <td>123.3 ملین روپے</td> </tr> <tr> <td>دیگر</td> <td>142.21 ملین روپے</td> <td>1.9 ملین روپے</td> </tr> </table>	F-133, SITE	F-160/C SITE		زمین	2.65 ملین روپے	0.07 ملین روپے	عمارت	183.1 ملین روپے	123.3 ملین روپے	دیگر	142.21 ملین روپے	1.9 ملین روپے
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عمارت	183.1 ملین روپے	123.3 ملین روپے												
دیگر	142.21 ملین روپے	1.9 ملین روپے												
(d)	نظر ثانی شدہ رقم اور نظر ثانی کی تاریخ (اگر قابل اطلاق ہو۔)	رجسٹرڈ ویلیویر M/s. Oceanic Surveyors (Pvt) Ltd کی ویلیویشن رپورٹ کے مطابق: تاریخ 30 جون 2024 <table border="1"> <tr> <td>F-133, SITE</td> <td>F-160/C SITE</td> <td></td> </tr> <tr> <td>زمین</td> <td>341.50 ملین روپے</td> <td>220 ملین روپے</td> </tr> <tr> <td>عمارت</td> <td>142.98 ملین روپے</td> <td>96.3 ملین روپے</td> </tr> <tr> <td>دیگر</td> <td></td> <td></td> </tr> </table>	F-133, SITE	F-160/C SITE		زمین	341.50 ملین روپے	220 ملین روپے	عمارت	142.98 ملین روپے	96.3 ملین روپے	دیگر		
F-133, SITE	F-160/C SITE													
زمین	341.50 ملین روپے	220 ملین روپے												
عمارت	142.98 ملین روپے	96.3 ملین روپے												
دیگر														
(e)	بک کی قیمت	<table border="1"> <tr> <td>F-133, SITE</td> <td>F-160/C SITE</td> <td></td> </tr> <tr> <td>زمین</td> <td>2.20 ملین روپے</td> <td>0.05 ملین روپے</td> </tr> <tr> <td>عمارت</td> <td>109.2 ملین روپے</td> <td>73.5 ملین روپے</td> </tr> <tr> <td>دیگر</td> <td>34.54 ملین روپے</td> <td>0.85 ملین روپے</td> </tr> </table>	F-133, SITE	F-160/C SITE		زمین	2.20 ملین روپے	0.05 ملین روپے	عمارت	109.2 ملین روپے	73.5 ملین روپے	دیگر	34.54 ملین روپے	0.85 ملین روپے
F-133, SITE	F-160/C SITE													
زمین	2.20 ملین روپے	0.05 ملین روپے												
عمارت	109.2 ملین روپے	73.5 ملین روپے												
دیگر	34.54 ملین روپے	0.85 ملین روپے												

(b) کمپنی کو کامیابی سے چلانے کے لیے درکار معیار کے آزاد/غیر ایگزیکٹو کوراغب کرنے، برقرار رکھنے اور حوصلہ افزائی کرنے کی ضرورت۔

(c) اس بات کو یقینی بنانے کی ضرورت ہے کہ ڈائریکٹرز کو ان کی مہارت کے سیٹ اور تجربے کے مطابق معاوضہ دیا جائے اور اس وقت تک جب وہ بورڈ میں حصہ ڈالیں۔

(d) کمپنی کے ڈائریکٹرز کے معاوضے کو اسی صنعت میں کام کرنے والی دیگر کمپنیوں کے ڈائریکٹرز کو ادا کیے جانے والے معاوضے کے برابر لانا۔

اے ٹی سی ہولڈنگ (پرائیویٹ) لمیٹڈ	چیرٹ کمپنی	ریبر سمٹ ایکسپینس	11,465	باہمی رضامندی/متعلقہ فریق کے ساتھ منظور شدہ معاہدے کے تحت
اے ٹی سی ہولڈنگ (پرائیویٹ) لمیٹڈ	چیرٹ کمپنی	ریبر سمٹ ایکسپینس	2,239	باہمی رضامندی/متعلقہ فریق کے ساتھ منظور شدہ معاہدے کے تحت
نیشنل فوڈز ڈی ایم سی سی	ڈیلی کمپنی	گڈز کی فروخت	2,906,954	باہمی رضامندی/متعلقہ فریق کے ساتھ منظور شدہ معاہدے کے تحت
نیشنل فوڈز ڈی ایم سی سی	ڈیلی کمپنی	گڈز کی خریداری	1,574,676	باہمی رضامندی/متعلقہ فریق کے ساتھ منظور شدہ معاہدے کے تحت

(b) اور (c) بورڈ آف ڈائریکٹرز کو 30 جون 2025 کو ختم ہونے والے مالی سال کے دوران اور اگلے سالانہ اجلاس عام تک متعلقہ فریق کے لین دین کو منظور کرنے کی اجازت۔

کمپنی 30 جون 2024 کو ختم ہونے والے مالی سال کے دوران اپنی متعلقہ پارٹیوں کے ساتھ لین دین کر رہی ہے اور کرے گی، اور اس کے بعد، متعلقہ فریقوں کے ساتھ لین دین کے حوالے سے منظور شدہ پالیسی کے مطابق کاروبار کے معمول کے دوران یا دوسری صورت میں

متعلقہ فریقوں کے لین دین جن میں ڈائریکٹرز کی اکثریت اپنی مشترکہ ڈائریکٹر شپ اور ایاسٹیٹ ہولڈنگ کی وجہ سے دلچسپی رکھتی ہے، اس لیے شیئر ہولڈرز کی منظوری ضروری ہے۔ اس کے مطابق، حصص یافتگان کی منظوری لی جا رہی ہے کہ وہ کمپنی کے بورڈ آف ڈائریکٹرز کو ایسے تمام لین دین کی منظوری دینے کا اختیار دے، جن میں زیادہ تر ڈائریکٹرز دلچسپی رکھتے ہوں، 30 جون 2025 کو ختم ہونے والے مالی سال کے دوران متعلقہ فریقوں کے ساتھ کیے جائیں، اور اگلے سالانہ اجلاس عام تک، کون سے لین دین کو شیئر ہولڈرز کے ذریعہ منظور شدہ سمجھا جائے گا۔

اس طرح کے متعلقہ فریقی لین دین کی نوعیت اور دائرہ کار ایجنڈے کی شق (a) کے تحت بیان میں اوپر بیان کیا گیا ہے۔ 30 جون 2025 کو ختم ہونے والے مالی سال کے دوران حصص یافتگان کی منظوری درکار متعلقہ پارٹی ٹرانزیکشنز کو اگلی AGM میں شیئر ہولڈرز کے سامنے ان کی باضابطہ منظوری/توثیق کے لیے رکھا جائے گا۔

ڈائریکٹرز کی دلچسپی: مسٹر ابرار حسن، مسز نورین حسن، مسٹر آدم فی مجید اور مسز زاہد مجید اپنی مشترکہ ڈائریکٹر شپ اور ایامتعلقہ فریقوں میں ان کے شیئر ہولڈنگ کی حد تک ایجنڈے میں دلچسپی رکھتے ہیں۔

ایجنڈا آئٹم نمبر 9

خصوصی قرارداد- کمپنی کی زمین اور عمارت کی ڈسپوزل اور فروخت کرنا

یہ بیان نیشنل فوڈز لمیٹڈ ("کمپنی") کی 21 اکتوبر 2024 کو دوپہر 03:00 بجے کراچی میں منعقد ہونے والے سالانہ اجلاس عام میں خصوصی برنس سے متعلق مادی حقائق کے ذیل میں درج ہیں۔

اس بیان کا مقصد خصوصی برنس سے متعلق مادی حقائق کو بیان کرنا ہے۔ بورڈ آف ڈائریکٹرز نے 27 فروری 2024 کو ہونے والے اپنے اجلاس میں، F-133، F-160/C، S.IT.E، کراچی میں واقع اپنی زمین اور عمارت کی "پراپرٹیز" کو تصرف کرنے کی تجویز دی ہے۔ زمین کا کل رقبہ 76,491 مربع فٹ ہے اور احاطہ شدہ رقبہ (بشمول عمارت) 62,029 مربع فٹ ہے۔ فروخت سے حاصل ہونے والی رقم کا اطلاق کمپنی کی مالی ذمہ داریوں کی تنظیم نو اور منافع بخش کاروباری سرگرمیوں کے لیے فنڈز کے استعمال کے لیے کمپنی کو اضافی لیکویڈیٹی فراہم کر کے کارکردگی کو بہتر بنانے کے لیے کیا جائے گا۔

فروخت کا مقصد

کمپنی کی مصنوعات کی بڑی مارکیٹ مانگ کے پیش نظر، کمپنی اپنے انتظام، مالیات اور آپریشنز کی تنظیم نو کے عمل میں ہے۔ ملک میں بہت سے دوسرے کاروباروں کی طرح، کمپنی کو اعلیٰ سود کی شرح اور خام مال اور پیداوار اور فروخت کے لیے ضروری اشیاء کی درآمد پر کنٹرول کا سامنا ہے۔

کمپنی کے بنیادی کاروبار پر توجہ مرکوز کرنے کے لیے، بورڈ آف ڈائریکٹرز نے مندرجہ بالا جائیدادوں کو فروخت کرنے کی سفارش کی ہے جیسا کہ ذیل میں بیان کیا گیا ہے۔

ڈائریکٹرز کی دلچسپی کا اکتشاف: بورڈ کے تمام ممبران کمپنی میں اپنی ڈائریکٹر شپ کی حد تک۔

ایجنڈا آئٹم نمبر 8

خصوصی قراردادیں- متعلقہ فریقوں کے ساتھ لین دین

(a) 30 جون 2024 کو ختم ہونے والے مالی سال کے دوران متعلقہ فریقوں کے ساتھ لین دین کی توثیق اور منظوری

کمپنی 'متعلقہ فریقوں کے ساتھ لین دین' کے حوالے سے منظور شدہ پالیسی کے مطابق، کاروبار کے معمول کے دوران، باہمی رضامندی پر اپنے متعلقہ فریقوں کے ساتھ لین دین کرتی ہے۔ متعلقہ فریقوں کے ساتھ کیے گئے تمام لین دین کے لیے کمپنی کی بورڈ آڈٹ کمیٹی کی منظوری درکار ہوتی ہے، جس کی صدارت کمپنی کے ایک آزاد ڈائریکٹر کرتے ہیں۔ بورڈ آڈٹ کمیٹی کی سفارش پر اس طرح کے لین دین کو بورڈ آف ڈائریکٹرز کے سامنے ان کی منظوری کے لیے رکھا جاتا ہے۔ تاہم، لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) کے ضوابط 15 کے مطابق متعلقہ فریقوں کے ساتھ ایسے لین دین کے لیے شیئر ہولڈرز کی منظوری درکار ہے جس میں کمپنی کے ڈائریکٹرز کی اکثریت دلچسپی رکھتی ہے کمپنیز ایکٹ، 2017 (ایکٹ) کو شیئر ہولڈرز کے ذریعہ ایسے متعلقہ پارٹی لین دین کی منظوری بھی درکار ہوتی ہے جہاں ڈائریکٹرز کی اکثریت دلچسپی رکھتی ہو۔

