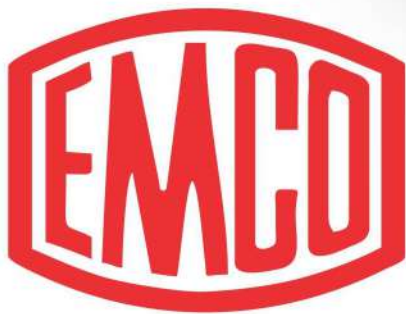


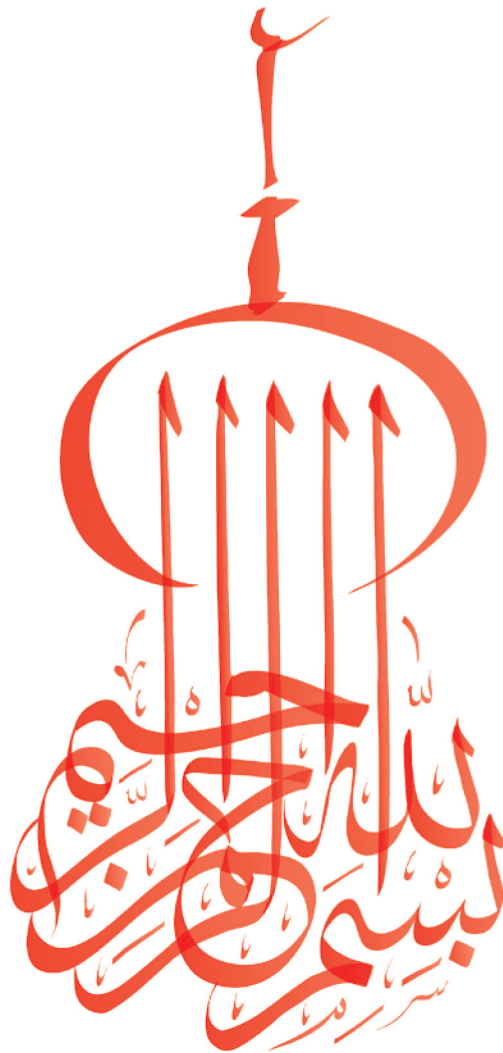
[WWW.EMCO.COM.PK](http://WWW.EMCO.COM.PK)

# ANNUAL REPORT 2024



**EMCO INDUSTRIES LIMITED**





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# Company Information

## Board of Directors

Mr. Javaid Shafiq Siddiqi	Chairman / Non-Executive Director
Mr. Usman Haq	Managing Director / Executive Director
Mr. Salem Rehman	Chief Executive / Executive Director
Mr. Tariq Rehman	Executive Director
Mr. Ahsan Suhail Mannan	Company Secretary / Executive Director
Mr. Pervaiz Shafiq Siddiqi	Non-Executive Director
Mr. Salman Javaid Siddiqi	Non-Executive Director
Mr. Umair Noorani	Non-Executive Director
Mrs. Ayesha Mussadaque Hamid	Independent Director
Ch. Imran Ali	Independent Director
Syed Muhammad Mohsin	Independent Director
Mr. Osman Hameed Chaudhri	Independent Director

## Chief Financial Officer

Mr. Riaz Ahmad

## Company Secretary

Mr. Ahsan Suhail Mannan

## Audit Committee

Mr. Osman Hameed Chaudhri	Chairman
Syed Muhammad Mohsin	Member
Mr. Javaid Shafiq Siddiqi	Member
Mr. Umair Noorani	Member

Mr. Ahsan Suhail Mannan

"Is the Committee Secretary as required by the Chapter IX, 27 (1) (iv) of Code of Corporate Governance, Regulations 2019."

## HR Committee

Mrs. Ayesha Mussadaque Hamid	Chairman
Mr. Pervaiz Shafiq Siddiqi	Member
Mr. Salman Javaid Siddiqi	Member
Mr. Ahsan Suhail Mannan	Member / Committee Secretary

## Risk Management Committee

Syed Muhammad Mohsin	Chairman
Mr. Tariq Rehman	Member
Ch. Imran Ali	Member
Mr. Salem Rehman	Member / Committee Secretary

## Nomination Committee

Ch. Imran Ali	Chairman
Mr. Javaid Shafiq Siddiqi	Member
Mr. Usman Haq	Member
Mr. Ahsan Suhail Mannan	Member / Committee Secretary

## External Auditors

M/s. Crowe Hussain Chaudhury & Co.,  
Chartered Accountants, Lahore.

## Internal Auditors

M/s. Muhammad Ali Hussain & Co.  
Chartered Accountants, Lahore.

## Legal Advisers

Cornelious Lane & Mufti  
Chaudhary Associates Law Inn  
Rizvi & Company  
Asad Ullah Khan

## Bankers

Habib Bank Limited  
National Bank of Pakistan  
The Bank of Punjab  
The Bank of Khyber  
Silk Bank Limited  
Askari Bank Limited  
Soneri Bank Limited

## BUSINESS ITEMS

### Porcelain Insulators

- Tension Insulator
- Suspension Insulator
- Pin Insulator
- Line Post Insulator
- Cap and pin Insulator
- Station Post Insulator
- Long Road Insulator
- Insulator for Railway Electrification
- Telephone Insulator
- Low Voltage Insulator
- Dropout Cutout Insulator
- HT & LT Bushings

### Switchgear

- Disconnect Switch upto 245 kv
- Metal Oxide Surge Arresters upto 245 kv

### RTV Coating

- Room Temperature Vulcanised
- Silicone Rubber Coating

### Chemical Porcelain

- Acid Proof Tiles
- Acid Proof Cement

### Special Porcelain

- High Alumina Porcelain
- Lining Special Refractories & Grinding Media

### Metal Components

- Cross Arms for Distribution Poles
- Steel Pins for Pin Insulators/ Cross Arms
- D-Shackle Assembly

### Share Registrar

Corplink (Pvt) Limited  
Wings Arcade, I-K, Commercial,  
Model Town, Lahore.

### Registered Office

4th Floor, National Tower,  
28-Egerton Road, Lahore.

### Factory

19-Kilometre,  
Lahore Sheikhpura Road, Lahore.

# Notice of Annual General Meeting

NOTICE TO THE SHAREHOLDERS FOR THE 69TH ANNUAL GENERAL MEETING OF EMCO INDUSTRIES LIMITED TO BE HELD AT ICC HOUSE, 2 - CHAMBA HOUSE LANE, GOLF ROAD, GOR-1, LAHORE ON THURSDAY 24TH OCTOBER 2024, AT 11:30 AM

NOTICE is hereby given that the 69th Annual General Meeting of the Shareholders of EMCO Industries Limited ("Company", "EMCO") will be held at ICC House, 2 - Chamba House Lane, Golf Road, GOR-1, Lahore on Thursday 24th October 2024, at 11:30 A.M, to conduct the following business:

## Ordinary Business:

1. To confirm the minutes of the Annual General Meeting ("AGM") of the Company held on 24th October 2023.
2. To receive, consider, approve and adopt the Annual Audited Accounts of the Company for the year ended 30th June 2024 together with the Director's and Auditor's Reports thereon.
3. To appoint Auditors for the next financial year ending 30th June 2025 and to fix their remuneration. The present Auditors, M/s CROWE HUSSAIN CHAUDHURY & CO., Chartered Accountants, retire and being eligible, offer themselves for re-appointment.

## Other Business:

1. To transact any other business with the permission of the Chair.

By order of the Board of Directors



Ahsan Suhail Mannan  
(Company Secretary / Director)

Place: Lahore

Dated: September 24, 2024

## NOTES:

- (a) The Share Transfer Books of the Company will remain closed from 17th October 2024 to 24th October 2024 (both days inclusive).
- (b) A member entitled to attend and vote at the AGM (Annual General Meeting) may appoint another member as his/her proxy to attend and vote instead of him/her at the meeting. Proxies must be deposited at the Company's Registered Office at 4th Floor, National Tower, 28-Egerton Road, Lahore not less than 48 (forty-eight) hours before the time of holding the meeting. (Form of Proxy is available in the Financial Statements & on Company website).
- (c) Any individual beneficial owner of CDC, entitled to vote at the AGM (Annual General Meeting), must bring his/her CNIC with him/her to prove his/her identity, and in case of proxy, attested copy of shareholder's CNIC must be attached with the proxy form. The representative of corporate member should bring the usual documents required for such purpose.
- (d) Members are requested to promptly notify the change in their address, if any, to the Company's Share Registrar M/S. CorpLink (Pvt) Limited, Wings Arcade, 1-K Commercial, Model Town, Lahore.





## نوٹس بنام حصص داران برائے 69 ویں عام سالانہ اجلاس ایمکوانڈسٹریز لمیٹڈ بمقام آئی سی سی ہاؤس، 2- چیمبر ہاؤس لین، گولف روڈ، جی او آر-1، لاہور بروز جمعرات 24 اکتوبر 2024 بوقت 11:30 بجے صبح

نوٹس ہذا کے ذریعے مطلع کیا جاتا ہے ایمکوانڈسٹریز لمیٹڈ (کمپنی) کے حصص داران 69 ویں عام سالانہ اجلاس، بمقام آئی سی سی ہاؤس، 2- چیمبر ہاؤس لین، گولف روڈ، جی او آر-1، لاہور بروز جمعرات 24 اکتوبر 2024 بوقت 11:30 بجے صبح مندرجہ ذیل کاروبار کو چلانے کے لیے منعقد ہوگا۔

### عام کاروبار:-

- 1- 24-10-2023 کو کمپنی کے عام اجلاس کی کارروائی کی تصدیق کرنا۔
- 2- 30 جون 2024 کو ختم ہونے والے مالی سال کے لیے کمپنی کے سالانہ آڈٹ شدہ کھاتوں بشمول ان پریڈائیٹریکٹرز اور آڈیٹرز کی رپورٹس کو وصول کرنا، غور کرنا، منظور کرنا اور اپنانا۔
- 3- 30 جون 2025 کو ختم ہونے والے اگلے مالی سال کے لیے آڈیٹرز کی تقرری اور ان کے معاوضے کا تعین کرنا۔ موجودہ آڈیٹرز میسرز کرو حسین چوہدری اینڈ کمپنی چارٹرڈ اکاؤنٹنٹ ریٹائر ہوتے ہیں اور اہلیت کے باعث دوبارہ تقرری کے لیے خود کو پیش کرتے ہیں۔

### دیگر کاروبار:-

- 1- چیئرمین کی اجازت سے کسی دوسرے کاروبار کا لین دین کرنا۔

بورڈ آف ڈائریکٹرز کے حکم سے



احسن سہیل منان،

کمپنی سیکرٹری / ڈائریکٹر

بمقام: لاہور

بتاریخ: 24 ستمبر 2024

### نوٹ:-

- (الف) کمپنی کے شیئرز انسفر کی کتابیں 17 اکتوبر 2024 سے 24 اکتوبر 2024 تک بند رہیں گی (دونوں دن شامل ہیں)۔
- (ب) عام سالانہ اجلاس میں شرکت اور ووٹ ڈالنے کا حقدار ممبر اجلاس میں شریک ہونے اور اس کی بجائے ووٹ دینے کے لیے کسی دوسرے ممبر کو اپنا پراکسی مقرر کر سکتا ہے۔ اجلاس کے انعقاد کے وقت سے کم از کم 48 گھنٹے پہلے کمپنی کے رجسٹرڈ آفس واقع چوتھی منزل ٹینٹل ٹاور 28 ایجنٹ روڈ لاہور میں پراکسیز جمع کروانا ضروری ہے۔ (پراکسی فارم مالی بیانات کے ساتھ منسلک ہے اور کمپنی کی ویب سائٹ پر بھی موجود ہے)۔
- (ج) سی ڈی سی کا کوئی بھی فرد فائدہ مند مالک، اے جی ایم (سالانہ عام اجلاس) میں ووٹ ڈالنے کا حقدار ہے۔ اپنی شناخت ثابت کرنے کے لیے اپنا کمپیوٹرائزڈ قومی شناختی کارڈ ضرور ہمراہ لائے۔ اور پراکسی کی صورت میں حصص دار کی کمپیوٹرائزڈ قومی شناختی کارڈ کی تصدیق شدہ کاپی پراکسی فارم کے ساتھ منسلک ہونا ضروری ہے۔ کارپوریٹ ممبر کا نمائندہ اس مقصد کے لیے درکار معمول کی دستاویزات لائے۔
- (د) ممبران سے گزارش ہے کہ کمپنی کے شیئرز رجسٹر ارمیسرز کا رپ لنک (پرائیویٹ) لمیٹڈ ونگز آرکیڈ 1-K کمرشل ماڈل ٹاؤن لاہور کو اپنے پتے کی تبدیلی (اگر کوئی ہو تو) فوری طور پر مطلع کریں۔

# Chairman Review

I am pleased to present the Chairman's Review on the overall performance and effectiveness of the role played by the Board in achieving the objectives of EMCO Industries Limited (the Company) during the financial year ended June 30, 2024.

The Company has a highly diverse and competent Board that adheres to the Company's vision, mission and core values with the ultimate goal of serving the interests of all stakeholders.

The Company complies with all requirements set out in the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019, with respect to the composition, procedures and meetings of the Board of Directors and its committees.

The Board closely monitored business performance, focusing on continued improvement in productivity and efficiency while optimizing costs and processes to ensure sustainable growth. The overall guidance and timely advice from the Board contributed immensely to steering the Company in the right direction.

**Business Overview** - The financial year 2023-24 was very challenging on the economic front due to various micro and macro- economic factors causing economic slowdown for the country as a whole. These factors include high inflationary trends, high interest rate regime, domestic political uncertainty, as well as global geopolitical tensions. Despite these challenges, by the grace of Allah, the Company displayed resilient financial performance in a challenging business environment, attaining a profit after tax of Rs. 219 Million.

**Board's Performance Evaluation** - As required under the Code of Corporate Governance, a mechanism consisting of a comprehensive questionnaire was circulated to all directors for evaluating the performance of the Board, its members and its committees.

The Board's annual self - evaluation reflected satisfactory results, meeting the criteria set for the current financial year. This self-assessment helps gauge our performance against set objectives, allowing us to address areas needing improvement.

**Composition of the Board** - The composition of the Board reflects a reasonable balance of executive and non-executive directors including independent directors. The Board members possess rich professional experience in various domains, with strong financial and analytical abilities and independent perspectives. Their collective expertise has been instrumental in guiding our strategic direction, fulfilling fiduciary responsibilities and ensuring compliance with legal and regulatory requirements.

The Board regularly reviews these policies and systems to integrate necessary changes arising from market conditions and external environments, including changes in the legal framework of the country applicable to the Company's activities.

On behalf of the Board, I acknowledge the contributions of the management, employees and all valued shareholders, for their confidence, continued support and commitment to the Company.



Javaid S. Siddiqi  
(Chairman)

Dated: September 24, 2024



## چیئر مین کا جائزہ

مجھے 30 جون 2024ء کو ختم ہونے والے مالی سال کے دوران ایمکوانڈسٹریز لمیٹڈ (کمپنی) کے مقاصد کے حصول میں بورڈ کی جانب سے ادا کیے گئے کردار کی مجموعی کارکردگی اور تاثیر پر چیئر مین کا جائزہ پیش کرتے ہوئے خوشی ہو رہی ہے۔

کمپنی کے پاس ایک انتہائی متنوع اور قابل بورڈ ہے جو تمام اسٹیک ہولڈرز کے مفادات کی خدمت کرنے کے حتمی مقصد کے ساتھ کمپنی کے وژن، مشن اور بنیادی اقدار کی پاسداری کرتا ہے۔ کمپنی کمپنیز ایکٹ، 2017 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 میں بورڈ آف ڈائریکٹرز اور اس کی کمیٹیوں کی تشکیل، طریقہ کار اور اجلاسوں کے حوالے سے طے شدہ تمام تقاضوں کی تعمیل کرتی ہے۔

بورڈ نے کاروباری کارکردگی کی قریب سے نگرانی کی، پائیدار ترقی کو یقینی بنانے کے لئے اخراجات اور عمل کو بہتر بناتے ہوئے پیداواری صلاحیت اور کارکردگی میں مسلسل بہتری پر توجہ مرکوز کی۔ بورڈ کی طرف سے مجموعی رہنمائی اور بروقت مشورے نے کمپنی کو صحیح سمت چلانے میں بہت اہم کردار ادا کیا۔

**کاروبار کا جائزہ** - مالی سال 2023-24 معاشی محاذ پر بہت چیلنجنگ تھا جس کی وجہ مختلف مائیکرو اور میکرو معاشی عوامل تھے جو مجموعی طور پر ملک کے لئے معاشی سست روی کا سبب بنے۔ ان عوامل میں افراط زر کے اعلیٰ رجحانات، اعلیٰ شرح سود کا نظام، ملکی سیاسی غیر یقینی صورتحال کے ساتھ ساتھ عالمی جغرافیائی سیاسی تناؤ شامل ہیں۔ ان چیلنجوں کے باوجود اللہ کے فضل و کرم سے کمپنی نے چیلنجنگ کاروباری ماحول میں پکدار مالی کارکردگی کا مظاہرہ کرتے ہوئے 219 ملین روپے کا بعد از ٹیکس منافع حاصل کیا۔

**بورڈ کی کارکردگی کا جائزہ** - جیسا کہ کارپوریٹ گورننس کے کوڈ کے تحت ضروری ہے، کہ بورڈ، اس کے ممبران اور اس کی کمیٹیوں کی کارکردگی کا جائزہ لینے کے لئے تمام ڈائریکٹرز کو ایک جامع سوالنامے پر مشتمل ایک میکانزم تقسیم کیا گیا تھا۔

بورڈ کی سالانہ خود تشخیص سے تسلی بخش نتائج کی عکاسی ہوتی ہے جو رواں مالی سال کے لئے مقرر کردہ معیار پر پورا اترتا ہے۔ یہ خود تشخیص طے شدہ مقاصد کے مقابلے میں ہماری کارکردگی کا اندازہ لگانے میں مدد کرتی ہے، جس سے ہمیں بہتری کی ضرورت والے شعبوں کو حل کرنے کی اجازت ملتی ہے۔

**بورڈ کی تشکیل** - بورڈ کی تشکیل آزاد ڈائریکٹرز سمیت ایگزیکٹو اور نان ایگزیکٹو ڈائریکٹرز کے معقول توازن کی عکاسی کرتی ہے۔ بورڈ کے ممبران مضبوط مالی اور تجزیاتی صلاحیتوں اور آزاد نقطہ نظر کے ساتھ مختلف ڈومینز میں بھرپور پیشہ ورانہ تجربہ رکھتے ہیں۔ ان کی اجتماعی مہارت نے ہماری اسٹریٹجک سمت کی رہنمائی کرنے، ذمہ داریوں کو پورا کرنے اور قانونی اور ریگولیٹری تقاضوں کی تعمیل کو یقینی بنانے میں اہم کردار ادا کیا ہے۔

بورڈ باقاعدگی سے ان پالیسیوں اور نظام کا جائزہ لیتا ہے تاکہ مارکیٹ کے حالات اور بیرونی ماحول سے پیدا ہونے والی ضروری تبدیلیوں کو بشمول کمپنی کی سرگرمیوں پر لاگو ملک کے قانونی فریم ورک میں ہونے والی تبدیلیوں کو ضم کیا جاسکے۔

بورڈ کی جانب سے، میں انتظامیہ، ملازمین اور تمام قابل قدر شیئرز ہولڈرز کی خدمات، ان کے اعتماد، کمپنی کے لئے مسلسل حمایت اور عزم کا اعتراف کرتا ہوں۔



جاوید شفیق صدیقی

(چیئر مین)

تاریخ: 24 ستمبر 2024



# Directors' Report

On behalf of the Board of Directors, we welcome you to the 69th Annual General Meeting of the Company and present to you the audited financial statements and Auditor's Report therein for the year ended June 30, 2024. Financial Results are as follows:

	2024 Rupees	2023 Rupees
Profit before levy and taxation	357,439,343	419,946,320
Taxation	(138,441,522)	(127,030,403)
Profit after Tax	218,997,821	292,915,917
Net Loss on Actuarial Valuation	(9,594,004)	(5,076,639)
Total Comprehensive Profit	209,403,817	287,839,278
Incremental Depreciation on Revaluation Surplus-PPE	26,122,043	28,833,204
Payment of final dividend for the last year ended June 30	(17,500,000)	(17,500,000)
Reserves Including Accumulated Profit brought forward	218,025,860	299,172,482
	804,284,480	505,111,998
Reserves including Accumulated Profit carried forward	1,022,310,340	804,284,480
Earnings per Share	6.26	8.37

## REVIEW OF OPERATING RESULTS

### Global Outlook

Developed economies grappled with economic uncertainties and inflationary pressures, resulting in more subdued global demand. Geopolitical tensions and trade disputes cast a long shadow over the global market. Tariffs, quotas, and other trade restrictions distorted trade flows and created uncertainties for industry.

On the positive side for your Company, the ongoing trade conflict between the US and China has led to a sizeable reduction in trade between the US and China, and has allowed EMCO to successfully penetrate the US market for its products.

### Domestic Environment & Challenges

This year was marked by significant economic challenges for Pakistan, necessitating a comprehensive policy response. The government's efforts to stabilize the economy were underpinned by a Stand-By Arrangement (SBA) secured with the International Monetary Fund. The economy exhibited signs of recovery, with a GDP growth rate of around 2.4% primarily driven by a strong performance in the agriculture sector. In contrast, the industrial and services sectors witnessed relatively subdued growth.

Pakistan has secured a staff-level agreement with the IMF for a 37-month Extended Fund Facility (EFF) worth approximately US\$7 billion. This program aims to consolidate economic stability gains, address fiscal imbalances, and foster sustainable growth through structural reforms.

However, the program also comes with significant challenges. Implementing the required policy adjustments, such as tax reforms and subsidy reductions, could be politically challenging, and may lead to short-term economic pain. Moreover, the success of the program hinges on the government's ability to build consensus and implement the necessary reforms consistently.

The economic outlook will depend on the sustainability of the achieved macroeconomic stabilization, the pace of structural reforms, and the evolving global economic environment.



## Company Financial Performance

In the period under review, your Company has achieved a Sales Revenue of Rs.4,192.40 Million, which exhibits a growth of 18% on a year on year basis. Resultantly, your Company made a pretax profit of Rs. 357.44 Million and an after tax profit of Rs. 218.99 Million. The current financials have started to reflect your Company's shift in its business dynamics through a concerted enhancement in production capacity and allocation of this new capacity to the export market, as well as through diversification of its product line to introduce additional High Voltage Switchgear products to its product offering. The evolving economic and political landscape in Pakistan impacted demand for the company's products on account of delayed budget allocations to NTDC and DISCOs, which also led to build up of trade receivables to DISCOs in particular towards the end of the fiscal year. Management is pleased to report that during the audit period, a significant recovery was seen in the outstanding receivables.

The Company is pleased to report that the export sale initiative of the Company is bearing fruit. Your Company doubled its export sales over the last fiscal year, and is aiming for a similar trajectory this year.

For your Company, the timing of expansion projects to enhance both scale and scope of the operations means that we are better geared for being more competitive for our products for the domestic market and for the export market.

The Company experienced supply chain disruptions in the latter half of the year owing to heavy increases in the global logistics prices and delays owing to transshipments. These delays resulted in liquidated damages (LDs) of Rs. 59.17 Million against the Sales recorded for period ending 30 June 2024. The majority of financial impact of these disruptions is now behind us, and we expect to minimize the LDs during the ensuing year.

Inflationary pressures and exceptionally high borrowing costs were key areas of concern during the year. However, despite the narrated challenges, by the grace of ALLAH Almighty, your Company has been able to achieve positive outcomes from an operational and financial perspective. The import-related challenges also prompted a series of aggressive efforts by the management team to decrease dependence on imports and indigenize imported parts in its supply chain. Your Company will benefit from these steps in the upcoming periods, especially considering the continued uncertainty of the PKR currency. The Company's export initiative will also bear fruit in overcoming the import related input cost fluctuations in the future.