مندرجہ بالا کو امور کو مد نظر رکھتے ہوئے، 30 جون 2024 کو ختم ہونے والے مالی سال کے دوران متعلقہ فریقوں کے ساتھ باہمی رضامندی کی بنیاد پر معمول کے کاروبار کے دوران، جن میں زیادہ تر ڈائریکٹرز اپنی مشترکہ ڈائریکٹر شپ کی وجہ سے دلچسپی رکھتے ہیں، کیے جا رہے ہیں۔ شیئر ہولڈرز کے سامنے ان کی توثیق اور منظوری کے لیے پیش کیا گیا۔

متعلقہ پارٹی کا نام	ریلیشن شپ	لین دین کی نوعیت	رقم روپے میں '000	قیمتوں کے تعین کی پالیسی
اے ٹی سی ہولڈنگ (پرائیویٹ) لمیٹڈ	چیرٹ کمپنی	رینٹل انکم	3,638	باہمی رضامندی/متعلقہ فریق کے ساتھ منظور شدہ معاہدے کے تحت
اے ٹی سی ہولڈنگ (پرائیویٹ) لمیٹڈ	چیرٹ کمپنی	رینٹل ایکسپینس	5,014	باہمی رضامندی/متعلقہ فریق کے ساتھ منظور شدہ معاہدے کے تحت

14. غیر ریڈینٹ شیئرز ہولڈرز کی اطلاع

غیر ریڈینٹ شیئرز ہولڈرز انکم ٹیکس آرڈیننس 2001 کے سیکشن 82 میں موجود تعریف کے تحت جائز پاسپورٹ کی کاپی کے ساتھ ڈیپلکیشن آف ڈیویڈنڈ پر ٹیکس ٹوٹی کے مقاصد کے لیے ریڈینٹ حیثیت کے تعین کے لیے شیئرز رجسٹرار (میسرز سی ڈی سی شیئرز رجسٹرار سروسز لمیٹڈ، سی ڈی سی ہاؤس، 99-بی، بلاک-بی، ایس ایم سی ایچ ایس، مین شاہراہ فیصل، کراچی) یا ای میل info@cdcsrsl.com پر 17 اکتوبر 2024 تک جمع کرائیں۔ ڈیپلکیشن فارم کی کاپی کمپنی کی ویب سائٹ https://www.nfoods.com سے ڈاؤن لوڈ کی جاسکتی ہے۔

15. دیگر شہروں میں ویڈیو کانفرنسنگ کی سہولت

اگر کل ادا شدہ سرمائے کا دس فیصد یا ادا شدہ سرمائے کا ایسا دیگر فیصد رکھنے والے ممبران جو کمیشن کے ذریعہ بیان کیے گئے ہیں، کسی دوسرے شہر میں مقیم ہیں، تو کمپنی ایسے اراکین کو کمپنی کے سالانہ اجلاس عام میں شرکت کے لیے ویڈیو کانفرنسنگ کی سہولت فراہم کی جائیگی۔ اگر ضروری ہو تو ایسے ممبران اجلاس کی تاریخ سے کم از کم سات دن (7) قبل کمپنی کو تحریری طور درخواست بھیجیں۔ کمپنی ممبران کو کانفرنسنگ کی سہولت کے مقام کے بارے میں اجلاس عام کی تاریخ سے کم از کم 5 دن پہلے مطلع کرے گی اور اس کے ساتھ اس طرح کی سہولت تک رسائی حاصل کرنے کے لیے ضروری مکمل معلومات فراہم کرے گی۔

ویڈیو کانفرنسنگ کی سہولت کے لیے رضامندی

میں/ہم رجسٹر فولیو نمبر _____ کے مطابق نیشنل فوڈز لمیٹڈ کے عام حصص (شیئرز) کے رکن ہونے کے ناطے 21 اکتوبر 2024 کو منعقد ہونے والے سالانہ عام اجلاس یا کسی ملتوی شدہ اجلاس میں ویڈیو کانفرنسنگ کی سہولت کے ذریعے شرکت کا انتخاب کرتے ہیں

(براہ کرم شہر کا نام درج کریں) _____

ممبر کے دستخط

کمپنیز ایکٹ، 2017 کے سیکشن (3) 134 کے تحت بیانات

یہ بیان ایجنڈا آئٹم نمبر 6، 7، 8 اور 9 کے تحت خصوصی برٹس سے متعلق تمام مادی حقائق کو 53 ویں سالانہ اجلاس عام میں پیش کرتا ہے۔

ایجنڈا آئٹم نمبر 6

ریزیولیشن - منافع کے دفتر کا انعقاد

جناب آدم فی مجید کو کمپنی ایکٹ 2017 کے سیکشن (1)(f) 208 کے تحت بورڈ کی جانب سے "چیف گروتھ آفیسر" - انٹرنیشنل ڈویژن - ایکسپورٹ کے طور پر کمپنی کا ایگزیکٹو ڈائریکٹر مقرر کیا گیا۔ بورڈ کی اہلیہ مدت کے لیے 8 ستمبر 2022 - اس کے مطابق، 20 اکتوبر 2022 کو منعقدہ سالانہ اجلاس عام میں ممبران نے کمپنیز ایکٹ، 2017 کے سیکشن (i)(c)(1) 171 کے تحت منافع کے عہدے کے انعقاد کی منظوری دی۔

کمپنی کے بورڈ آف ڈائریکٹرز نے 05 ستمبر 2024 کو ہونے والے اپنے اجلاس میں جناب آدم فی مجید کی بطور ایگزیکٹو ڈائریکٹر تقرری میں توسیع کی منظوری دی AGM میں ان کے دوبارہ انتخاب سے مشروط۔ یہ تقرری کمپنیز ایکٹ، 2017 کے سیکشن (i)(c)(1) 171 کے لحاظ سے کمپنی کے اراکین کی منظوری سے مشروط ہے۔

اس کے مطابق، بورڈ آف ڈائریکٹرز نے ایک عام قرارداد کی تجویز پیش کی، جس کے لیے اجلاس عام میں ممبران کی منظوری لی جائے تاکہ جناب آدم فی مجید کو کمپنی کے تحت منافع کا عہدہ رکھنے کا اختیار دیا جائے۔

2018 کے مذکورہ 423 SRO کے پیرا (3) B اور (2) C کے تحت درکار مادی حقائق اور انکشافات ذیل میں فراہم کیے گئے ہیں:

(i) ڈائریکٹر کے ذریعہ منعقد ہونے والے منافع کے دفتر کی تفصیلات؛	(i) جناب آدم فی مجید بطور "ہیڈ آف نیو ویتھرز اینڈ انویشنز" کی تقرری کی وجہ سے کمپنی کے ایگزیکٹو ڈائریکٹر کے طور پر
(ii) ڈائریکٹر کے پاس دفتر کی مختصر ملازمت کی تفصیل؛	(a) بورڈ کی حکمت عملی کو نافذ کرنا (b) مجموعی آپریشنز اور وسائل کا نظم کرنا (c) بورڈ آف ڈائریکٹرز اور انتظامیہ کے درمیان رابطے کا مرکزی نقطہ؛
(iii) ڈائریکٹر کا معاوضہ، بشمول مراعات اور فوائد، مالیاتی یاد دہری صورت میں؛	موجودہ معاوضہ 19.39 ملین روپے ہے۔ سالانہ کے علاوہ افرات زر کی ایڈجسٹمنٹ (اگر کوئی ہے) کمپنی کی پالیسیوں کے مطابق بورڈ کی منظوری سے مشروط ہے۔
(iv) ڈائریکٹر کے پاس ہونے والے منافع کے ایسے دفتر کے نتیجے میں کمپنی اور اس کے اراکین کو ہونے والے فوائد؛ اور	(a) بورڈ کی بین الاقوامی حکمت عملی کو نافذ کرنا (b) جدت، نئی مصنوعات کی ترقی، مارکیٹ کی تنظیم نو کا راستہ (c) نئی جغرافیائی منڈیوں میں داخلہ۔ (d) بیرون ملک مارکیٹ اور فروخت کی حکمت عملی (e) بین الاقوامی مرکزوں کو تیار کرنا۔
(v) ایسے عہدے پر فائز رہنے کی مدت۔	کمپنی کا ڈائریکٹر ہونے کے ناطے منافع کے ایسے عہدے پر فائز ہونا
(vi) ہر ڈائریکٹر کی نوعیت اور دلچسپی کی حد، اگر کوئی ہو، اس میں، چاہے بالواسطہ ہو یا بالواسطہ۔	جناب آدم فی مجید خود اور جناب زاہد مجید ان کے والد ہونے کے ناطے اس معاملے میں دلچسپی رکھتے ہیں۔

ایجنڈا آئٹم نمبر 7

عام ریزیولیشن: کمپنی کے نان ایگزیکٹو ڈائریکٹرز کو ادا کیا گیا معاوضہ

لنڈن کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے مطابق بورڈ کے اجلاسوں اور کمیٹیوں میں شرکت کے لیے ڈائریکٹرز کا معاوضہ بورڈ کی طرف سے منظور شدہ رسمی پالیسی اور شفاف طریقہ کار کے مطابق طے کرنا ضروری ہے اور اس عمل کو عمل میں لانا چاہیے کمپنیز ایکٹ، 2017 اور کمپنی کے آرٹیکلز آف ایسوسی ایشن کی فراہمی کے ساتھ۔

این ایف ایل کے بورڈ نے آرٹیکل 62 کے مطابق معاوضے کی پالیسی کی منظوری دی ہے، اس کے لیے وقتاً فوقتاً، بورڈ اور اس کی کمیٹی (کمیٹی) میں شرکت کے لیے انڈیپنڈنٹ ڈائریکٹرز اور چیئر مین سمیت نان ایگزیکٹو کو ادا کیے جانے والے معاوضے کے پیمانے کی ضرورت ہوتی ہے۔ اجلاسوں کا تعین بورڈ کے ذریعہ کیا جائے گا اور حصص یافتگان کے ذریعہ سالانہ عام اجلاس میں پہلے یا بعد از حقیقت کی بنیاد پر اس کی منظوری دی جائے گی۔