Production of Insulators was recorded at 3300 tons during this year as compared to 5032 tons during last year. The rated production capacity is currently under reconfiguration as your Company allocates production capacity to new types of products for the export market, as well as to switchgear/apparatus insulators for allocation in High Voltage Substation products. These reconfigurations reduce the rated capacity of the plant owing to a significantly larger physical volume/size of each product being manufactured and sent through the high temperature firing process in the Kilns.

The market demand for the Insulators and Switchgear products in this fiscal year was negatively impacted in the domestic market in Pakistan owing to spending cuts and budgetary constraints imposed by the interim Federal government setup. The relatively new elected government recognizes the need for Rehabilitation of the existing energy infrastructure, and development of new energy infrastructure. Management expects that EMCO will experience buoyancy in demand for its products in the upcoming fiscal year. The current orders in hand are more than 3 months of production capacity. Similarly, the Company's new focus on expanding its substation equipment portfolio by adding High Voltage Disconnect Switches and Instrument Transformers has borne fruit based on exceptionally strong demand for these products.

Direct export sales stood at Rs. 169.15 Million in the period under review, including sales to the United States, Turkey, Qatar, China, Brazil, & Colombia. The Company successfully doubled export sales revenues over last year exports. Your Company's management has already secured substantially enhanced orders for the export market, which are under execution phase, and the Company intends to grow the exports multifold on a year on year basis.

## CODE OF CORPORATE GOVERNANCE

The requirements of the Code of Corporate Governance set out by the Pakistan Stock Exchange in its Listing Regulations, relevant for the year ended June 30, 2024, have been adopted by the Company and have been duly complied with. A statement to this effect is annexed with the report.

In compliance with the provisions of the Code, the Board members are pleased to place the following statement on record:

- The financial statements for the year ended June 30, 2024, present fairly its state of affairs, the results of its operations, cash flow and changes in equity.
- Proper books of accounts have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements for the year ended June 30, 2024, and accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards (IAS), as applicable in Pakistan, have been followed in preparation of financial statements.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There has been no material departure from the best practices of corporate governance, as detailed in listing regulations.
- Out of 12 Board Directors, 03 Directors are exempted from Directors Training Program (DTP) (Mr. Tariq Rehman, Mr. Javaid Shafiq Siddiqi and Mr. Usman Haq) since they qualify for exemption based on having minimum of 14 years of education and 15 years of experience on the Board of a listed Company.
- Out of 12 Board Directors, 09 have completed DTP (Mrs. Ayesha Mussadaque Hamid, Ch. Imran Ali, Syed Muhammad Mohsin, Mr. Osman Hameed Chaudhri, Mr. Salem Rehman, Mr. Ahsan Suhail Mannan, Mr. Pervaiz Shafiq Siddiqi, Mr. Salman Javaid Siddiqi and Mr. Umair Noorani).
- Overall, 100% of the Board of Directors have either completed the DTP or are exempted from it.
- The value of Assets of Provident Fund based on its audited accounts as on December 31, 2023 was Rs. 30.4 Million. The value of investment includes accrued interest.

## BOARD MEETINGS

The Board of Directors, which consists of Twelve members, have responsibility to independently and transparently monitor the performance of the Company and take strategic decisions to achieve sustainable growth in the Company value. All members of the Board are elected in the general meeting after every three years. The current Board of Directors was elected on 26th June 2023. The current Board members are as follows:

Sr. #	NAME OF DIRECTOR	
1.	Mr. Javaid Shafiq Siddiqi	Chairman / Non-Executive Director
2.	Mr. Usman Haq	Managing Director / Executive Director
3.	Mr. Salem Rehman	Chief Executive / Executive Director
4.	Mr. Tariq Rehman	Executive Director
5.	Mr. Ahsan Suhail Mannan	Company Secretary / Executive Director
6.	Mr. Pervaiz Shafiq Siddiqi	Non-Executive Director
7.	Mr. Salman Javaid Siddiqi	Non-Executive Director
8.	Mr. Umair Noorani	Non-Executive Director
9.	Mrs. Ayesha Mussadaque Hamid	Independent Director
10.	Ch. Imran Ali	Independent Director
11.	Syed Muhammad Mohsin	Independent Director
12.	Mr. Osman Hameed Chaudhri	Independent Director



As listed above, there are a total of 12 Directors including 04 Independent Directors (03 Male & 01 Female).

The term of the existing members of the Board will expire on 30-06-2026, along with their consent to act so and filed a declaration on the prescribed form as requirements of the Code of Corporate Governance.

A written notice of the Board meeting along with working papers was sent to the members seven days before meetings. A total of Five meetings of the Board of Directors were held during the year ended June 30, 2024. The attendance of the Board members was as follows: -

SR. #	NAME OF DIRECTOR	MEETINGS ATTENDED
1.	Mr. Javaid Shafiq Siddiqi	03
2.	Mr. Usman Haq	05
3.	Mr. Salem Rehman	05
4.	Mr. Tariq Rehman	05
5.	Mr. Ahsan Suhail Mannan	05
6.	Mr. Pervaiz Shafiq Siddiqi	03
7.	Mr. Salman Javaid Shafiq	05
8.	Mr. Umair Noorani	05
9.	Mrs. Ayesha Mussadaque Hamid	04
10.	Ch. Imran Ali	05
11.	Syed Muhammad Mohsin	05
12.	Mr. Osman Hameed Chaudhri	04

Leave of absence was granted to Directors who could not attend the meetings.

#### TRANSACTION / TRADE OF COMPANY'S SHARE

During the financial year, Directors, CEO, CFO, Company Secretary (including their spouses and minor children) executed the following transactions in the shares of the Company.

S.No	NAME	SALE	PURCHASE
1	MR. PERVAIZ SHAFIQ SIDDIQI (CDC)	613,915	142,639
2	MR. JAVAID SHAFIQ SIDDIQI (CDC)	613,915	142,639
3	MR. AHSAN SUHAIL MANNAN (CDC)	0	271,780

#### COMMITTEES OF THE BOARD

##### Audit Committee

The Audit Committee (AC) reviews the annual and quarterly financial statements, internal audit reports, and information before dissemination to Pakistan Stock Exchange, and proposes appointment of the external auditors for approval of the shareholders, apart from other matters of significant nature. The AC holds its meeting prior to the Board meeting. A total of Six meetings of the AC were held during the year under review. It includes statutory meetings with external auditors before start of annual audit and meeting with external auditors without CFO and head of internal audit being present.

The Board has appointed the following members of the Audit Committee for a period of three year w.e.f. 01.07.2023 in the meeting of the Board of Directors held on 04.07.2023.

Mr. Osman Hameed Chaudhri	Chairman
Syed Muhammad Mohsin	Member
Mr. Javaid Shafiq Siddiqi	Member
Mr. Umair Noorani	Member

Mr. Ahsan Suhail Mannan is the Committee Secretary as required by Chapter IX, 27 (1) (iv) of the Code of Corporate Governance, Regulations 2019.



### HR & Remuneration Committee:

A total of two meetings of HR & Remuneration Committee were held during the year under review.

The Board has appointed the following members of the HR & Remuneration Committee for a period of three year w.e.f. 01.07.2023 in the meeting of the Board of Directors held on 04.07.2023.

Mrs. Ayesha Mussadaque Hamid	Chairman
Mr. Pervaiz Shafiq Siddiqi	Member
Mr. Salman Javaid Siddiqi	Member
Mr. Ahsan Suhail Mannan	Member / Committee Secretary

### Risk Management Committee:

A total of one meeting of Risk Management Committee was held during the year under review.

The Board has appointed the following members of the Risk Management Committee for a period of three year w.e.f. 01.07.2023 in the meeting of the Board of Directors held on 04.07.2023.

Syed Muhammad Mohsin	Chairman
Mr. Tariq Rehman	Member
Ch. Imran Ali	Member
Mr. Salem Rehman	Member / Committee Secretary

### Nomination Committee:

A total of one meeting of Nomination Committee was held during the year under review.

The Board has appointed the following members of the Nomination Committee for a period of three year w.e.f. 01.07.2023 in the meeting of the Board of Directors held on 04.07.2023.

Ch. Imran Ali	Chairman
Mr. Javaid Shafiq Siddiqi	Member
Mr. Usman Haq	Member
Mr. Ahsan Suhail Mannan	Member / Committee Secretary

## DIRECTORS' REMUNERATION

The Company has an approved Director Remuneration policy governing remuneration of executive, non executive and independent director of the Company. The significant features of the policy are:

1. All directors including independent director are entitled to receive remuneration as per approval from the Board in The Board of Directors ("BOD") meetings.
2. The BOD on recommendation of Human Resource & Remuneration (HR & R) Committee from time to time, determines and approves the remuneration of the members of the BOD for attending Board Meetings.

Please note that the Company does not pay remuneration to its non-executive director. Aggregate amount of the remuneration paid to Chief executive, executive directors and non-executive directors have been disclosed in note 39 of the annexed financial statements.

## RISK MANAGEMENT

It is our policy to view risk management as integral to the creation, protection and enhancement of shareholder value by managing the significant uncertainties and risks that could possibly influence the achievement of our corporate goals and objectives.

Following are the risk which may be face by the Company in future:

1. Devaluation of Rupee and foreign exchange controls imposed by Government of Pakistan.
2. Constant fluctuations in costs of Natural Gas & Power.



## BUSINESS CONTINUITY

Strategy and Policy Business Continuity Management is in place. Its application remains a priority for the Company. Risk Management processes have been reviewed and updated recently, and are considered effective.

## CORPORATE SOCIAL RESPONSIBILITY

The Company acknowledges its responsibility towards society and performs its duty by providing financial assistance to local communities for their economic and social development. The Company is vigorously complying with its Corporate Social Responsibility (CSR). During the year, donations were paid to M/s Khairun Nisa Hospital Foundation and M/s Tehzibul Akhlaq Trust, to support needy individuals.

## ENVIRONMENT PROTECTION

Your Company has renewed its ISO 14001:2015 certification for helping it achieve its outcomes regarding environmental management. Management is pleased to announce that the ISO 50001 certification is being leveraged to further improve the metrics on energy management, which will also tie into the Company's overall vision to protect the environment. With the completion of the BMR project, your Company intends to also review the opportunity to enhance the PV Solar project to further reduce its carbon footprint, whilst simultaneously improving its operational and financial metrics.

## EMPLOYEES' RELATIONS

Despite the inflationary pressure, the management would like to place on record a very positive and cooperative role of employees during the year. The management would like to place on record its appreciation in this regard and will look forward to their continuous support during the difficult time that the nation is presently undergoing. The management would also like to place on record the continuous research and development by the Engineering team and the very cooperative role played by the Union in increasing the output on virtually each stage of production and reducing losses wherever possible. The support of all other departments is also acknowledged.

## GENDER, RACE AND DIVERSITY

The Company uphold a firm commitment to non-discrimination based on gender or any other characteristic. We strongly advocate for equality, fairness, and respect for every individual. Our company ensures that all policies, practices, and decision-making processes are devoid of any form of discrimination. The Company promotes an inclusive culture and cultivates a safe, supportive environment where everyone can contribute their unique talents and perspectives. By fostering a workplace free from gender bias, the Company aims to create a diverse and empowering environment for all employees.

## FUTURE OUTLOOK

Pakistan's macroeconomic situation is indeed facing significant challenges, but the country's resilience and determination are commendable. The recent slowdown in economic growth, high inflation, and large debt burden are major concerns. However, efforts to ensure fiscal discipline and promote export orientation are steps in the right direction. Your Company is fully committed to these efforts.

Energy Sector Reforms are a major priority for the current political regime. These reforms include: addressing inefficiencies in the energy sector, promoting private participation, and a focus on indigenization of products for this sector. Your Company's Management believes that this national vision will provide an ideal opportunity to EMCO to expand its presence in the sector.

Company management is pleased to report that your Company has secured an additional pre-qualification for energy sector products being produced at its metal foundry. This has allowed the Company to successfully start bidding for additional products by leveraging its track record for manufacturing and supplying high quality products for DISCOs.

Simultaneously, the Company continues to plough efforts into the export market for its key products, and is aggressively building upon its recent successes in the North American and Latin American markets. We are confident in growing the export base in the ensuing year Insh'Allah.

Your Company is pleased to inform its stakeholders that our relationships with all banks are current and we are meeting our obligations on time as per the agreement.

The Company's contribution to the exchequer in the year under review is Rs. 902 Million (Rs 906 Million in last year) in the shape of import duty, sales tax, income tax and other government levies.

#### ACKNOWLEDGEMENT

We would like to thank our Board of Directors for their continued guidance, and our entire management team for their hard work to ensure a positive trajectory of the Company. We would also like to acknowledge the support of our shareholders, financial institution partners and creditors for closing a successful year.

#### DIVIDEND

The Board has not recommended any dividend for the period.

#### PATTERN OF SHAREHOLDING

The pattern of shareholding as on June 30, 2024 and its disclosure, as required by the Code of Corporate Governance is annexed with this report.

#### FINANCIAL HIGHLIGHTS

The key financial highlights for the last 10 years performance of the Company is available in this report.

#### AUDITORS

As proposed by the Audit Committee and recommended by the Board, the present auditors M/s Crowe Hussain Chaudhury & Co., Chartered Accountants, retire and being eligible, offer themselves for re-appointment if approved by the shareholders in Annual General Meeting.

#### VIS CREDIT RATING

VIS Credit Rating Company Limited reaffirms entity ratings of EMCO Industries Limited ('EMCO' or 'the Company') at 'A-/A-2' (Single A minus/A-Two) with a 'Stable' outlook. Medium to long term rating of 'A-' indicates good credit quality; protection factors are adequate. Risk factors may vary with possible changes in the economy. Short term rating of 'A-2' indicates good certainty of timely payment. Liquidity factors and company fundamentals are sound. Access to capital markets is good. Risk factors are minimal.

For and on behalf of the board of Directors



Salem Rehman  
Chief Executive Officer  
Lahore: September 24, 2024



Ahsan Suhail Mannan  
Director / Company Secretary



## ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے، ہم آپ کو کمپنی کی 69 ویں سالانہ جنرل اجلاس میں خوش آمدید کہتے ہیں اور آپ کو 30 جون، 2024 کو ختم ہونے والے مالی سال کے لئے آڈٹ شدہ مالی بیانات اور آڈیٹر کی رپورٹ پیش کرتے ہیں۔ مالی نتائج درج ذیل ہیں:

2023	2024	تفصیل
روپے	روپے	
419,946,320	357,439,343	لیوی اور ٹیکس لگانے سے پہلے منافع
(127,030,403)	(138,441,522)	ٹیکس
292,915,917	218,997,821	ٹیکس کے بعد منافع
(5,076,639)	(9,594,004)	ایکچوریل ویلیو ایشن پر خالص نقصان
287,839,278	209,403,817	مجموعی جامع منافع
28,833,204	26,122,043	ری ویلیو ایشن سرپلس - پی پی ای پر بڑھتی ہوئی قدر میں کمی
(17,500,000)	(17,500,000)	30 جون کو ختم ہونے والے آخری سال کے لئے حتمی منافع کی ادائیگی
299,172,482	218,025,860	جمع شدہ منافع سمیت ذخائر کو آگے لایا گیا
505,111,998	804,284,480	جمع شدہ منافع سمیت ذخائر کو آگے بڑھایا گیا
804,284,480	1,022,310,340	فی حصص آمدنی
8.37	6.26	

### آپریٹنگ نتائج کا جائزہ

#### عالمی منظر نامہ

ترقی یافتہ معیشتوں کو معاشی غیر یقینی صورتحال اور افراط زر کے دباؤ کا سامنا کرنا پڑا، جس کے نتیجے میں عالمی طلب میں کمی واقع ہوئی۔ جغرافیائی سیاسی تناؤ اور تجارتی تنازعات عالمی مارکیٹ پر ایک طویل اثر ڈالتے ہیں۔ محصولات، کوئلہ اور دیگر تجارتی پائندگیوں نے تجارتی بہاؤ کو مسح کر دیا اور صنعت کے لئے غیر یقینی صورتحال پیدا کی۔

آپ کی کمپنی کے لئے مثبت پہلو یہ ہے، امریکہ اور چین کے مابین جاری تجارتی تنازعہ نے امریکہ اور چین کے مابین تجارت میں نمایاں کمی کا باعث بنا ہے، اور ایٹیکو کو اپنی مصنوعات کے لئے کامیابی سے امریکی مارکیٹ میں داخل ہونے کی اجازت دی ہے۔

#### گھریلو ماحول اور چیلنجز

یہ سال پاکستان کے لئے اہم معاشی چیلنجوں سے بھرا ہوا تھا، جس کے لئے ایک جامع پالیسی رد عمل کی ضرورت تھی۔ معیشت کو مستحکم کرنے کے لئے حکومت کی کوششوں کو بین الاقوامی مالیاتی فنڈ (آئی ایم ایف) کے ساتھ حاصل کردہ اسٹینڈ بائی انتظامات (ایس بی اے) کی بنیاد پر تقویت ملی۔ معیشت میں بحالی کے اشارے طے ہیں، جی ڈی پی کی شرح نمو تقریباً 2.4 فیصد ہے جس کی بنیاد پر زراعت کے شعبے میں مضبوط کارکردگی ہے۔ اس کے برعکس صنعتی خدمات کے شعبوں میں نسبتاً مست نمود یکجہی گئی۔

پاکستان نے آئی ایم ایف کے ساتھ 37 ماہ کی توسیعی فنڈ سہولت (ای ایف ایف) کے لئے عملے کی سطح کا معاہدہ کیا ہے جس کی مالیت تقریباً 7 ارب ڈالر ہے۔ اس پروگرام کا مقصد معاشی استحکام کے فوائد کو مستحکم کرنا، مالی عدم توازن کو دور کرنا اور ساختی اصلاحات کے ذریعے پائیدار ترقی کو فروغ دینا ہے۔

تاہم، یہ پروگرام اہم چیلنجوں کے ساتھ بھی آتا ہے۔ ٹیکس اصلاحات اور سبسڈی میں کمی جیسے مطلوبہ پالیسی ایڈجسٹمنٹ پر عمل درآمد سیاسی طور پر مشکل ہو سکتا ہے اور اس سے قلیل مدتی معاشی تکلیف کا سامنا کرنا پڑ سکتا ہے۔ مزید برآں، اس پروگرام کی کامیابی کا دار و مدار حکومت کی اتفاق رائے پیدا کرنے اور ضروری اصلاحات کو مستقل طور پر نافذ کرنے کی صلاحیت پر ہے۔

اقتصادی نقطہ نظر کا انحصار حاصل شدہ میکرو اکنامک استحکام کی پائیداری، ساختی اصلاحات کی رفتار اور ابھرتے ہوئے عالمی معاشی ماحول پر ہوگا۔



زیر غور مدت میں آپ کی کمپنی نے 4,192.40 ملین روپے کی سبز آمدنی حاصل کی ہے، جو سال بہ سال کی بنیاد پر 18 فیصد اضافہ ظاہر کرتی ہے۔ نتیجتاً آپ کی کمپنی نے 357.44 ملین روپے کا قبل از ٹیکس منافع اور 218.99 ملین روپے کا بعد از ٹیکس منافع کمایا۔ موجودہ مالی حالات نے پیداواری صلاحیت میں ٹھوس اضافے اور برآمدی مارکیٹ میں اس نئی صلاحیت کی تقسیم کے ساتھ ساتھ اپنی مصنوعات کی پیشکش میں اضافی ہائی وولٹیج سوچ گیزر مصنوعات متعارف کرانے کے لئے اپنی پروڈکٹ لائن میں تنوع کے ذریعے آپ کی کمپنی کی کاروباری حرکیات میں تبدیلی کی عکاسی کرنا شروع کر دی ہے۔ پاکستان میں بدلے ہوئے معاشی اور سیاسی منظر نامے نے این ٹی ڈی سی اور ڈسکو کو بجٹ مختص کرنے میں تاخیر کی وجہ سے کمپنی کی مصنوعات کی طلب کو متاثر کیا، جس کی وجہ سے مالی سال کے اختتام پر خاص طور پر ڈسکو کو تجارتی وصولیوں میں اضافہ ہوا۔ انتظامیہ کو یہ بتاتے ہوئے خوشی ہو رہی ہے کہ آڈٹ کی مدت کے دوران بھاری وصولیوں میں نمایاں ریکوری دیکھی گئی۔

کمپنی کو یہ بتاتے ہوئے خوشی محسوس ہو رہی ہے کہ کمپنی کے برآمدی فروخت کے اقدام کے ثمرات مل رہے ہیں۔ آپ کی کمپنی نے گزشتہ مالی سال کے مقابلے میں اپنی برآمدی فروخت کو دوگنا کر دیا ہے، اور اس سال بھی اسی طرح کے سفر کا ہدف رکھتا ہے۔

آپ کی کمپنی کے لئے، آپریشنز کے پیمانے اور دائرہ کار دونوں کو بڑھانے کے لئے توسیعی منصوبوں کے وقت کا مطلب یہ ہے کہ ہم گھریلو مارکیٹ اور برآمدی مارکیٹ کے لئے اپنی مصنوعات کے لئے زیادہ مسابقتی ہونے کے لئے بہتر طور پر تیار ہیں۔

سال کے آخر میں کمپنی کو عالمی لاجسٹکس کی قیمتوں میں بھاری اضافے اور ٹرانسپورٹیشن کی وجہ سے تاخیر کی وجہ سے سپلائی چین میں خلل کا سامنا کرنا پڑا۔ ان تاخیروں کے نتیجے میں 30 جون 2024 کو ختم ہونے والی مدت کے دوران فروخت کے مقابلے میں 59.17 ملین روپے کے نقصانات (ایل ڈیز) ہوئے۔ ان رکاوٹوں کے زیادہ تر مالی اثرات اب ہمارے پیچھے ہیں، اور ہم توقع کرتے ہیں کہ آنے والے سال کے دوران ایل ڈی کو کم سے کم کیا جائے گا۔

سال کے دوران افراط زر کے دباؤ اور غیر معمولی طور پر زیادہ قرضہ لینے کی لاگت تشویش ناک تھی، تاہم بیان کردہ چیلنجز کے باوجود اللہ تعالیٰ کے فضل و کرم سے آپ کی کمپنی آپریشنل اور مالی نقطہ نظر سے مثبت نتائج حاصل کرنے میں کامیاب رہی ہے۔ درآمدات سے متعلق چیلنجز نے انتظامی ٹیم کی جانب سے درآمدات پر انحصار کم کرنے اور اپنی سپلائی چین میں درآمد شدہ پروڈکٹوں کو مقامی سطح پر بنانے کی جارحانہ کوششوں کے سلسلے کو بھی ترغیب دی۔ آپ کی کمپنی آنے والے ادوار میں ان اقدامات سے فائدہ اٹھائے گی، خاص طور پر پاکستانی روپے کی مسلسل غیر یقینی صورتحال کے پیش نظر۔ کمپنی کے برآمدی اقدام سے مستقبل میں درآمدات سے متعلق ان پٹ لاگت کے اتار چڑھاؤ پر قابو پانے میں بھی مدد ملے گی۔

رواں سال کے دوران انسولیٹرز کی پیداوار 3300 ٹن ریکارڈ کی گئی جبکہ گزشتہ سال یہ پیداوار 5032 ٹن تھی۔ درجہ بندی شدہ پیداواری صلاحیت فی الحالہ دوبارہ تشکیل نو کے تحت ہے کیونکہ آپ کی کمپنی برآمدی مارکیٹ کے لئے نئی قسم کی مصنوعات کے لئے پیداواری صلاحیت مختص کرتی ہے، نیز ہائی وولٹیج سب اسٹیشن مصنوعات میں مختص کرنے کے لئے سوچ گیزر آلہ انسولیٹرز کے لئے بھی۔ یہ دوبارہ تشکیلات پلانٹ کی درجہ بندی کی صلاحیت کو کم کرتی ہیں کیونکہ ہر مصنوعات کا جسمانی حجم / سائز کافی زیادہ ہوتا ہے جو بھٹیوں میں اعلیٰ درجہ حرارت فائرنگ کے عمل کے ذریعہ تیار اور بھیجا جاتا ہے۔