بورڈ نے HR&R کمیٹی کے معاوضے پر، اپنے چیئر مین اور نان ایگزیکٹو اور آزاد ڈائریکٹرز کے معاوضے میں اضافہ کرنے کا فیصلہ کیا ہے جو کہ مندرجہ ذیل کی روشنی میں کمپنی کے شیئرز ہولڈرز کی منظوری سے مشروط ہے:-

(a) آزاد/غیر ایگزیکٹو ڈائریکٹرز کے کافی اور مناسب معاوضے کی اہمیت اور کمپنی کی کارکردگی سے اس کا ربط۔

6. زکوٰۃ و عشر آرزوینس 1980 کے مطابق ڈیکلیریشن

زکوٰۃ کی لازمی کوٹنی سے استثنیٰ کا دعویٰ کرنے کے لیے شیئرز ہولڈرز سے درخواست کی جاتی ہے کہ وہ NJSP پر زکوٰۃ اعلامیہ فارم "CZ-50" کی 50 روپے کی ایک نوٹرائز کا پی شیئرز رجسٹرار کو جمع کرائیں۔ اگر حصص غیر منقولہ شکل میں رکھے گئے ہیں تو اس طرح کے زکوٰۃ اعلامیہ فارم (CZ-50) کو شیئرز ہولڈر کسی ڈی سی اے کاؤنٹ میں ان کے شریک / سرمایہ کار کا کاؤنٹ سروسز کے ذریعے اپ لوڈ کیا جانا چاہیے۔ مزید برآں، غیر مسلم شیئرز ہولڈرز کو بھی لازمی ہے کہ وہ کمپنی کے شیئرز رجسٹرار کے پاس (کمپنی کی ویب سائٹ پر دستیاب فارمیٹ پر) حصص کی صورت میں فزیکل سرٹیفکیٹ میں یا سی ڈی سی کے شراکت دار / سرمایہ کار کا کاؤنٹ کی خدمات کے ساتھ حصص کی صورت میں تصدیق کی تصدیق کریں۔ اسکرپٹ کے بغیر فارم زکوٰۃ کی کوٹنی سے اس وقت تک استثنیٰ کی اجازت نہیں دی جائے گی جب تک کہ مندرجہ بالا تمام حوالوں سے مکمل دستاویزات دستیاب نہ کر دی جائیں۔

7. انکم ٹیکس آرزوینس، 2001 کے سیکشن 150 کے تحت انکم ٹیکس کی کوٹنی

- a. نیشنل فوڈز لمیٹڈ کی طرف سے 30 جون 2024 کو ختم ہونے والے سال کے لیے شیئرز ہولڈرز کے لیے حتمی نقد منافع 5.0 روپے فی شیئرز کا اعلان کیا گیا۔
- b. جن شیئرز ہولڈرز کے نام ایکٹو ٹیکس بیئر زلسٹ (اے ٹی ایل) میں ظاہر نہیں ہو رہے ہیں انہیں مشورہ دیا جاتا ہے کہ وہ فوری طور پر انہیں فعال بنانے کے لیے ضروری انتظامات کریں۔ بصورت دیگر ان کے کیش ڈیویڈنڈ سے قانون کے مطابق ٹیکس منہا جائے گا۔
- c. مزید یہ کہ فیڈرل بورڈ آف ریونیو (ایف بی آر) سے موصول ہونے والی وضاحت کے مطابق، وہ ہولڈنگ ٹیکس کا تعین پر نپسل شیئرز ہولڈرز کے ساتھ ساتھ جوائنٹ ہولڈرز کی ان کے شیئرز ہولڈنگ کے تناسب کی بنیاد پر ایکٹو / ان ایکٹیو اسٹیٹس پر الگ الگ کیا جائے گا، اگر جوائنٹ اکاؤنٹس ہوا تو۔
- d. اس سلسلے میں، تمام شیئرز ہولڈرز جو مشترکہ شیئرز ہولڈرز کے پاس حصص رکھتے ہیں ان سے درخواست کی جاتی ہے کہ وہ پر نپسل شیئرز ہولڈرار اور جوائنٹ ہولڈرز کے شیئرز ہولڈنگ کا تناسب ہمارے شیئرز رجسٹرار کو تحریری طور پر فراہم کریں

فولیو / سی ڈی ایس اکاؤنٹ	نوٹل شیئرز	پرنسپل شیئربولڈرز	جوائنٹ شیئربولڈرز
نام اور شناختی کارڈ نمبر	نام اور شناختی کارڈ نمبر	نام اور شناختی کارڈ نمبر	نام اور شناختی کارڈ نمبر

نوٹس:

i. مطلوبہ معلومات کمپنی کے شیئرز رجسٹرار کے دفتر کو بھیجی جائیں، بصورت دیگر، یہ فرض کیا جائے گا کہ حصص پر نپسل شیئرز ہولڈرار اور جوائنٹ ہولڈرز کے پاس یکساں ہیں اور اسی کے مطابق ٹیکس کاٹ لیا جائیگا۔

ii. سی ڈی سی اے کاؤنٹس رکھنے والے کارپوریٹ شیئرز ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنے متعلقہ شرکاء کے ساتھ اپنا نیشنل ٹیکس نمبر (NTN) اپ ڈیٹ کریں۔ کارپوریٹ فزیکل شیئرز ہولڈرز اپنے NTN سرٹیفکیٹ کی ایک کاپی کمپنی کے شیئرز رجسٹرار کو بھیجیں۔ شیئرز ہولڈرز، NTN یا NTN سرٹیفکیٹ بھیجتے وقت، جیسا کہ معاملہ ہو، کمپنی کا نام اور ان کے متعلقہ فولیو نمبرز کا حوالہ دینا ہوگا۔

ڈیویڈنڈ آمدنی سے وہ ہولڈنگ ٹیکس چھوٹ کی اجازت صرف اس صورت میں دی جائے گی جب ایک درست ٹیکس استثنیٰ سرٹیفکیٹ کی کاپی کمپنی کے شیئرز رجسٹرار کو بھیجی جائیگی۔

کسی بھی سوال / مسئلہ / معلومات کے لیے، سرمایہ کار کمپنی اور / یا شیئرز رجسٹرار سے درج ذیل ای میل پتوں پر رابطہ کر سکتے ہیں:

کمپنی: corporate.secretary@nfoods.com

شیئرز رجسٹرار: info@cdcsrsl.com

8. غیر دعویٰ شدہ ڈیویڈنڈ / حصص

شیئرز ہولڈرز، جو کسی بھی وجہ سے اپنے ڈیویڈنڈ / حصص اگر کوئی ہیں، کا دعویٰ نہیں کر سکتے، انہیں ہمارے شیئرز رجسٹرار مینسٹرز CDC شیئرز رجسٹرار سروسز لمیٹڈ، CDC ہاؤس-99B، بلاک 'B'، S.M.C.H.S، مین شاہراہ فیصل، کراچی 74000 سے رابطہ کرنے کا مشورہ دیا جاتا ہے۔ اپنے غیر دعویٰ شدہ ڈیویڈنڈ / حصص کے بارے میں معلومات حاصل کرنے کے لیے، اگر کوئی ہے۔

9. پوسٹل بیلٹ ای ووٹنگ

اراکین کو مطلع کیا جاتا ہے کہ کمپنیز (پوسٹل بیلٹ) ریگولیشنز، 2018 کے تحت، جو ایس آراو 2022 / (1) 2192 مورخہ 5 دسمبر 2022 کو SECP کی جانب سے جاری کردہ نوٹیفکیشن کے ذریعے ترمیم کی گئی ہے۔ SECP نے تمام فہرست شدہ کمپنیوں کو ہدایت کی ہے کہ وہ تمام خصوصی کاروبار اور ڈائریکٹرز کے انتخاب کے معاملے میں، جہاں پیش کردہ امیدواروں کی تعداد کمپنیز ایکٹ کے سیکشن 159 کی ذیلی دفعہ (1) کے تحت مقرر کردہ ڈائریکٹرز کی تعداد سے زیادہ ہو، اراکین کو الیکٹرانک ووٹنگ کی سہولت اور بذریعہ ڈاک ووٹنگ کا حق فراہم کریں۔ اس کے مطابق، نیشنل فوڈز لمیٹڈ کے اراکین کو اپنے آئندہ سالانہ جنرل اجلاس میں، جو پیر، 21 اکتوبر 2024 کو دوپہر 3:00 بجے منعقد ہوگا، ڈائریکٹرز کے انتخاب کے لیے الیکٹرانک ووٹنگ یا بذریعہ ڈاک ووٹنگ کے ذریعے اپنے ووٹ دینے کا حق حاصل ہوگا۔ مذکورہ ریگولیشنز کے تحت شرائط کے مطابق مزید تفصیلات بعد میں فراہم کی جائیں گی۔

10. اجلاس عام میں شیئرز ہولڈرز کے لیے ضابطہ اخلاق:

i) کمپنیز ایکٹ، 2017 ("ایکٹ") کا سیکشن 215 اور کمپنیز ریگولیشنز، 2024 کا ضابطہ 55، "اجلاس میں شیئرز ہولڈرز کا برتاؤ" مندرجہ ذیل بیان کرتا ہے:

i) ایسا مواد نہیں لایا جائے گا جس سے شرکایا احاطے کو خطرہ ہو جہاں اجلاس ہو رہا ہو۔

ii) اجلاس کے نوٹس میں شامل ایجنڈا آئٹمز تک خود کو محدود رکھیں گے۔

iii) تبصرے اور بحث کو کمپنی کے معاملات تک محدود رکھیں گے۔ اور

iv) کسی سیاسی و / یا مذہبی کو ظاہر کرنے یا دوسرے اراکین کی مذہبی حساسیت کو مجروح کرنے کے طریقے سے کام نہیں کریں گے

مزید برآں، کمپنیز ایکٹ، 2017 کی دفعہ 185 کی تعمیل میں کمپنی کو اجازت نہیں ہے کہ وہ اجلاس میں اپنے ممبروں کو کسی بھی شکل میں تحائف تقسیم کرے۔

11. سالانہ رپورٹ 2024 کی سرکولیشن / ٹرانسمیشن اور اجلاس کے نوٹس

کمپنیز ایکٹ، 2017 کے سیکشن 223 کے پروویژن کے مطابق 30 جون 2024 کو ختم ہونے والے سال کے لیے کمپنی کے آڈٹ شدہ مالیاتی گوشوارے کمپنی کی ویب سائٹ (https://www.nfoods.com) پر دستیاب ہیں۔