عبوری وفاقی حکومت کی جانب سے اخراجات میں کٹوتی اور بجٹ کی پابندیوں کی وجہ سے رواں مالی سال کے دوران پاکستان کی مقامی مارکیٹ میں انسولیٹرز اور سوچ گیزر مصنوعات کی مارکیٹ طلب پر منفی اثرات مرتب ہوئے۔ نسبتاً نئی منتخب حکومت توانائی کے موجودہ بنیادی ڈھانچے کی بحالی اور توانائی کے نئے بنیادی ڈھانچے کی ترقی کی ضرورت کو تسلیم کرتی ہے۔ انتظامیہ کو توقع ہے کہ آئندہ مالی سال میں ایکسکو کو اپنی مصنوعات کی طلب میں اضافے کا سامنا کرنا پڑے گا۔ موجودہ آرڈرز 3 ماہ سے زیادہ کی پیداواری صلاحیت کے حامل ہیں۔ اسی طرح ہائی وولٹیج ڈس کنکٹ سوچ گیزر اور انسٹرمنٹ ٹرانسفارمرز کو شامل کر کے اپنے سب اسٹیشن ساز و مسلمان کے پورٹ فولیو کو وسعت دینے پر کمپنی کی نئی توجہ نے ان مصنوعات کی غیر معمولی مضبوط طلب کی بنیاد پر ثمرات حاصل کیے ہیں۔

اس عرصے کے دوران براہ راست برآمدات کی فروخت 169.15 ملین روپے رہی جس میں امریکہ، ترکی، قطر، چین، برازیل اور کولمبیا کو فروخت شامل ہیں۔ کمپنی نے گزشتہ سال کی برآمدات کے مقابلے میں برآمدات کی فروخت کی آمدنی کو کامیابی سے دوگنا کر دیا۔ آپ کی کمپنی کی انتظامیہ نے پہلے ہی برآمدی مارکیٹ کے لئے کافی حد تک بہتر آرڈر حاصل کر لئے ہیں، جو عملدرآمد کے مراحل میں ہیں اور کمپنی سال بہ سال کی بنیاد پر برآمدات کو کئی گنا بڑھانے کا ارادہ رکھتی ہے۔



### کارپوریٹ گورننس کا کوڈ

پاکستان اسٹاک ایکسچینج کی جانب سے 30 جون 2024 کو ختم ہونے والے مالی سال کے لیے لسٹنگ ریگولیشنز میں طے کردہ کوڈ آف کارپوریٹ گورننس کے تقاضوں کو کمپنی نے اپنایا ہے اور ان کی مناسب تعمیل کی گئی ہے۔ اس سلسلے میں ایک بیان رپورٹ کے ساتھ منسلک کیا گیا ہے۔

کوڈ کی دفعات کی تعمیل میں، بورڈ کے ممبران مندرجہ ذیل بیان کو ریکارڈ پر رکھنے پر خوش ہیں:

- 30 جون 2024 کو ختم ہونے والے مالی سال کے مالیاتی بیانات میں اس کی صورت حال، اس کے آپریشنز کے نتائج، نقد بہاؤ اور ایکویٹی میں تبدیلیوں کو کافی حد تک پیش کیا گیا ہے۔
- حساب کتاب کی مناسب کتابیں رکھی گئی ہیں۔
- 30 جون 2024 کو ختم ہونے والے سال کے لئے مالی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو مستقل طور پر لاگو کیا گیا ہے، اور اکاؤنٹنگ کے تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔
- مالیاتی گوشواروں کی تیاری میں بین الاقوامی اسٹینڈرڈز (آئی اے ایس) پر عمل کیا گیا ہے جو پاکستان میں لاگو ہیں۔
- اندرونی کنٹرول کا نظام ڈیزائن میں مضبوط ہے اور مؤثر طریقے سے نافذ اور نگرانی کی گئی ہے۔
- کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی انحراف نہیں ہوا ہے، جیسا کہ لسٹنگ ریگولیشنز میں تفصیل سے بیان کیا گیا ہے۔
- 12 بورڈ ڈائریکٹرز میں سے 03 ڈائریکٹرز کو ڈائریکٹر زٹریننگ پروگرام (ڈی ٹی پی) (طارق رحمان، جاوید شفیق صدیقی اور عثمان حق) سے مستثنیٰ قرار دیا گیا ہے کیونکہ وہ کم از کم 14 سال کی تعلیم اور لسٹڈ کمپنی کے بورڈ میں 15 سال کے تجربے کی بنیاد پر استثنیٰ کے اہل ہیں۔
- 12 بورڈ ڈائریکٹرز میں سے 09 نے ڈی ٹی پی مکمل کی ہے (مسز عائشہ مصدق حامد، چوہدری عمران علی، سید محمد محسن، عثمان حمید چوہدری، سالم رحمان، احسن سہیل منان، پرویز شفیق صدیقی، سلمان جاوید صدیقی اور عمیر نورانی)۔
- مجموعی طور پر 100 فیصد بورڈ آف ڈائریکٹرز یا تو ڈی ٹی پی مکمل کر چکے ہیں یا اس سے مستثنیٰ ہیں۔
- 31 دسمبر 2023 کو آڈٹ شدہ کھاتوں کی بنیاد پر ووڈنٹ فنڈ کے اثاثوں کی مالیت 30.4 ملین روپے تھی۔ سرمایہ کاری کی قیمت میں جمع شدہ سود بھی شامل ہے۔

### بورڈ کا اجلاس

بورڈ آف ڈائریکٹرز، جو بارہ ممبروں پر مشتمل ہے، کی ذمہ داری ہے کہ وہ آزادانہ اور شفاف طریقے سے کمپنی کی کارکردگی کی نگرانی کرے اور کمپنی کی قدر میں پائیدار ترقی کے حصول کے لئے اسٹریٹجک فیصلے کرے۔ بورڈ کے تمام ممبران کا انتخاب ہر تین سال بعد جنرل میٹنگ میں کیا جاتا ہے۔ موجودہ بورڈ آف ڈائریکٹرز کا انتخاب 26 جون 2023 کو کیا گیا تھا۔ بورڈ کے موجودہ ارکان درج ذیل ہیں:

نمبر شمار	ڈائریکٹر کا نام
1	جناب جاوید شفیق صدیقی
2	جناب عثمان حق
3	جناب سالم رحمان
4	جناب طارق رحمان
5	جناب احسن سہیل منان
6	جناب پرویز شفیق صدیقی
7	جناب سلمان جاوید صدیقی
8	جناب عمیر نورانی
9	مسز عائشہ مصدق حمید
10	جناب چوہدری عمران علی
11	جناب سید محمد محسن
12	جناب عثمان حمید چوہدری

جیسا کہ اوپر درج کیا گیا ہے، کل 12 ڈائریکٹرز ہیں جن میں 04 آزاد ڈائریکٹرز (03 مرد اور 01 خاتون) شامل ہیں۔

بورڈ کے موجودہ ممبران کی میعاد 06-30-2026 کو ختم ہو جائے گی، اس کے ساتھ ہی انہوں نے ایسا کرنے کے لئے اپنی رضامندی ظاہر کی اور کوڈ آف کارپوریٹ گورننس کے تقاضوں کے طور پر مقررہ فارم پر ایک اعلامیہ داخل کیا۔

اجلاس سے سات دن قبل ورکنگ پیپرز کے ساتھ بورڈ میٹنگ کا تحریری نوٹس ممبران کو بھیجا گیا تھا۔ 30 جون 2024 کو ختم ہونے والے مالی سال کے دوران بورڈ آف ڈائریکٹرز کے کل پانچ اجلاس منعقد ہوئے۔ بورڈ کے ممبران کی حاضری درج ذیل تھی:

نمبر شمار	ڈائریکٹر کا نام	اجلاسوں میں شرکت
1	جناب جاوید شفیق صدیقی	03
2	جناب عثمان حق	05
3	جناب سالم رحمان	05
4	جناب طارق رحمان	05
5	جناب احسن سہیل منان	05
6	جناب پرویز شفیق صدیقی	03
7	جناب سلمان جاوید شفیق	05
8	جناب عمیر نورانی	05
9	جناب عائشہ مصدق حمید	04
10	جناب چوہدری عمران علی	05
11	جناب سید محمد محسن	05
12	جناب عثمان حمید چوہدری	04

ان ڈائریکٹرز کو غیر حاضری کی چھٹی دی گئی جو اجلاسوں میں شرکت نہیں کر سکتے تھے۔

### لین دین / کمپنی کے حصص کی تجارت

مالی سال کے دوران ڈائریکٹرز، سی ای او، سی ایف او، کمپنی سیکریٹری (بشمول ان کے شریک حیات اور نابالغ بچوں) نے کمپنی کے حصص میں مندرجہ ذیل لین دین کو انجام دیا۔

نمبر شمار	نام	فروخت	خرید
1	جناب پرویز شفیق صدیقی (سی ڈی سی)	613,915	142,639
2	جناب جاوید شفیق صدیقی (سی ڈی سی)	613,915	142,639
3	جناب احسن سہیل منان (سی ڈی سی)	0	271,780

### بورڈ کی کمیٹیاں

#### آڈٹ کمیٹی

آڈٹ کمیٹی سالانہ اور سہ ماہی مالیاتی گوشواروں، اندرونی آڈٹ رپورٹس اور پاکستان اسٹاک ایکسچینج کو فراہم کرنے سے قبل معلومات کا جائزہ لیتی ہے اور شیئر ہولڈرز کی منظوری کے لیے بیرونی آڈیٹر کی تقرری کی تجویز پیش کرتی ہے۔ اسے سی بورڈ کے اجلاس سے پہلے اپنا اجلاس منعقد کرتا ہے۔ زیر غور سال کے دوران اسے سی کے کل چھ اجلاس منعقد ہوئے۔ اس میں سالانہ آڈٹ شروع ہونے سے پہلے بیرونی آڈیٹر کے ساتھ قانونی ملاقاتیں اور سی ایف او اور اندرونی آڈٹ کے سربراہ کی موجودگی کے بغیر بیرونی آڈیٹر کے ساتھ ملاقات شامل ہے۔





بورڈ نے 04.07.2023 کو ہونے والے بورڈ آف ڈائریکٹرز کے اجلاس میں 01.07.2023 سے تین سال کی مدت کے لئے آڈٹ کمیٹی کے مندرجہ ذیل ممبران کا تقرر کیا ہے۔

جناب عثمان حمید چوہدری	چیئرمین
جناب سید محمد محسن	رکن
جناب جاوید شفیق صدیقی	رکن
جناب عمیر نورانی	رکن

جناب احسن سہیل منان کو ڈ آف کارپورٹ گورننس ریگولیشنز 2019 کے باب 27.9(1)(4) کے مطابق کمیٹی کے سیکرٹری ہیں۔

#### ایچ آر اور معاوضہ کمیٹی

سال کے دوران ایچ آر اور معاوضہ کمیٹی کے کل دو اجلاس منعقد ہوئے۔

بورڈ آف ڈائریکٹرز کے 04-07-2023 کے ہونے والے اجلاس میں 01-07-2023 سے تین سال کی مدت کے لئے ایچ آر معاوضہ کمیٹی کے مندرجہ ذیل ممبران کو مقرر کیا گیا ہے۔

مسز عائشہ مصدق حمید	چیئرمین
جناب پرویز شفیق صدیقی	رکن
جناب سلمان جاوید صدیقی	رکن
جناب احسن سہیل منان	ممبر / کمیٹی سیکرٹری

#### رسک مینجمنٹ کمیٹی

سال کے دوران رسک مینجمنٹ کمیٹی کا مجموعی طور پر ایک اجلاس منعقد ہوا۔

بورڈ نے 04.07.2023 کو منعقدہ بورڈ آف ڈائریکٹرز کے اجلاس میں 01.07.2023 سے تین سال کی مدت کے لئے رسک مینجمنٹ کمیٹی کے مندرجہ ذیل ممبران کو مقرر کیا ہے۔

سید محمد محسن	چیئرمین
جناب طارق رحمان	رکن
چوہدری عمران علی	رکن
جناب سالم رحمان	ممبر / کمیٹی سیکرٹری

#### نامزدگی کمیٹی

زیر غور سال کے دوران نامزدگی کمیٹی کا مجموعی طور پر ایک اجلاس منعقد ہوا۔

بورڈ نے 04.07.2023 کو ہونے والے بورڈ آف ڈائریکٹرز کے اجلاس میں 01.07.2023 سے تین سال کی مدت کے لئے نامزدگی کمیٹی کے مندرجہ ذیل ارکان کا تقرر کیا ہے۔

چوہدری عمران علی	چیئرمین
جناب جاوید شفیق صدیقی	رکن
جناب عثمان حق	رکن
جناب احسن سہیل منان	ممبر / کمیٹی سیکرٹری



## ڈائریکٹر کا معاوضہ

کمپنی کے پاس ایک منظور شدہ ڈائریکٹر معاوضہ پالیسی ہے جو کمپنی کے ایگزیکٹو، نان ایگزیکٹو اور آزاد ڈائریکٹر کے معاوضے کو کنٹرول کرتی ہے۔ اس پالیسی کی اہم خصوصیات یہ ہیں:

1. بورڈ آف ڈائریکٹرز ("بی او ڈی") کے اجلاسوں میں بورڈ کی منظوری کے مطابق تمام ڈائریکٹرز بشمول آزاد ڈائریکٹر معاوضہ حاصل کرنے کے حقدار ہیں۔
2. بی او ڈی وقتاً فوقتاً انسانی وسائل اور معاوضہ (ایچ آر اینڈ آر) کمیٹی کی سفارشات پر بورڈ اجلاسوں میں شرکت کے لئے بی او ڈی کے ممبروں کے معاوضے کا تعین اور منظوری دیتا ہے۔

برائے مہربانی نوٹ کریں کہ کمپنی اپنے غیر ایگزیکٹو ڈائریکٹر کو معاوضہ ادا نہیں کرتی ہے۔ چیف ایگزیکٹو، ایگزیکٹو ڈائریکٹر اور نان ایگزیکٹو ڈائریکٹرز کو ادائیگے جانے والے معاوضے کی مجموعی رقم کا انکشاف منسلک مالی گوشواروں کے نوٹ 39 میں کیا گیا ہے۔

## رسک مینجمنٹ

غیر یقینی صورتحال اور خطرات کا نظم و نسق کے ذریعے حصص یافتگان کی قدر کی تشکیل، حفاظت اور اضافہ کے لیے لازمی طور پر رسک مینجمنٹ کو دیکھنا ہماری پالیسی ہے۔ جو کہ ممکنہ طور پر ہمارے کارپوریٹ اہداف اور مقاصد کی کامیابی پر اثر انداز ہو سکتی ہے۔

مندرجہ ذیل خطرات ہیں جو مستقبل میں کمپنی کو درپیش ہو سکتے ہیں:

1. روپے کی قدر میں کمی اور حکومت پاکستان کی جانب سے غیر ملکی زرمبادلہ کے کنٹرول۔
2. قدرتی گیس اور بجلی کی قیمتوں میں مسلسل اتار چڑھاؤ۔

## کاروبار کا تسلسل

حکمت عملی اور پالیسی کاروباری تسلسل کا انتظام موجود ہے۔ اس کی درخواست کمپنی کے لئے ایک ترجیح ہے۔ رسک مینجمنٹ کے عمل کا حال ہی میں جائزہ لیا گیا ہے اور اپ ڈیٹ کیا گیا ہے، اور اسے موثر سمجھا جاتا ہے۔

## کارپوریٹ سماجی ذمہ داری

کمپنی معاشرے کے تئیں اپنی ذمہ داری کا اعتراف کرتی ہے اور مقامی برادریوں کو ان کی معاشی اور سماجی ترقی کے لئے مالی مدد فراہم کر کے اپنا فرض ادا کرتی ہے۔ کمپنی اپنی کارپوریٹ سماجی ذمہ داری (سی ایس آر) کی سختی سے تعمیل کر رہی ہے۔ سال کے دوران ضرورت مند افراد کی مدد کے لئے خیر النساء اسپتال فاؤنڈیشن اور تحصیل اخلاق ٹرسٹ کو عطیات ادا کیے گئے ہیں۔

## ماحولیاتی تحفظ

آپ کی کمپنی نے ماحولیاتی انتظام کے بارے میں اپنے نتائج حاصل کرنے میں مدد کے لئے اپنے آئی ایس او 14001:2015 سرٹیفیکیشن کی تجدید کی ہے۔ انتظامیہ کو یہ اعلان کرتے ہوئے خوشی ہو رہی ہے کہ آئی ایس او 50001 سرٹیفیکیشن سے توانائی کے انتظام پر میٹرکس کو مزید بہتر بنانے کے لئے فائدہ اٹھایا جا رہا ہے، جو ماحولیات کے تحفظ کے لئے کمپنی کے مجموعی وژن سے بھی منسلک ہو گا۔ بی ایم آر منصوبے کی تکمیل کے ساتھ، آپ کی کمپنی پی وی سولر پروجیکٹ کو بڑھانے کے موقع کا بھی جائزہ لینے کا ارادہ رکھتی ہے تاکہ اس کے کاربن فٹ پرنٹ کو مزید کم کیا جاسکے، جبکہ اس کے ساتھ ساتھ اس کے آپریشنل اور مالیاتی میٹرکس کو بھی بہتر بنایا جاسکے۔

## ملازمین کے تعلقات

افراط زر کے دباؤ کے باوجود انتظامیہ مالی سال کے دوران ملازمین کے بہت مثبت اور تعاون پر مبنی کردار ریکارڈ پر رکھنا چاہتی ہے۔ انتظامیہ اس سلسلے میں اپنی تعریف ریکارڈ پر رکھنا چاہتی ہے اور اس مشکل وقت میں ان کے مسلسل تعاون کی منتظر رہے گی جس سے اس وقت ملک گزر رہا ہے۔ انتظامیہ انجینئرنگ ٹیم کی جانب سے مسلسل تحقیق اور ترقی اور پیداوار کے تقریباً ہر مرحلے پر پیداوار میں اضافہ کرنے اور جہاں بھی ممکن ہو نقصانات کو کم کرنے میں یونین کے تعاون کے کردار کو ریکارڈ پر رکھنا چاہتی ہے۔ دیگر تمام حکموں کی حمایت کا بھی اعتراف کیا جاتا ہے۔



## جنس، نسل اور تنوع

کمپنی صنف یا کسی بھی دوسری خصوصیت کی بنیاد پر عدم امتیاز کے لئے پختہ عزم کو برقرار رکھتی ہے۔ ہم ہر فرد کے لئے مساوات، انصاف اور احترام کی پُر زور وکالت کرتے ہیں۔ ہماری کمپنی اس بات کو یقینی بناتی ہے کہ تمام پالیسیاں، طرز عمل، اور فیصلہ سازی کا عمل کسی بھی قسم کے امتیازی سلوک سے پاک ہے۔ کمپنی ایک جامع ثقافت کو فروغ دیتی ہے اور ایک محفوظ، معاون ماحول پیدا کرتی ہے جہاں ہر کوئی اپنی منفرد صلاحیتوں اور نقطہ نظر میں حصہ ڈال سکتا ہے۔ صنفی تعصب سے پاک کام کی جگہ کو فروغ دے کر، کمپنی کا مقصد تمام ملازمین کے لئے ایک متنوع اور بااختیار ماحول پیدا کرنا ہے۔

## مستقبل کا نقطہ نظر

پاکستان کی میکرو اکنامک صورتحال کو یقیناً اہم چیلنجز کا سامنا ہے لیکن ملک کی چمک اور عزم قابل ستائش ہے۔ معاشی نمو میں حالیہ سست روی، افراط زر میں اضافہ اور قرضوں کا بھاری بوجھ بڑے خدشات ہیں۔ تاہم، مالی نظم و ضبط کو یقینی بنانے اور برآمدات کے رجحان کو فروغ دینے کی کوششیں صحیح سمت میں اٹھائے گئے اقدامات ہیں۔ آپ کی کمپنی ان کوششوں کے لئے مکمل طور پر عزم ہے۔ توانائی کے شعبے میں اصلاحات موجودہ سیاسی حکومت کی اولین ترجیح ہیں۔ ان اصلاحات میں شامل ہیں: توانائی کے شعبے میں نالیوں کو دور کرنا، نجی شرکت داری کو فروغ دینا، اور اس شعبے کے لئے مصنوعات کو مقامی سطح پر بنانے پر توجہ دینا۔ آپ کی کمپنی کی انتظامیہ کو یقین ہے کہ یہ قومی وژن ایمکو کو اس شعبے میں اپنی موجودگی کو بڑھانے کے لئے ایک مثالی موقع فراہم کرے گا۔ کمپنی انتظامیہ کو یہ بتاتے ہوئے خوشی ہے کہ آپ کی کمپنی نے اپنی دھاتی فائڈری میں تیار کی جانے والی توانائی کے شعبے کی مصنوعات کے لئے ایک اضافی پیشگی اہلیت حاصل کر لی ہے۔ اس سے کمپنی کو ڈسکو کے لئے اعلیٰ معیار کی مصنوعات کی تیاری اور فراہمی کے لئے اپنے ٹریڈ ریکارڈ سے فائدہ اٹھاتے ہوئے اضافی مصنوعات کے لئے کامیابی سے بولی لگانے کی اجازت ملی ہے۔ اس کے ساتھ ساتھ، کمپنی اپنی کلیدی مصنوعات کے لئے برآمدی مارکیٹ میں کوششیں جاری رکھے ہوئے ہے، اور شمالی امریکہ اور لاطینی امریکی مارکیٹوں میں اپنی حالیہ کامیابیوں کو جارحانہ انداز میں آگے بڑھا رہی ہے۔ ہم انشاء اللہ آنے والے سال میں برآمدات کی بنیاد بڑھانے میں پُر اعتماد ہیں۔

آپ کی کمپنی اپنے اسٹیک ہولڈرز کو مطلع کرتے ہوئے خوش ہے کہ تمام بینکوں کے ساتھ ہمارے تعلقات موجودہ ہیں اور ہم معاہدے کے مطابق اپنی ذمہ داریوں کو وقت پر پورا کر رہے ہیں۔ ایپورٹ ڈپوٹی، سیلز ٹیکس، اکٹم ٹیکس اور دیگر سرکاری لیویز کی مد میں کمپنی کا سرکاری خزانے میں حصہ 902 ملین روپے (گزشتہ سال 906 ملین روپے) ہے۔

## اعتراف

ہم اپنے بورڈ آف ڈائریکٹرز کا ان کی مسلسل رہنمائی کے لئے شکریہ ادا کرنا چاہتے ہیں، اور ہماری پوری مینجمنٹ ٹیم کو کمپنی کے مثبت راستے کو یقینی بنانے کے لئے ان کی سخت محنت کے لئے۔ ہم ایک کامیاب مالی سال کے اختتام پر اپنے شیئر ہولڈرز، مالیاتی اداروں کے شرکاء، اداروں اور قرض دہندگان کی حمایت کا بھی اعتراف کرنا چاہتے ہیں۔

## حصص دران کا مبالغہ

بورڈ نے اس مدت کے لئے کسی منافع کی سفارش نہیں کی ہے۔

## ملکیتی تفصیل

30 جون 2024 تک شیئر ہولڈنگ کا بیٹرن اور کارپوریٹ گورننس کوڈ کے مطابق اس کا انکشاف اس رپورٹ کے ساتھ منسلک ہے۔