سالانہ رپورٹ 2024 اور AGM کا نوٹس کمپنیز ایکٹ 2017 کے سیکشن (6) 223 کے مطابق ممبران کو پوسٹ / کوریئر کے ذریعے اور الیکٹرانک طور پر ممبران کو ای میل کے ذریعے ان تمام شیئرز ہولڈرز کو بھیجا جا رہا ہے جن کے ای میل ایڈریس CDC یا شیئرز رجسٹرار کے پاس دستیاب ہیں۔

کوئی بھی شیئرز ہولڈرز جس کو سالانہ آڈٹ شدہ مالیاتی بیانات 2024 کی پرنٹ شدہ کاپی درکار ہوگی اسے درخواست کی وصولی کے سات کام کے دنوں کے اندر ایک کاپی مفت فراہم کی جائے گی۔

12. فزیکل شیئرز کو بک انٹری فارم میں تبدیل کرنا

کمپنیز ایکٹ کے سیکشن 72 کے مطابق اور ایس ای سی پی کی طرف سے اپنے خط نمبر کے ذریعے جاری کردہ ہدایت 639-640-2016 CSD/D/Misc./ مورخہ 26 مارچ 2021، تمام لسٹڈ کمپنیوں کو اپنے حصص یافتگان کی پیروی کرنے کی ضرورت ہے جو ابھی بھی فزیکل شکل میں حصص رکھتے ہیں، انہیں اپنے حصص کو بک-انٹری-فارم میں تبدیل کرنے کی ضرورت ہے۔

مذکورہ بالا ضرورت کے پیش نظر کمپنی کے شیئرز ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنے فزیکل شیئرز کو جلد از جلد بک انٹری فارم میں تبدیل کریں۔ حصص کو بک انٹری فارم میں تبدیل کرنے سے حصص یافتگان کو سہولت ملے گی یعنی حصص کی فوری فروخت اور خریداری کے لیے آسانی سے دستیاب مارکیٹ، نقصان اور نقصان کے خطرے کا خاتمہ، آسان اور محفوظ منتقلی اور فزیکل شیئرز کے مقابلے میں کم سہی کارروائیاں۔ شیئرز ہولڈرز شیئرز کی تبدیلی میں مدد کے لیے کمپنی کے شیئرز رجسٹرار سے رابطہ کر سکتے ہیں۔ فزیکل شیئرز کو بک انٹری فارم میں تبدیل کرنے کے لیے رہنما خطوط دیے گئے لنک پر سی ڈی سی شیئرز رجسٹرار سروسز لمیٹڈ کی ویب سائٹ پر https://www.cdcsrsl.com/?jet_download=7429 دستیاب ہیں:

13. فزیکل شیئرز ہولڈرز کی لازمی رجسٹریشن کی تفصیلات

کمپنیز ایکٹ 2017 کے سیکشن 119 اور کمپنیز ریگولیشنز، 2024 کے ضابطہ 47 کے مطابق، تمام فزیکل شیئرز ہولڈرز کو مشورہ دیا جاتا ہے کہ وہ اپنی لازمی معلومات جیسے CNIC نمبر، پتہ، ای میل ایڈریس، رابطہ موبائل / ٹیلی فون نمبر، انٹرنیشنل بینک اکاؤنٹ نمبر (IBAN) وغیرہ۔ ہمارے شیئرز رجسٹرار کو ان کے پتے پر، نوٹ 1 میں فراہم کردہ، فوری طور پر قانون کی عدم تعمیل یا مستقبل میں کسی بھی قسم کی تکلیف سے بچنے کے لیے فراہم کریں۔

C. آزاد ڈائریکٹرز کا انتخاب کمپنیز ایکٹ، 2017 کے سیکشن 159 کے تحت ضروری ڈائریکٹرز کے انتخاب کے عمل کے ذریعے کیا جائے گا۔ (آزاد ڈائریکٹر کمپنیز ایکٹ 2017 کے سیکشن 166 کے ساتھ ساتھ کا طریقہ اور انتخاب) ریگولیشنز، 2018 میں طے شدہ معیار پر پورا اتریں گے۔ اس کے مطابق، ایک آزاد ڈائریکٹر کے طور پر ڈائریکٹرز کا انتخاب لڑنے کے خواہشمند امیدواروں کو درج ذیل اضافی دستاویزات جمع کرانی ہوں گی۔

1. لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورنس) ریگولیشنز، 2019 کی شق (3)6 کے تحت آزاد ڈائریکٹر کا اعلان۔

ii. غیر عدالتی اسٹامپ پیپر کے مناسب فرق کے بارے میں وعدہ کرنا کہ وہ کمپنیز آزاد ڈائریکٹرز کا طریقہ اور انتخاب ریگولیشنز، 2018 کے ضابطہ 4 کے ذیلی ضابطے (1) کے تقاضوں کو پورا کرتا ہے۔

آزاد ڈائریکٹرز کی تقرری کے سلسلے میں مادی حقیقت کا بیان کمپنیز ایکٹ 2017 کے سیکشن 166 (3) کے تحت

کمپنیز ایکٹ 2017 کے سیکشن 166 کے مطابق، ڈائریکٹرز کے انتخاب کے لیے بلائی جانے والی جنرل میٹنگ کے نوٹس کے ساتھ اہم حقائق کا بیان منسلک ہونا لازمی ہے، جس میں اس بات کی وضاحت کی جائے گی کہ آزاد ڈائریکٹر کے طور پر امیدوار کے انتخاب کی کیا وجہ ہے۔

لہذا، یہ یقینی بنایا جائے گا کہ منتخب ہونے والے آزاد ڈائریکٹر کمپنیز ایکٹ 2017 کے سیکشن 166 اور کمپنیز (آزاد ڈائریکٹرز کے انتخاب کا طریقہ کار) ریگولیشنز 2018 کے تحت مقرر کردہ معیارات پر پورا اتریں گے اور ان کے نام اسٹیٹ بینک آف پاکستان کے ریگرنانی پاکستان انسٹیٹیوٹ آف کارپوریٹ گورنس کی طرف سے بنائے گئے آزاد ڈائریکٹرز ڈیٹا بینک میں شامل ہوں گے، جسے ایس ای سی پی نے منظور کیا ہے۔ آزاد ڈائریکٹرز کی تقرری کے دوران امیدواروں کی مناسب قابلیت، تنوع، مہارت، علم اور تجربے کا بھی جائزہ لیا جائے گا۔

موجودہ آزاد ڈائریکٹرز میں سے ایک، جناب احسان اے ملک، نے اپنی تیسری مدت مکمل کر لی ہے، لہذا وہ آزاد ڈائریکٹرز کی کینڈیڈی میں انتخاب کے اہل نہیں ہیں۔

کسی بھی ڈائریکٹر کا اس کاروبار میں براہ راست یا بالواسطہ کوئی ذاتی مفاد نہیں ہے، سوائے بطور شیئر ہولڈر، اور وہ ڈائریکٹرز کے انتخاب کے لیے اپنی رضامندی دے سکتے ہیں۔

2. بک کی بندش کا نوٹس

کمپنی کی حصص کی منتقلی کی بک 14 اکتوبر 2024 سے 21 اکتوبر 2024 تک (بشمول دونوں دن) بند رہیں گی۔

ہمارے شیئر رجسٹرار میسرز CDC شیئر رجسٹرار سروسز لمیٹڈ، CDC House-99B، بلاک 'B'، S.M.C.H.S، مین شاہراہ فیصل، کراچی-74000 کے دفتر میں 11 اکتوبر 2024 کو کاروبار کے اختتام تک ترتیب سے منتقلیاں موصول ہوں گی۔ ان پر حصص یافتگان کے حتمی نقد ڈیویڈنڈ کے حق کے تعین اور اجلاس میں شرکت اور ووٹ دینے کے لیے پرغور کیا جائے گا۔

3. ویڈیولنک کی سہولت کے ذریعے اجلاس میں شرکت

حصص یافتگان کے حتمی نقد ڈیویڈنڈ کے حق کے تعین اور اجلاس میں شرکت اور ووٹ دینے کے لیے وقت پر غور کیا جائے گا۔ ذاتی ملاقات کے علاوہ، کمپنی سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی طرف سے مطلع کردہ سرکلرز کے مطابق ویڈیولنک کی سہولت کے ذریعے بھی اپنی AGM منعقد کرے گی۔ اس سہولت کے ذریعے AGM میں شرکت کے خواہشمند ممبران مندرجہ ذیل تفصیلات فراہم کرتے ہوئے cdcsr@cdcsrsl.com کمپنی کے ساتھ خود کو رجسٹر کرنے کی درخواست دیں۔

اراکین واٹس ایپ نمبر 8200864-0321 اور ای میل cdcsr@cdcsrsl.com پر AGM کے ایجنڈا آنمٹز کے لیے اپنے تبصرے اور سوالات بھی فراہم کر سکتے ہیں۔

نام شیئر ہولڈر	کمپنی کا نام	سی ڈی سی نمبر	فولیو/سی ڈی سی نمبر	CNIC نمبر	سیل نمبر	ای میل ایڈریس رجسٹرڈ
	نیشنل فوڈز					

ویڈیولنک اور لاگ ان کی اسناد کا اشتراک ان ممبران/پراکسیز کے ساتھ کیا جائے گا جن کی ای میل مندرجہ بالا تمام تفصیلات پر مشتمل ای میل ایڈریس پر 17 اکتوبر 2024 کو کاروبار کے اختتام تک موصول ہوئی ہے۔

اراکین AGM کے ایجنڈا آنمٹز کے لیے اپنے تبصرے اور سوالات ای میل corporate.secretary@nfoods.com پر بھی فراہم کر سکتے ہیں:

کمپنی اجلاس سے متعلق کسی بھی متعلقہ اپ ڈیٹ کو بتائے گی، بشمول AGM کے نوٹس میں بیان کردہ انتظامات میں کسی بھی تبدیلی کا اعلان ریگولیشنز انفارمیشن سروس (PUCAR) کے ذریعے کیا جائے گا اور یہ <https://www.nfoods.com/> پر دستیاب ہوگا۔

4. پراکسی کی تقرری اور AGM میں شرکت

سالانہ جنرل میٹنگ میں شرکت کرنے، بولنے اور ووٹ دینے کا حقدار رکن دوسرے ممبر کو اپنی طرف سے شرکت کرنے، بولنے اور ووٹ دینے کے لیے اپنا پراکسی مقرر کرنے کا حقدار ہے۔ ایک پراکسی کا کمپنی کارکن ہونا ضروری ہے۔ ایک پراکسی کو رائے شماری کا مطالبہ کرنے اور اس میں شامل ہونے اور پول پر ووٹ دینے کا حق بھی ہوگا۔