## مالیاتی جھلکیاں

کمپنی کی گزشتہ 10 سال کی کارکردگی کی اہم مالیاتی جھلکیاں اس رپورٹ میں دستیاب ہیں۔

## آڈیٹرز

آڈٹ کمپنی کی تجویز اور بورڈ کی سفارشات کے مطابق موجودہ آڈیٹرز کو حسین چودھری اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس رینٹرز اور اہل ہونے کی وجہ سے سالانہ جنرل میٹنگ میں شیئر ہولڈرز کی منظوری کے بعد دوبارہ تفریری کی پیش کش کرتے ہیں۔

## وی آئی ایس کریڈٹ ریٹنگ

وی آئی ایس کریڈٹ ریٹنگ کمپنی لمیٹڈ نے ایکوائڈ سٹریٹ لمیٹڈ ('ایکوا' یا 'کمپنی') کی 'اے-1'، 'اے-2' (سنگل اے مائنس / اے-ٹو) پر 'مستحکم نقطہ نظر' کے ساتھ ادارے کی درجہ بندی کی تصدیق کی ہے۔ 'اے' کی درمیانی سے طویل مدتی درجہ بندی اچھے کریڈٹ کوالٹی کی نشاندہی کرتی ہے۔ تحفظ کے عوامل کافی ہیں۔ معیشت میں ممکنہ تبدیلیوں کے ساتھ خطرے کے عوامل مختلف ہو سکتے ہیں۔ 'اے-2' کی قلیل مدتی درجہ بندی بروقت ادائیگی کی اچھی یقین دہانی کی نشاندہی کرتی ہے۔ لیکویڈیٹی کے عوامل اور کمپنی کے بنیادی اصول مضبوط ہیں۔ کیپٹل مارکیٹس تک رسائی اچھی ہے۔ خطرے کے عوامل کم سے کم ہیں۔

بورڈ آف ڈائریکٹرز کے لئے اور ان کی طرف سے



سالم رحمان  
چیف ایگزیکٹو آفیسر



احسن سہیل مemon  
ڈائریکٹر / کمپنی سیکرٹری

لاہور: 24 ستمبر 2024



# Financial Highlights of Last Ten Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
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.....(Rupees in Million).....

Net Sales	4,192	3,546	2,586	2,077	1,598	1,386	1,148	1,006	1,058	783
Exports (Direct & Indirect)	169	80	31	34	42	22	72	118	74	44
Employees Costs	629	571	441	388	359	311	293	276	254	222
Profit/(Loss) before tax	357	420	278	280	163	139	(25)	68	38	(125)
Profit/(Loss) after tax	219	293	217	202	118	145	36	29	27	(98)
Earning per share (Rs / Share)	6.26	8.37	6.20	5.77	3.37	4.13	1.03	0.83	0.78	(2.80)
EBITDA	940	815	483	468	336	293	119	209	196	48
Capital Expenditure	276	554	214	192	78	75	60	22	35	18
"Shareholder's Equity (Excl. Rev.Surplus)"	1,488	1,270	971	769	547	408	125	72	21	(28)
"Shareholder's Equity (Incl. Rev.Surplus)"	2,946	2,785	2,506	2,071	1,474	1,166	1,016	993	768	422



# Statement of Compliance

WITH THE LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019  
OF EMCO INDUSTRIES LIMITED FOR THE YEAR ENDED JUNE 30, 2024

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

1. The total number of Directors are 12 as per the following:
  - a) Male: 11
  - b) Female: 01
2. The composition of the Board is as follows:

Category	Names
Independent Directors*	Ch. Imran Ali Syed Muhammad Mohsin Mrs. Ayesha Mussadaque Hamid Mr. Osman Hameed Chaudhri
Executive Directors	Mr. Usman Haq Mr. Salem Rehman Mr. Tariq Rehman Mr. Ahsan Suhail Mannan
Non-Executive Directors	Mr. Javaid Shafiq Siddiqi Mr. Pervaiz Shafiq Siddiqi Mr. Salman Javaid Shafiq Mr. Umair Noorani
Female Director	Mrs. Ayesha Mussadaque Hamid

\*The Board was reconstituted in the elections held on 26th June 2023 with effect from 1st July 2023. There are a total of 12 Directors including 04 Independent Directors (03 Male & 01 Female).

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 a complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / Shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a Director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meetings of the Board.
8. The Board has a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations.
9. The new Board was elected in June 2023. The Management of the Company arranged Directors' Training Program this year for its two directors who neither had done DTP nor qualify for the exemption from DTP.



**NOTE:**

- Out of 12 Board Directors, 03 Directors are exempted from DTP (Mr. Tariq Rehman, Mr. Javaid Shafiq Siddiqi and Mr. Usman Haq) because they have minimum of 14 years of education and 15 years of experience on the Board of a listed Company.
- Out of 12, 09 have completed Directors' Training Program (Mrs. Ayesha Mussadaque Hamid, Ch. Imran Ali, Syed Muhammad Mohsin, Mr. Osman Hameed Chaudhri, Mr. Salem Rehman, Mr. Ahsan Suhail Mannan, Mr. Pervaiz Shafiq Siddiqi, Mr. Salman Javaid Siddiqi and Mr. Umar Noorani).
- Overall, 100% of the Board of Directors have either completed the Directors' Training Program or are exempted from it.

10. The Board has approved the 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. The Chief Financial Officer and 02 Directors including 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:**

The Board has appointed the following members of the Audit Committee for a period of three years w.e.f. 01.07.2023 in the meeting of the Board of Directors held on 04.07.2023.

Mr. Osman Hameed Chaudhri	Chairman
Syed Muhammad Mohsin	Member
Mr. Javaid Shafiq Siddiqi	Member
Mr. Umair Noorani	Member

Mr. Ahsan Suhail Mannan is the Committee Secretary as required by Chapter IX, 27 (1) (iv) of the Code of Corporate Governance, Regulations 2019.

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

The Board has appointed the following members of the HR & Remuneration Committee for a period of three years w.e.f. 01.07.2023 in the meeting of the Board of Directors held on 04.07.2023.

Mrs. Ayesha Mussadaque Hamid	Chairman
Mr. Pervaiz Shafiq Siddiqi	Member
Mr. Salman Javaid Siddiqi	Member
Mr. Ahsan Suhail Mannan	Member / Committee Secretary

**c) Risk Management Committee:**

The Board has appointed the following members of the Risk Committee for a period of three years w.e.f. 01.07.2023 in the meeting of the Board of Directors held on 04.07.2023.

Syed Muhammad Mohsin	Chairman
Mr. Tariq Rehman	Member
Ch. Imran Ali	Member
Mr. Salem Rehman	Member / Committee Secretary

**d) Nomination Committee:**

The Board has appointed the following members of the Nomination Committee for a period of three years w.e.f. 01.07.2023 in the meeting of the Board of Directors held on 04.07.2023.

Ch. Imran Ali	Chairman
Mr. Javaid Shafiq Siddiqi	Member
Mr. Usman Haq	Member
Mr. Ahsan Suhail Mannan	Member / Committee Secretary

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 committees were as per following:
  - a) Audit Committee: (Quarterly).
  - b) Human Resource and Remuneration Committee: (Half Yearly).
  - c) Risk Management Committee: (Yearly).
  - d) Nomination Committee: (Yearly).
15. The Board has set up an effective Internal Audit Function led by HIA (who is also an employee of the Company) and has outsourced the Internal Audit Function to M/S. Muhammad Ali Hussain & Co., Chartered Accountants for the year ended 30th June 2024, 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 and all other requirements of the Regulations have been complied with.



(JAVAID SHAFIQ SIDDIQI)  
Chairman





# INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF EMCO INDUSTRIES 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 EMCO Industries Limited ("the Company") for the year ended June 30, 2024 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2024.

CROWE HUSSAIN CHAUDHURY & CO.  
Chartered Accountants

Lahore  
Dated: September 24, 2024  
UDIN: CR202410051iHm1pylaz



# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EMCO INDUSTRIES LIMITED REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

## Opinion

We have audited the annexed financial statements of EMCO INDUSTRIES LIMITED (the Company), which comprise the statement of financial position as at June 30, 2024, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including 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 purposes of the audit.

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

## Basis for Opinion

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

## Key Audit Matters

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

Following are the key audit matters:

Key Audit Matters	How the matter was addressed in our report
<b>1. Trade receivables and Revenue</b>	
Refer to note 3.12 and 25 of the financial statements.	Our key audit procedures for valuation of trade receivables included the following:
As at June 30, 2024, the Company's gross trade receivables were Rs. 1,302.08 million against which provision of Rs. 59.674 million has been recognized.	<ul style="list-style-type: none"><li>• Obtained an understanding of the Company's processes and design and implementation of internal controls relating to credit control processes (credit limits), debt collection process and making expected credit loss for doubtful receivables.</li></ul>
We identified recoverability of trade receivables as key audit matter as it involves significant management judgement in determining the recoverable amount.	<ul style="list-style-type: none"><li>• Testing the accuracy of aging report, on sample basis, by comparing individual balances in the report with underlying documentation.</li></ul>
Refer to note 3.14 & 28 to the financial statements.	<ul style="list-style-type: none"><li>• Assessing the appropriateness of assumptions and estimates made by management for the expected credit loss by comparing on sample basis, historic cash collection, actual write offs and cash receipts from customers subsequent to reporting date.</li></ul>
The Company has earned revenue of Rs. 4,192.404 million for the year ending June 30, 2024.	



Key Audit Matters	How the matter was addressed in our report
<p>The Company is primarily engaged in manufacturing and sale of insulators. We identified recognition of revenue as a key audit matter due to revenue being one of the key performance indicators of the Company, inherent risk of material misstatement and the risk that revenue could be misstated to meet targets.</p>	<p>Our key audit procedures to revenue recognition included:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the Company's processes related internal controls for revenue recognition and on a sample basis, tested the effectiveness of those controls, specifically in relation to recognition of revenue and timing thereof;</li> <li>• Compared a sample of revenue transactions recorded during the year with purchase orders, sales invoices, receipt vouchers, delivery orders and other relevant underlying documents.</li> <li>• Performed analytical review procedures and other test of details including the cut-off procedures ensure that revenue has been recognized in the appropriate accounting period.</li> <li>• Checked receipts from customers to whom sales are made.</li> <li>• Performed procedures to analyze the variation in price and quantity sold during the year;</li> <li>• Assessed the adequacy of the related disclosures in accordance with the applicable financial reporting standards and the Companies Act, 2017.</li> </ul>

## 2. Stock in Trade

<p>Refer to note 24 to the financial statements for stock in trade.</p> <p>The inventories encompass diverse categories, including raw materials, packing materials, work in process and finished goods. These are valued at lower of cost and estimated net realizable value (NRV).</p> <p>The provisions for slow-moving and obsolete stock-in-trade necessitate substantial judgements and estimations by management.</p> <p>Considering the above matter, the valuation of stock in trade has been considered as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Assessed the corresponding inventory observation instructions and participated in inventory counts. Based on sample, performed test counts and compared the quantities counted by us with the results of the counts of the management.</li> <li>• For a sample of inventory items, reperformed the weighted average cost calculation and compared the weightage average cost appearing on valuation sheets.</li> <li>• Compared on sample basis specific purchases and directly attributable cost with underlying supporting documents.</li> <li>• Compare the NRV, on a sample basis, to the cost of finished goods to assess whether any adjustments are required to value stocks in accordance with applicable accounting and reporting standards.</li> <li>• Consider adequacy of the related disclosures and assessed whether these are in accordance with the applicable accounting and financial reporting standards.</li> </ul>
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## Information Other than the Financial Statements and Auditor's Report Thereon

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

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

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

## Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

### Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) 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 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Amin Ali.