پراکسی کا تقرر کرنے والا آلہ لازمی طور پر دستخط شدہ کمپنی کے رجسٹرڈ آفس میں جمع کرایا جائے، نہ کہ AGM کے وقت سے 48 گھنٹے پہلے۔ ایک رکن ایک سے زیادہ پراکسی مقرر نہیں کر سکتا۔ پراکسی فارم کے ساتھ شیئر ہولڈر کے کمپیوٹر انز ڈیٹا کی شناختی کارڈ (CNIC) کی تصدیق شدہ کاپی منسلک ہونی چاہیے۔ کسی دوسرے متعلقہ پہلوؤں اور مزید معلومات کے لیے، براہ کرم کمپنیز ایکٹ، 2017 کے سیکشن 137 کے مندرجات سے رجوع کریں۔ پراکسی کا تقرر کرنے والا آلہ کمپنی کی ویب سائٹ (<https://www.nfoods.com>) پر دستیاب ہے۔

فزیکل شیئرز اور سینٹرل ڈیپازٹری کمپنی آف پاکستان لمیٹڈ (CDC) کے نام پر رجسٹرڈ حصص کے مالکان اور ایان کے پراکسیز کو شناختی مقاصد کے لیے اپنا اصل درست کمپیوٹر انز ڈیٹا شناختی کارڈ (CNIC) یا پاسپورٹ پیش کرنا ہوگا، ذاتی طور پر میٹنگ میں شرکت کے وقت۔ ایک کارپوریٹ ادارے کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اتارنی، نامزد شخص کے دستخط کے ساتھ، میٹنگ کے وقت پیش کیا جائے گا (جب تک یہ پہلے فراہم نہ کیا گیا ہو)۔

5. الیکٹرانک ڈیویڈنڈ پر CNIC/NTN نمبر جمع کروانا (لازمی)

ممبران سے درخواست کی جاتی ہے کہ وہ اپنے متعلقہ شرکت کنندہ/سی ڈی سی ایس ایس کا ڈیٹا سروسز کو درست CNIC/NTN سرٹیفکیٹ کی ایک کاپی فراہم کریں بگ انٹری فارم کی صورت میں، یا فزیکل فارم کی صورت میں کمپنی کے شیئر رجسٹرار کو اس پر کمپنی کا نام اور متعلقہ فوئیو نمبر درج کریں۔

شیئر ہولڈرز سے درخواست ہے کہ اگر ان کے رجسٹرڈ ڈاک پتوں میں کوئی تبدیلی ہو تو کمپنی کے شیئر رجسٹرار کو مطلع کریں۔

کمپنیز (ڈسٹری بیوشن آف ڈیویڈنڈ) ریگولیشنز، 2017 کے ریگولیشن نمبر 4 اور 6 کے تحت، کمپنی شیئر ہولڈرز یا مجاز فرد کے شناختی نمبر CNIC (یا نیشنل ٹیکس نمبر) کی عدم دستیابی کی صورت میں کمپنی شیئر ہولڈرز کو ڈیویڈنڈ کی ادائیگی کو روکنے پر مجبور ہوگی۔

اس کے مطابق، شیئر ہولڈرز، جنہوں نے ابھی تک اپنے درست CNIC یا NTN سرٹیفکیٹ کی کاپی جمع نہیں کرائی ہے، ان سے ایک بار پھر درخواست کی جاتی ہے کہ وہ اسے فوری طور پر کمپنی کے شیئر رجسٹرار کو CDC شیئر رجسٹرار سروسز لمیٹڈ، CDC ہاؤس، B-99، بلاک B-ایس ایس ایس ایس، مین شاہراہ فیصل، کراچی میں جمع کرائیں۔ وہ شیئر ہولڈرز جو ڈی میٹر بلائرز ڈ فارم میں حصص رکھتے ہیں ان سے درخواست کی جاتی ہے کہ وہ سی ڈی سی میں اپنے شرکت کنندہ/سرمایہ کار کا ڈیٹا کی خدمات میں مناسب طریقے سے بھرا ہوا ڈیویڈنڈ بینک مینڈیٹ فارم جمع کرائیں۔ کارپوریٹ اداروں سے درخواست کی جاتی ہے کہ وہ اپنے قومی ٹیکس نمبر (NTN) اور فوئیو نمبر کے ساتھ مجاز نمائندے کی CNIC کاپی فراہم کریں۔

حصص یافتگان کی سہولت کے لیے ای ڈیویڈنڈ مینڈیٹ فارم کمپنی کی ویب سائٹ <https://www.nfoods.com> پر دستیاب ہے۔

نیشنل فوڈز لمیٹڈ شیئر ہولڈرز (فزیکل اور سی ڈی ایس) کی 30 جون 2024 تک IBAN کی حیثیت حسب ذیل ہے:

تناسب/فیصد (%) IBAN اپ ڈیٹ	IBAN کا موجودہ نمبر اپ ڈیٹ 30 جون 2024			30 جون 2024 تک شیئر ہولڈرز کی کل تعداد		
	کل	سی ڈی ایس	فزیکل	کل	سی ڈی ایس	فزیکل
90.31	3,375	3,228	147	3,737	3,259	478

c) سب رجسٹرار یا کسی دوسرے مجاز اتھارٹی کے سامنے نمائندگی کرنا اور کسی بھی سیل ڈیڈ یا دیگر دستاویزات کو رجسٹر کرنا اور "پراپٹیز" کے سلسلے میں زیر غور رقم جمع کرنا، اور

d) عام طور پر "پراپٹیز" کے سلسلے میں تمام قانونی اعمال، معاہدوں، افعال اور چیزوں کو انجام دینا اور ان پر عمل کرنا جیسا کہ وہ "پراپٹیز" کے لین دین کو نافذ کرنے اور مکمل کرنے کے لیے مناسب سمجھیں۔

مزید یہ طے کیا گیا ہے چیئر مین اور ایچیف ایگزیکٹو اور ای کوئی ڈائریکٹر اور کمپنی سیکرٹری، یا ایسے دوسری شخصیات جو ان میں سے کسی کے ذریعہ مجاز ہو ("مجاز افراد") مشترکہ طور پر یا الگ الگ، ہوں اور ہوں گے۔ تمام ضروری اقدامات کرنے، وقتاً فوقتاً مطلوبہ فیصلے کرنے، ایسے تمام اعمال، افعال اور چیزیں کرنے، ضروری منظوری حاصل کرنے، اور ایسے تمام اعمال، معاہدوں، اعلانات، وعدوں اور ضمانتوں کو انجام دینے اور ان کی فراہمی کے لیے مجاز اور با اختیار ہے۔ اس سے متعلق ذیلی دستاویز یا اس کے لیے اور کمپنی کے نام پر اور اس کے نام پر ایسی کوئی دستاویز فراہم کرنا جو ضروری ہو یا درکار ہو یا جیسا کہ وہ یا ان میں سے کوئی بھی مجوزہ خصوصی قراردادوں کو انجام دینے کے مقاصد کے لیے یا اس سے متعلق یا واقعاتی طور پر مناسب سمجھ سکتا ہے۔

مزید یہ طے کیا گیا کہ کمپنی "پراپٹیز" کے حوالے سے تمام واقعاتی یا ذیلی کارروائیاں کرنے کی مجاز ہے۔

مزید یہ طے کیا گیا کہ بورڈ کو ان قراردادوں میں ترمیم پر اتفاق کرنے کا اختیار دیا گیا ہے جو کہ SECP/PSX یا کسی دوسرے مجاز اتھارٹی ا ریگولیٹر کے ذریعے شیئر ہولڈرز کی مزید منظوری کی ضرورت کے بغیر ہدایت ا ضروری ہو سکتی ہے۔

مزید یہ کہ مذکورہ بالا معاملات کے سلسلے میں کمپنی کی جانب سے چیئر مین اور ایاسی ای او اور ای کسی بھی ڈائریکٹر یا مجاز شخص (افراد) کی طرف سے اس سے پہلے کی گئی تمام کارروائیوں کی کمپنی کی طرف سے تصدیق، توثیق اور اختیار کی جاتی ہے۔

مزید یہ طے کیا گیا ہے کہ چیئر مین اور ای ا، چیف ایگزیکٹو اور ای کمپنی سیکرٹری ہوں گے اور اس کے ذریعے SECP، پاکستان اسٹاک ایکسچینج اور یا کسی دوسرے متعلقہ ریگولیٹری ادارے کے ساتھ قانونی تقاضوں کی تعمیل کرنے اور اس طرح کے تمام اعمال، افعال اور چیزیں کرنے کا اختیار دیا گیا ہے۔ جو قانون کے تحت ضروری ہے۔

یہ بھی طے کیا گیا ہے کہ قراردادوں کی مصدقہ کاپیاں بطور موجودہ شکل یا چیئر مین ا سی ای او ا کمپنی سیکرٹری کے ذریعہ ترمیم شدہ متعلقہ حکام کو بھیجی جائیں گی اور اس وقت تک نافذ رہیں گی جب تک اس کے برعکس تحریری نوٹس نہیں دیا جاتا۔

دیگر بزنس

10. چیئر کی اجازت سے کسی اور معاملے کو زیر غور لانا۔

کمپنیز ایکٹ 2017 کے سیکشن (3)134 کے تحت ایجنڈا آئٹم نمبر 6،7،8 اور 9 میں شامل خصوصی بزنس کے حوالے سے بیانات اراکین کو بھیجے جانے والے نوٹس کے ساتھ منسلک ہیں۔

<p>بحکم بورڈ</p>	
<p>فضل الرحمن حاجانو</p>	
<p>کمپنی سیکرٹری</p>	
<p>کراچی</p>	
<p>30 ستمبر، 2024</p>	

نوٹس:

1. ڈائریکٹرز کا انتخاب

A. کمپنیز ایکٹ 2017 کے سیکشن (1)159 کے مطابق، بورڈ آف ڈائریکٹرز نے ڈائریکٹرز کی تعداد سات (07) مقرر کی ہے، جن کا انتخاب کمپنی کے سالانہ عام اجلاس میں تین (03) سال کی مدت کے لیے کیا جائے گا۔ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے ضابطہ 7A کے لحاظ سے مخصوص سیٹوں کی تعداد کے لیے انتخابات درج ذیل زمروں میں منعقد کیے جائیں گے۔

کیٹیگری	عہدوں کی تعداد
خواتین ڈائریکٹر	ایک
آزاد ڈائریکٹرز	دو
دیگر ڈائریکٹرز	چار

A. الیکشن کے لیے ہر امیدوار کو کمپنی کا ممبر ہونا چاہیے سوائے اس شخص کے جو کسی ممبر کی نمائندگی کر رہا ہو جو غیر فطری شخص ہو۔

B. کوئی بھی شخص جو ڈائریکٹر کے عہدے کے لیے الیکشن لڑنا چاہتا ہے، چاہے وہ ریٹائر ہونے والا ڈائریکٹر ہو یا بصورت دیگر، میٹنگ کی تاریخ سے چودہ (14) دن پہلے کمپنی کے پاس اس کے رجسٹرڈ آفس میں درج ذیل دستاویزات / معلومات جمع کرائے گا:

- i. کمپنیز ایکٹ 2017 کے سیکشن (3)159 کے مطابق ڈائریکٹرز کے انتخاب کے لیے اپنے آپ کو پیش کرنے کے ارادے کا نوٹس، جس میں کسی ایک زمرے کا ذکر کیا گیا ہے جس میں وہ ریگولیشن 7A کے تحت ضرورت کے مطابق منتخب ہونے کا ارادہ رکھتا ہے۔ SRO 906(I)/2023 مورخہ 07 جولائی 2023 کے تحت فہرست شدہ کمپنیاں (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019۔
- ii. NTN یا سپورٹ کی تصدیق شدہ کاپی کے ساتھ کمپنیز ایکٹ، 2017 کے سیکشن 167 کے تحت فارم-9 کے ضمیمہ پر ڈائریکٹر کے طور پر کام کرنے کی رضامندی۔
- iii. SECP کے SRO 1196(I)/2019 مورخہ 03 اکتوبر 2019 کے تحت مطلوبہ امیدوار کا تفصیلی پرو فائل جس میں کمپنی کی ویب سائٹ پر تعیناتی کے لیے اس کے دفتر کا پتہ شامل ہے۔
- iv. ایک اعلان اس بات کی تصدیق کرتا ہے:

- وہ ایکٹ، لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 اور کسی دوسرے قابل اطلاق قانون، قواعد و ضوابط کے تحت کسی لسٹڈ کمپنی کا ڈائریکٹر بننے کے لیے نا اہل نہیں ہے۔

- وہ کمپنیز ایکٹ 2017، سیکورٹیز ایکٹ 2015، لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019، پاکستان اسٹاک ایکسچینج کی رول بک، میمورنڈم اور ایسوسی ایشن کے آرٹیکلز کے تحت اپنے فرائض، ذمہ داریوں اور اختیارات سے واقف ہے۔ اور دیگر تمام قابل اطلاق قوانین / قواعد / ضابطے / کوڈز وغیرہ۔

- وہ نابالغ نہیں ہے اور نہ ہی نابالغ دماغ کا ہے اور نہ ہی غیر دیوالیہ ہے۔

- وہ قومی ٹیکس دہندگان کے رجسٹر پر پیدا ہوا ہے۔

- اسے عدالت نے مالیاتی اداروں، ترقیاتی مالیاتی ادارے اور غیر بینکنگ مالیاتی ادارے کو قرض کی ادائیگی میں ڈیفالٹر کے طور پر سزا نہیں دی ہے۔

- وہ بیک وقت سات سے زیادہ لسٹڈ کمپنیوں میں متبادل ڈائریکٹر سمیت بطور ڈائریکٹر خدمات انجام نہیں دے رہا ہے۔

- نہ ہی وہ /وہ اور نہ ہی اس کی شریک حیات اسٹاک بروکرینج کے کاروبار میں مصروف ہے۔

V. درست CNIC کی کاپی (پاکستانی شہری کی صورت میں) / پاسپورٹ (غیر ملکی شہری کی صورت میں)، اور NTN اور فولیو نمبر / CDC سرمایہ کار اکاؤنٹ نمبر / CDC ذیلی اکاؤنٹ نمبر (پہلی بار رضامندی داخل کرنے والے شخص کے لیے قابل اطلاق) متعلقہ تاریخوں کے ساتھ دیگر کمپنیوں میں منعقدہ ڈائریکٹر شپ اور دفاتر کی تفصیلات۔

53 ویں سالانہ عام اجلاس کا نوٹس

نیشنل فوڈز لمیٹڈ کا 53 واں سالانہ عام اجلاس بروز **پیر 21 اکتوبر 2024** کو دن 15:00 بجے **بیچ گلٹری ہوٹل**، کراچی میں منعقد ہوگا۔ شیئر ہولڈرز جو ویڈیو لنک کی سہولت کے ذریعے AGM میں شرکت کرنا چاہتے ہیں وہ ایسا کر سکتے ہیں۔

عمومی برنس

1. 19 اکتوبر 2023 کو منعقدہ 52 ویں سالانہ عام اجلاس کے منٹس کی توثیق کرنا۔

2. 30 جون 2024 کو ختم ہونے والے سال کے لیے کمپنی کے آڈٹ شدہ مالیاتی گوشواروں بشمول ڈائریکٹرز اور آڈیٹرز کی رپورٹس، کمپنی کے آڈٹ شدہ مالیاتی بیانات اور اس پر آڈیٹرز کی رپورٹس کو وصول، غور اور اپنانا۔

نوٹ: ممبران اجلاس کے بعد درج ذیل QR کوڈ اور ویب لنک کے ذریعے سالانہ آڈٹ شدہ مالیاتی بیانات تک رسائی حاصل کر سکتے ہیں۔



ویب لنک <https://qr-codes.io/VVhz5G>

3. کمپنی کے عام حصص کے ڈیویڈنڈ پر غور منظور اور اعلان: ڈائریکٹرز نے 5.00 روپے کے فائل کیش ڈیویڈنڈ فی عام شیئر (100%) علاوہ %30 اور ادا شدہ انٹیرم کیش ڈیویڈنڈ کی سفارش کی ہے جو کہ کل ڈیویڈنڈ 6.5 روپے فی شیئر (%130) بنتا ہے مالی سال 30 جون 2024 کے اختتام پر۔

4. آئندہ سال کے لیے کمپنی کے بیرونی آڈیٹرز کا تقرر کرنا اور ان کے معاوضے کو طے کرنا۔ بورڈ آف ڈائریکٹرز نے 30 جون 2025 کو ختم ہونے والے سال کے لیے میسرز کے پی ایم جی تاثیر ہادی اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس کی بطور بیرونی آڈیٹرز دوبارہ تقرری کی تجویز پیش کی ہے۔

5. کپینز ایکٹ 2017 کے سیکشن 159 کی شق کے مطابق بورڈ کی طرف سے مقرر کردہ 7 (سات) ڈائریکٹرز کو 3 (تین) سال کی مدت کے لیے منتخب کرنا جس کا عمل 53 ویں AGM کے فوراً بعد شروع ہوگا۔ کمپنی کے ریٹائر ہونے والے ڈائریکٹرز کے نام درج ذیل ہیں:

- مسٹر زاہد مجید
- مسٹر ابرار حسن
- مسٹر آدم فہمی مجید
- مسز نورین حسن
- مسز سعدیہ نوید
- مسٹر علی شیرازی
- مسٹر احسان علی۔ ملک

خصوصی برنس

6. کپینز ایکٹ 2017 کے سیکشن (i)(c)(1) کے تحت جناب آدم فہمی مجید کو کمپنی میں منافع بخش عہدے پر فائز رہنے کے لیے قرارداد پر غور کرنا اور اگر مناسب سمجھا جائے تو تمیم کے ساتھ یا اس کے بغیر پاس کرنا۔

"یہ طے کیا گیا کہ کپینز ایکٹ، 2017 کے سیکشن (i)(c)(1) کی دفعات کے مطابق، ممبران کی رضامندی سے اجازت دی جاتی ہے کہ۔" ایم آدم فہمی مجید کو کمپنی کے تحت دفتر یا منافع بخش عہدہ بشمول معاوضے پر کمپنی کے ایگزیکٹو ڈائریکٹر ہوں گے، دیگر استحقاق اور شرائط و ضوابط جن کا تعین ڈائریکٹرز کرتے ہیں اور کمپنی کی پالیسیوں کے مطابق وقتاً فوقتاً ان میں تبدیلی کی جاتی ہے"۔

7. ڈائریکٹرز کے معاوضے میں مجوزہ اضافے پر غور کرنا اور اسے منظور کرنا۔ اس مقصد کے لیے درج ذیل قرارداد کو عام قرارداد کے طور پر بغیر کسی ترمیم، ترمیم یا تبدیلی کے ساتھ پاس کریں :-

"یہ طے کیا گیا کہ بورڈ اور کمپنی کے اجلاس میں شرکت کے لیے کمپنی کے چیئرمین اور نان ایگزیکٹو اور آزاد ڈائریکٹرز کے معاوضے میں اضافہ، مادی تحائف کے بیان کے طور پر، جس کی منظوری بورڈ آف ڈائریکٹرز نے 5 ستمبر 2024 میں ہونے والی میٹنگ میں دی تھی، کمپنی کے آرٹیکلز آف ایسوسی ایشن کے آرٹیکل 62 کے مطابق اس کی توثیق / منظور شدہ ہے"۔

8. اور اگر مناسب سمجھا تو درج ذیل قراردادوں کو خصوصی قراردادوں کے طور پر پاس کرنے کے لیے، (a) 30 جون 2024 کو ختم ہونے والے مالی سال کے دوران متعلقہ فریقوں کے ساتھ کیے گئے لین دین کی توثیق اور منظوری، اور (b) اور (c) بورڈ آف ڈائریکٹرز کو 30 جون 2025 کو ختم ہونے والے سال کے دوران کئے گئے تمام متعلقہ پارٹی ٹرانزیکشنز کی منظوری دینے کا اختیار دینا۔

(a) "یہ طے کیا گیا کہ لین دین، جن میں ڈائریکٹرز کی اکثریت دلچسپی رکھتی ہے، 30 جون 2024 کو ختم ہونے والے مالی سال کے لیے کمپنی کی طرف سے درج ذیل متعلقہ فریقوں کے ساتھ کی جاتی ہے، اس کی توثیق اور منظوری دی جاتی ہے"۔

اسے ٹی سی ہولڈنگز (پرائیویٹ) لمیٹڈ۔ ہیڈزٹ کمپنی
نیشنل فوڈز DMCC ذیلی / ماتحت ادارہ

(b) "مزید یہ طے کیا گیا کہ کمپنی کے بورڈ آف ڈائریکٹرز کو تمام متعلقہ پارٹی ٹرانزیکشنز کو منظور کرنے کا اختیار دیا گیا ہے، جن میں زیادہ تر ڈائریکٹرز دلچسپی رکھتے ہیں، ان کو انجام دیا جائے گا اور کسی بھی متعلقہ فریق کے ساتھ کیا جائے گا، بشمول مذکورہ بالا متعلقہ فریق، کیس ٹوکس کی بنیاد پر 30 جون 2025 کو ختم ہونے والے مالی سال کے لیے اور کمپنی کے آئندہ سالانہ جنرل اجلاس تک"۔

"مزید طے کیا گیا کہ بورڈ کی طرف سے لین دین کی منظوری، جیسا کہ مذکورہ بالا، حصص یافتگان کی طرف سے منظور شدہ سمجھا جائے گا اور 30 جون 2025 کو ختم ہونے والے سال کے لین دین کو آئندہ سالانہ اجلاس عام میں شیئر ہولڈرز کے سامنے ان کی باضابطہ توثیق / منظوری کے لیے رکھا جائے گا"۔

9. سائٹ F-160/C, F-133 کراچی میں واقع کمپنی کی ”پراپرٹیز“ نامی زمین اور عمارت کی فروخت پر غور اور منظوری دینا اور کپینز ایکٹ، 2017 کے سیکشن (a)(3) 183 کی شرائط میں ترمیم، اضافے یا حذف کے ساتھ یا اس کے بغیر، درج ذیل خصوصی قراردادیں منظور کرنا:

"طے کیا گیا ہے کہ حصص یافتگان کی رضامندی سے سائٹ F-160/C, F-133 کراچی میں واقع کمپنی کی زمین اور عمارت کو "پراپرٹیز" کے نام سے تصرف اور فروخت کرنے کے لیے دی جاتی ہے"۔

مزید یہ طے کیا گیا کہ بورڈ آف ڈائریکٹرز اپنے اختیارات چیئرمین اور / یا چیف ایگزیکٹو آفیسر (سی ای او) کو سونپنے کا مجاز اور با اختیار ہے یا اس میں کمپنی کے کسی ڈائریکٹر کے ساتھ یا اس کے بغیر کسی دوسرے شخص کو اس طرح کی شرائط و ضوابط پر وہ مناسب سمجھتے ہیں کہ کمپنی کی جانب سے تمام اعمال، معاملات، چیزوں اور اعمال کو انجام دینے اور انجام دینے کے لیے "پراپرٹیز" اور اس کے زیر غور لین دین کو نافذ کرنے اور / یا اثر دینے میں، جس میں شامل ہوں گے، لیکن محدود نہیں ہوں گے کو:

(a) دلچسپی رکھنے والے فریقین کے ساتھ ایسے طریقے سے اور ایسی شرائط و ضوابط پر جو کمپنی اور اس کے شیئر ہولڈرز کے بہترین مفاد میں ہوں اور جو "پراپرٹیز" کے لیے بہترین دستیاب مارکیٹ قیمت کو محفوظ رکھتے ہوں، مذاکرات کرنا، کوٹیشن حاصل کرنا وغیرہ۔

(b) "پراپرٹیز" کو کسی فرد، فرم / پارٹنرشپ، بینکس یا پرائیویٹ / پبلک لمیٹڈ کمپنیوں یا آرگنائزیشن یا کسی دوسرے شخص کو فروخت کرنا اور، اس مقصد کے لیے مالیاتی اداروں کے ساتھ گفت و شنید کرنا۔ اثاثہ جات پر واجبات / الزامات کو کلیئر کرنے کے لیے اگر کوئی ہے، خریداروں یا کسی دوسرے شخص کے ساتھ فروخت، فروخت کا معاہدہ یا کوئی دوسرا معاہدہ کرنا، فروخت پر غور حاصل کرنا، کسی بھی سیل ڈیڈ پر عمل درآمد، تیاری اور دستخط کرنا، کنونینس ڈیڈ اور / یا خریداروں یا کسی دوسرے شخص کے حق میں دستاویزات کی منتقلی تاکہ خریدار یا کسی دوسرے شخص کے حق میں "پراپرٹیز" کو متاثر کرے اور تمام متعلقہ فریقوں اور حکام کے سامنے اس کی نمائندگی کرے اور اس پر عمل درآمد کا اعتراف کرے۔

FORM OF PROXY

National Foods Limited

پراکسی فارم

نیشنل فوڈز لمیٹڈ

I/We _____ of Karachi being a member of **National Foods Limited** holding _____ ordinary shares as per Folio No./CDC Participant ID & A/c No. _____ hereby appoint _____ of Karachi, another Member of the Company, failing him/her _____ of _____ as my/our proxy in my/our absence to attend and to vote and act for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at Beach Luxury Hotel, Moulvi Tamizuddin Khan Road, Karachi-74000 at 03:00 p.m. on Monday, October 21, 2024 and at any adjournment thereof.

As witness my/our hand(s) this _____ day of _____ 2024.

Affix revenue stamp of Rs. 5/-

(Signature of Witness 1)

(Signature of Witness 2)

Name of Witness: _____

Name of Witness: _____

CNIC No.:

CNIC No.:

Address: _____

Address: _____

(Name in Block Letters)

Signature of the Shareholder

Folio No. _____

Notes:

- The Member is requested:
 - to affix Revenue Stamp of Rs. 05/- at the place indicated above.
 - to sign in the same style of signature as is registered with the Company.
 - to write down his/her Folio Number.
- For the appointment of the above Proxy to be valid, this instrument of proxy must be received at the Registered Office of the Company at 12 / CL-6, Claremont Road, Civil Lines, Karachi, at least 48 hours before the time fixed for the Meeting.
- Any alteration made in this instrument of proxy should be initialled by the person who signs it.
- In the case of joint holders, the vote of the senior who tenders a vote whether in person or by Proxy will be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority will be determined by the order in which the names stand in the Register of Members.
- 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.

For CDC Account Holders/Corporate Entities:

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

- The proxy form must be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- Attested copies of CNIC or the passport of the beneficial owners and of the Proxy must be furnished with the proxy form.
- The Proxy must produce his original CNIC or original passport at the time of the Meeting.
- In case of corporate entities, the Board of Directors' resolution/power of attorney and specimen signature must be submitted (unless it has been provided earlier) alongwith proxy forms to the Company.

میں/ہم _____ از _____، بحیثیت ممبر نیشنل فوڈز لمیٹڈ ہولڈنگز عوامی شیئرز برطابق فولیو نمبر / CDC شرکت کنندہ ID اور A/c نمبر _____ بذریعہ ہذا _____ از _____ کو کمپنی کے دوسرے رکن کے طور پر مقرر کرتا / کرتی ہوں / کرتے ہیں اور ان کی غیر موجودگی میں، _____ از _____ کو اپنی غیر حاضری کی صورت میں موقع پر موجود ہونے اور ووٹ دینے اور میری / ہماری نمائندگی کرنے اور میری / ہماری جانب سے کمپنی کے سالانہ اجلاس عام بمقام بیچ گلری ہوٹل، مولوی تمیز الدین خان روڈ، کراچی-74000، پیر مورخہ 21 اکتوبر 2024 دوپہر 3 بجے یا التواء کی صورت میں کسی اور وقت منعقد ہونے والے اجلاس عام میں شرکت کے لیے مقرر کرتا / کرتی ہوں / کرتے ہیں۔

5 روپے کا ریونیو سٹیپ

مہینے کا دن _____ مہینہ _____ 2024 کو میری / ہماری تحریر اور دستخط / دستخطوں کے ساتھ۔ درج ذیل کی موجودگی میں دستخط کیے گئے:

(گواہ 1 کے دستخط)

(گواہ 2 کے دستخط)

گواہ کا نام _____

گواہ کا نام _____

CNIC نمبر _____

CNIC نمبر _____

پتہ _____

پتہ _____

شیئرز ہولڈرز کے دستخط

(نام بڑے حروف میں)

فولیو نمبر _____

نوٹس:

- ممبر سے درخواست کی جاتی ہے کہ:
 - اوپر بتائی گئی جگہ پر 05 روپے کا ریونیو سٹیپ چپا لیا جائے۔
 - ہو بہو وہی دستخط کئے جائے جو کمپنی میں رجسٹرڈ ہے۔
 - اپنا فولیو نمبر درج کیا جائے۔
- درج بالا نمائندگی کی تقرری کا عمل مکمل ہونے کے لئے ضروری ہے کہ پراکسی کے تقرر کی دستاویز باقاعدہ طور پر کمپنی کے رجسٹرڈ آفس 12/CL-6، کلیرمونٹ روڈ، سول لائنز، کراچی پر اجلاس شروع ہونے سے کم از کم 48 گھنٹے قبل موصول ہو جانی چاہئے۔
- اس دستاویز برائے نمائندگی میں کسی بھی تبدیلی کی صورت میں اس پر زیر دستخطی کے مختصر دستخط ہونے چاہئے۔
- مشترکہ ہولڈرز ہونے کی صورت میں، سینئر فریق کا دیا گیا ووٹ خواہ وہ خود دے یا اس کے نمائندے کی جانب سے دیا جائے، دیگر مشترکہ ہولڈرز کے مقابلے میں قبول کیا جائے گا، اور اس مقصد کے لیے سینئر ہونے کا تعین ارکان کے رجسٹر میں ناموں کی ترتیب سے کیا جائے گا۔
- کوئی بھی شخص پراکسی نہیں ہو سکتا اگر وہ خود کمپنی کا ممبر نہ ہو، سوائے اس کے کہ کارپوریشن کسی ایسے شخص کا تقرر کرے جو ممبر نہیں ہے۔

CDC اکاؤنٹ ہولڈرز / کارپوریٹ اداروں کے لیے:

درج بالا کے علاوہ، درج ذیل لوازمات کی تکمیل ضروری ہوگی:

- فارم برائے نمائندگی پر دو افراد کی گواہی لی جائے گی جن کے نام، پتے اور CNIC نمبر فارم پر درج کئے جائیں گے۔
- مستفید ہونے والے مالکان اور نمائندے کے CNIC یا پاسپورٹ کی تصدیق شدہ نقل، فارم برائے نمائندگی کے ساتھ لازمی منسلک کی جائیں گی۔
- اجلاس کے وقت نمائندے کے اپنا اصل CNIC یا اصل پاسپورٹ لازمی پیش کرنا ہوگا۔
- کارپوریٹ اداروں کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد / مختار نامہ اور نمونے کے طور پر دیے گئے دستخط، فارم برائے نمائندگی کے ساتھ شیئرز رجسٹرر کے پاس لای جمع کروانا ہوں گے (اگر انہیں پہلے جمع نہ کروایا گیا ہو تو)۔

E-DIVIDEND MANDATE LETTER

To: _____

Date: _____

SUBJECT: BANK ACCOUNT DETAILS FOR PAYMENT OF DIVIDEND THROUGH ELECTRONIC MODE

Dear Sir / Madam,

I/We/Messrs., _____, being a/the shareholder(s) of National Foods Limited (the "Company"), hereby, authorize the Company, to directly credit cash dividends declared by it in my bank account as specified below:

Member's details:

Name of the Member
Folio No./CDC Participant ID & Sub-Account No. /CDC IAS
CNIC/NICOP/Passport/NTN No. (please attach copy)
Contact Number(s) (Telephone and Mobile Nos.)
Member's Postal Address

Member's Bank account details:

Title of Bank Account
International Bank Account Number (IBAN)
Bank's Name
Branch Name
Branch Code No
Branch Address

It is stated that the above particulars given by me are correct and I shall keep the Company informed in case of any changes in the said particulars in future.

Yours truly,

Signature of Member

(Please affix company stamp in case of corporate entity)

Notes:

- Those members who hold shares in book-entry form are requested to fill the above-mentioned E-Dividend Mandate Form and send it to the relevant Broker/Participants/Investor Account Services of the Central Depository Company of Pakistan Limited where the member's CDC account is being dealt.
- Those members who hold shares in physical form are requested to fill the above-mentioned E-Dividend Mandate Form and send it to the Company's Share Registrar address, i.e., CDC Share Registrar Services Limited, Share Registrar Department, CDC House, 99-B, Block B, Main Shahrah-e-Faisal, Karachi-74400, Pakistan. Tel: 0800-23275 (CDCSRL).
- In case of non-receipt of IBAN with bank details as requested above, future cash dividend, if any, could be withheld according to the directives of the Securities and Exchange Commission of Pakistan.
- National Foods Limited and CDCSRL shall not be responsible for any loss, damage, liability or claim arising, directly or indirectly, from any error, or failure in performance of any of its obligations whatsoever, caused due to incorrect payment instructions provided by the shareholder and/or due to any event beyond the control of the bank.

ای ڈیویڈنڈ مینڈیٹ لیٹر

تاریخ _____ بنام _____

موضوع: الیکٹرونک ذرائع سے ڈیویڈنڈ کی ادائیگی کے لئے بینک اکاؤنٹ کی تفصیلات

محترم سر/ میڈم،

میں/ ہم/ میسرز، _____، نیشنل فوڈز لمیٹڈ ("کمپنی") کے شیئر ہولڈر / شیئر ہولڈرز ہونے کی حیثیت سے کمپنی کو اختیار دیتا ہوں/ دیتے ہیں کہ وہ اپنی جانب سے اعلان کردہ نقد منافع براہ راست میرے/ ہمارے بینک اکاؤنٹ میں جمع کروادے، جیسا کہ ذیل میں بیان کیا جا رہا ہے۔

رکن کی تفصیلات:
نام رکن (اراکین)
فولیو نمبر/ سی ڈی سی میں شمولیت کی شناخت اور ذیلی اکاؤنٹ نمبر / سی ڈی سی آئی اے ایس
کمپیوٹرائزڈ قومی شناختی کارڈ نمبر/ قومی شناختی کارڈ برائے بیرون ملک پاکستانی (براہ مہربانی نقل منسلک کیجئے)
رابطہ نمبر (نمبرز) (ٹیلی فون اور موبائل نمبر)
رکن کا ڈاک کا پتہ

رکن کے بینک اکاؤنٹ کی تفصیلات:
بینک اکاؤنٹ کا عنوان
بین الاقوامی بینک اکاؤنٹ نمبر (IBAN)
بینک کا نام
برانچ کا نام
برانچ کوڈ نمبر
برانچ کا پتہ

توثیق کی جاتی ہے کہ اوپر دی گئی تفصیلات درست ہیں اور یہ کہ میں مذکورہ معلومات میں کسی تبدیلی کے بارے میں کمپنی کو آگاہ کرتا رہوں گا۔

آپ کا مخلص،

رکن کے دستخط

(کاروباری شخصیت ہونے کی صورت میں براہ مہربانی کمپنی کی مہر ثبت کیجئے)

یاد رکھیے:

- ایسے اراکین جو بک اینٹری کی صورت میں شیئرز کے حامل ہیں، ان سے درخواست کی جاتی ہے کہ وہ اوپر دیے گئے ای ڈیویڈنڈ فارم کو پُر کریں اور اسے سینٹرل ڈپازیری کمپنی آف پاکستان لمیٹڈ کے متعلقہ بروکر /شرکا / انویسٹر اکاؤنٹ سروسز کو ارسال کریں جہاں رکن کے سی ڈی سی اکاؤنٹ کے معاملات طے کئے جاتے ہیں۔
- وہ اراکین جن کے پاس شیئرز ماڈی صورت میں ہیں ان سے گزارش ہے کہ وہ اوپر دیے گئے ای ڈیویڈنڈ فارم کو پُر کر کے شیئر رجسٹرار کے پتے پر بھیجیں جو سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ، شیئر رجسٹرار ڈپارٹمنٹ، سی ڈی سی ہاؤس، 99- بی، بلاک بی، مین شارع فیصل، کراچی-74400، پاکستان۔ ٹیلی فون: 0800-23275 (سی ڈی سی ایس آر ایل)۔
- اوپر کی گئی گزارش کے مطابق بینک کی تفصیلات کے ساتھ انٹرنیشنل بینک اکاؤنٹ نمبر (آئی بی اے این) کی عدم وصولیابی کی صورت میں آئندہ نقد ڈیویڈنڈ، اگر کوئی ہے، کو سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی ہدایات کے بموجب روکا جا سکتا ہے۔
- نیشنل فوڈز لمیٹڈ اور سی ڈی سی ایس آر ایس ایل بلاواسطہ یا بالواسطہ ہونے والے کسی بھی نقصان، حرج، جواب دہی یا دعوے، کسی بھی غلطی یا اپنی ذمہ داریوں میں سے کسی کی بھی کارکردگی میں ناکامی جو کہ شیئر ہولڈر کی جانب سے ادائیگی کے ضمن میں فراہم کردہ غلط ہدایات کے نتیجے میں ہوئی ہو، یا بینک کی دسترس سے ماورائے کسی بھی واقعے کے لئے ذمہ دار نہیں ہوں گے۔

Request Form

For Transmission of Annual Report &
Notice of Annual General Meeting (AGM)
For Hard Copy

The Share Registrar
National Foods Limited
CDC Share Registrar Services Limited
CDC House, 99 – B, Block 'B',
S.M.C.H.S., Main Shakra-e-Faisal
Karachi – 74400, Pakistan

Subject: Request for Hard Copy of Annual Report of National Foods Limited

Dear Sir,

As notified by the Securities and Exchange Commission of Pakistan (SECP) vide its SRO 389(I)/2023 dated March 21, 2023, and as approved by the Shareholders at the Annual General Meeting of National Foods Limited (NFL or the Company) held on October 19, 2023, the Company shall circulate its the annual balance sheet, profit and loss account, auditor's report and directors' report, etc. (annual audited financial statements or the annual report) to the shareholders through QR-enabled code and web-link, subject to the requirements of SECP. Nevertheless, the shareholders may request for supply of hard copy of the annual report at their registered addresses by filling out the details below and sending it to the Company's Share Registrar and Company Secretary.

I / We, being shareholder(s) of NFL, with my / our particulars as mentioned below, hereby request for supply of Annual Report of the Company for the financial year _____, at my / our registered address:

Name of Shareholder : _____
CDC Participant ID & Sub-Account No. : _____
CNIC/NICOP/Passport/NTN No. (please attach copy) : _____
Address of Shareholder : _____
Land Line Telephone No. (if any) : _____
Cell No. (if any) : _____
Email Address : _____

Yours truly,

Shareholder's Signature
(Please affix company stamp in case of corporate entity)

Copy to: THE COMPANY SECRETARY
National Foods Limited
12/CL-6, Claremont Road, Civil Lines, Karachi - Pakistan
Tel: +92 21 38402022 & +92 21 36490029 | Fax: 92-21 35670996

درخواست فارم

سالانہ رپورٹ اور سالانہ اجلاس عامہ
(اے جی ایم) کے نوٹس کی فراہمی
ہارڈ کاپی کے لئے معیاری درخواست خط

شیئر رجسٹرار
نیشنل فوڈز لمیٹڈ
سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ
سی ڈی سی ہاؤس 99- بی بلاک 'بی'
ایس ایم سی ایچ ایس مین شارع فیصل
کراچی - 74400 پاکستان

موضوع: نیشنل فوڈز لمیٹڈ کی سالانہ رپورٹ کی ہارڈ کاپی کی درخواست

محترم جناب،

2023/(I)389 اور نیشنل فوڈز لمیٹڈ (NFL یا کمپنی) کے شیئر ہولڈرز کی سالانہ جنرل میٹنگ منعقدہ 19 اکتوبر 2023 میں منظور شدہ نوٹیفکیشن کے مطابق، کمپنی اپنے شیئر ہولڈرز کو QR کوڈ اور ویب لنک کے ذریعے اپنی سالانہ بیلنس شیٹ، منافع و خسارہ کھاتہ، آڈیٹرز کی رپورٹ اور ڈائریکٹرز کی رپورٹ وغیرہ (سالانہ آڈٹ شدہ مالیاتی بیانات یا سالانہ رپورٹ) فراہم کرے گی، SECP کے تقاضوں کے تحت۔ تاہم، شیئر ہولڈرز ہارڈ کاپی کی فراہمی کے لئے نیچے دی گئی تفصیلات کو پر کر کے کمپنی کے شیئر رجسٹرار اور سیکرٹری کو بھیج سکتے ہیں۔

میں / ہم، نیشنل فوڈز لمیٹڈ کے شیئر ہولڈر(ز) ہونے کے ناطے، ذیل میں درج میری / ہماری تفصیلات کے ساتھ کمپنی کی سالانہ رپورٹ کی ہارڈ کاپی مندرجہ ذیل پتہ پر فراہم کرنے کی درخواست کرتا / کرتے ہیں۔

شیئر ہولڈر کا نام، : _____
سی ڈی سی پارٹیسپینٹ آئی ڈی اور سب اکاؤنٹ نمبر : _____
شناختی کارڈ / نائیکوپ / پاسپورٹ / این ٹی این نمبر (براہ کرم کاپی منسلک کریں) : _____
شیئر ہولڈر کا پتہ : _____
لینڈ لائن فون نمبر (اگر کوئی ہو) : _____
موبائل نمبر (اگر کوئی ہو) : _____
ای میل پتہ : _____

خلوص کے ساتھ،

شیئر ہولڈر کے دستخط
(براہ کرم کارپوریٹ ادارے کی صورت میں کمپنی کی مہر لگائیں)

کاپی برائے: کمپنی سیکرٹری
نیشنل فوڈز لمیٹڈ
کلیر مونت روڈ سول لائنز کراچی، پاکستان، 12/CL-6
فون: 21-92+ 38402022 اور 92+ 21 36490029 | فیکس: 21-92 35670996