**CROWE HUSSAIN CHAUDHURY & CO.**

Chartered Accountants

Lahore

Dated: September 24, 2024

UDIN: AR202410051srzqlRvdJ

# STATEMENT OF FINANCIAL POSITION

## AS AT JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
<b>EQUITY AND LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
Authorized share capital 120,000,000 (2023: 40,000,000) ordinary shares of Rs. 10 each		1,200,000,000	400,000,000
Issued, subscribed and paid up capital 35,000,000 (2023: 35,000,000) ordinary shares of Rs. 10 each	5	350,000,000	350,000,000
Reserves	6	1,022,310,340	804,284,480
Sponsors' loan	7	115,708,828	115,708,828
Surplus on revaluation of property, plant and equipment	8	1,458,112,397	1,515,280,108
		2,946,131,565	2,785,273,416
<b>Non Current Liabilities</b>			
Long term financing	9	550,558,968	649,898,404
Lease liabilities	10	2,850,000	5,845,125
Post employment benefits	11	163,701,914	120,389,472
Deferred tax liability	12	277,958,286	244,836,598
Long term security deposits		4,567,584	4,567,584
		999,636,752	1,025,537,183
<b>Current Liabilities</b>			
Trade and other payables	13	514,373,092	524,593,748
Unclaimed dividends		768,578	524,915
Accrued finance cost	14	90,446,234	87,792,537
Short term borrowings	15	1,054,965,902	851,500,589
Current portion of non-current liabilities	16	162,669,833	63,439,347
		1,823,223,639	1,527,851,136
<b>Contingencies and Commitments</b>			
	17	-	-
<b>Total Equity and Liabilities</b>		<b>5,768,991,956</b>	<b>5,338,661,735</b>
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, plant and equipment	18	2,897,920,987	2,814,375,478
Investment properties	19	91,138,800	84,988,507
Intangible assets	20	3,746,254	846,171
Long term prepayments and other receivables	21	58,156,456	27,029,063
Long term loans	22	1,135,282	1,858,430
Long term deposits		4,091,616	2,259,500
		3,056,189,395	2,931,357,149
<b>Current Assets</b>			
Stores, spares and loose tools	23	106,992,488	110,595,465
Stock in trade	24	1,175,579,958	1,240,566,496
Trade receivables	25	1,242,405,524	748,910,891
Advances, deposits, prepayments and other receivables	26	92,631,271	162,395,917
Income tax refundable from the Government		85,113,389	126,438,566
Cash and bank balances	27	10,079,931	18,397,251
		2,712,802,561	2,407,304,586
<b>Total Assets</b>		<b>5,768,991,956</b>	<b>5,338,661,735</b>

The annexed notes from 1 to 48 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER





# STATEMENT OF PROFIT OR LOSS

## FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
Revenue	28	4,192,404,621	3,545,524,014
Cost of revenue	29	(3,068,698,361)	(2,581,172,211)
<b>Gross Profit</b>		<b>1,123,706,260</b>	<b>964,351,803</b>
Administrative expenses	30	(155,550,921)	(134,041,835)
Selling and distribution expenses	31	(114,566,919)	(66,470,097)
		(270,117,840)	(200,511,932)
<b>Operating Profit</b>		<b>853,588,420</b>	<b>763,839,871</b>
Other operating expenses	32	(129,329,895)	(119,437,147)
Other income	33	25,891,823	23,535,241
Finance cost	34	(392,711,005)	(247,991,645)
<b>Profit Before Levy and Taxation</b>		<b>357,439,343</b>	<b>419,946,320</b>
Levy / final taxation		(1,491,826)	(659,477)
<b>Profit before income tax</b>		<b>355,947,517</b>	<b>419,286,843</b>
Income tax	35		
Current -			
For the year		(128,559,178)	(92,991,856)
Prior year		(1,148,496)	(2,323,985)
Deferred		(7,242,022)	(31,055,085)
		(136,949,696)	(126,370,926)
<b>Net Profit for the Year</b>		<b>218,997,821</b>	<b>292,915,917</b>
<b>Earnings per Share - Basic and Diluted</b>	36	<b>6.26</b>	<b>8.37</b>

The annexed notes from 1 to 48 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

# STATEMENT OF COMPREHENSIVE INCOME

## FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
Net Profit for the Year		218,997,821	292,915,917
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Actuarial losses due to experience adjustments	11.2	(14,760,006)	(7,406,395)
Related tax impact	12.1	5,166,002	2,329,756
Items that may be reclassified to profit or loss		-	-
Other comprehensive income / (loss) - net of tax		(9,594,004)	(5,076,639)
Total Comprehensive Income for the Year		209,403,817	287,839,278

The annexed notes from 1 to 48 form an integral part of these financial statements.

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER





# STATEMENT OF CHANGES IN EQUITY

## FOR THE YEAR ENDED JUNE 30, 2024

Particulars	Issued, Subscribed and Paid up Capital	Reserves				Sponsors' Loan	Surplus on Revaluation of Property, Plant and Equipment	Total
		Capital	Revenue		Total Reserves			
		Share Premium Reserve	General Reserve	Unappropriated Profit				
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at June 30, 2022	350,000,000	39,898,526	90,000,000	375,213,472	505,111,998	115,708,828	1,535,459,273	2,506,280,099
Net profit for the year	-	-	-	292,915,917	292,915,917	-	-	292,915,917
Other comprehensive loss for the year	-	-	-	(5,076,639)	(5,076,639)	-	-	(5,076,639)
Total comprehensive income for the year	-	-	-	287,839,278	287,839,278	-	-	287,839,278
Incremental depreciation for the year on surplus on revaluation of property, plant and equipment - net	-	-	-	28,833,204	28,833,204	-	(28,833,204)	-
Payment of final dividend for the year ended June 30, 2022	-	-	-	(17,500,000)	(17,500,000)	-	-	(17,500,000)
Effect of change in effective tax rate	-	-	-	-	-	-	8,654,039	8,654,039
Balance as at June 30, 2023	350,000,000	39,898,526	90,000,000	674,385,954	804,284,480	115,708,828	1,515,280,108	2,785,273,416
Net profit for the year	-	-	-	218,997,821	218,997,821	-	-	218,997,821
Other comprehensive loss for the year	-	-	-	(9,594,004)	(9,594,004)	-	-	(9,594,004)
Total comprehensive income for the year	-	-	-	209,403,817	209,403,817	-	-	209,403,817
Incremental depreciation for the year on surplus on revaluation of property, plant and equipment - net	-	-	-	26,122,043	26,122,043	-	(26,122,043)	-
Payment of final dividend for the year ended June 30, 2023	-	-	-	(17,500,000)	(17,500,000)	-	-	(17,500,000)
Effect of change in effective tax rate	-	-	-	-	-	-	(31,045,668)	(31,045,668)
Balance as at June 30, 2024	350,000,000	39,898,526	90,000,000	892,411,814	1,022,310,340	115,708,828	1,458,112,397	2,946,131,565

The annexed notes from 1 to 48 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

# STATEMENT OF CASH FLOWS

## FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Generated from Operations	37	658,673,140	401,542,663
Changes in:			
Long term prepayments and other receivables	21	(35,996,438)	18,126,828
Long term deposits receivable		(1,832,116)	-
Long term security deposit payable		-	3,848,000
		(37,828,554)	21,974,828
Finance cost paid		(388,399,772)	(201,576,370)
Gratuity paid	11.2	(8,929,971)	(4,910,456)
Payments against discontinued provident fund		(131,911)	(41,524)
Workers' profit participation fund paid	13.3	(28,580,375)	(15,282,047)
Workers' welfare fund paid	13.4	(25,984,786)	-
Income tax paid / withheld		(88,382,497)	(152,252,887)
		(540,409,312)	(374,063,284)
<b>Net Cash Generated from Operating Activities</b>		<b>80,435,274</b>	<b>49,454,207</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment	18	(120,895,156)	(113,104,263)
Capital work in progress	18.11	(151,899,566)	(441,361,519)
Purchase of intangibles assets	20.2	(3,178,830)	-
Recoveries / (disbursement) of long term loans - net	21.2	539,525	(699,560)
Rental income	33	11,105,645	10,268,260
Proceeds from disposal of property, plant and equipment	18	-	5,400,616
<b>Net Cash Used in Investing Activities</b>		<b>(264,328,382)</b>	<b>(539,496,466)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of long term financing	9	(84,321,914)	(121,281,201)
Receipts from long term financing	9	78,341,386	473,343,519
Repayment of lease liabilities	10	(4,652,660)	(2,911,843)
Dividend paid		(17,256,337)	(17,500,406)
Short term borrowings obtained - net	15	203,465,313	161,080,340
<b>Net Cash Generated from Financing Activities</b>	<b>38</b>	<b>175,575,788</b>	<b>492,730,409</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>		<b>(8,317,320)</b>	<b>2,688,150</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>18,397,251</b>	<b>15,709,101</b>
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>27</b>	<b>10,079,931</b>	<b>18,397,251</b>

The annexed notes from 1 to 48 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER



# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

## 1. CORPORATE AND GENERAL INFORMATION

### 1.1 Legal status and operations

"EMCO Industries Limited ("the Company") was incorporated as a Joint Stock Company in Pakistan under the repealed Companies Act, 1913, (now the Companies Act, 2017) on August 17, 1954 by the name of Electric Equipment Manufacturing Company (Private) Limited. Later, it was converted into a public company on August 20, 1983 and its name was changed to EMCO Industries Limited on September 12, 1983. The Company was listed on the stock exchange on December 29, 1983.

The Company is domiciled in Pakistan and is principally engaged in manufacturing and sale of high / low tension electrical porcelain insulators and switchgears."

The geographical location and address of the Company's offices / other premises are as under:

Business unit	Geographical location
Head / Registered office	4th Floor, National Tower, 28 Egerton Road, Lahore.
Manufacturing unit	19-KM, Lahore Sheikhupura Road, Lahore.

## 2. BASIS FOR 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 applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS), 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.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS and 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 for certain items as disclosed in the relevant accounting policies below:

Deferred markup, interest free loans from related parties and provident fund loan	Note 9	Stated at amortised cost
Post employment benefits	Note 11	Stated at present value
Certain property, plant and equipment	Note 18	Stated at revalued amount
Investment properties	Note 19	Stated at fair value

These financial statements provide comparative information in respect of the previous year. In addition, the Company presents an additional statement of financial position at the beginning of preceeding period when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in financial statements . During the year no restatement has been made.



## 2.3 Functional and presentation currency

These financial statements are prepared and presented in Pak Rupees (Rs.) which is the Company's functional and presentation currency. All the figures presented in financial statement have been rounded off to the nearest rupee, unless otherwise stated.

## 2.4 Key judgements and estimates

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and related 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 judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

These estimates and related assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the year in which the estimates is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both the current and future year. The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are documented in the following accounting policies, notes and related primarily to:

- Useful lives, residual values, depreciation method and fair value of property, plant and equipment – Note 3.6 & 18
- Useful lives, residual values and amortisation method of intangible assets – Note 3.9 & 20
- Fair value of investment property - Note 3.8 & 19
- Provision for impairment of inventories - Note 3.10, 3.11, 23 & 24
- Impairment loss of non-financial assets other than inventories – Note 3.19
- Obligation of post employment benefits - Note 3.2 & 11
- Estimation of provisions - Note 3.18 & 13
- Estimation of contingent liabilities - Note 4.6 & 17
- Provision for expected credit losses – Note 3.5 & 25
- Current income tax expense, provision for current tax and recognition of deferred tax asset (for carried forward 'tax losses) - Note 3.3, 12 & 35

However, the management believes that the change in outcome of estimates would not have a material effect on the amounts disclosed in these financial statements.

## 2.5 Changes in accounting standards, interpretations and pronouncements

### 2.5.1 Standards, interpretations and amendments to approved accounting standards that are effective in the current year

The following standards, amendments and interpretations are effective for the year ended June 30, 2024. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

Standard or Interpretation	Annual Periods Beginning on or After
- IAS 1 'Presentation of Financial Statements' - Disclosure of Accounting policies [Amendments]	January 1, 2023
- IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates [Amendments]	January 1, 2023
- IAS 12 'Income Taxes' - Deferred tax related to Assets and liabilities arising from a Single Transaction [Amendments]	January 1, 2023
- IFRS 7 'Financial Instruments: Disclosures' - Insurance Contracts	January 1, 2023



## 2.5.2 Standards, interpretation and amendments to approved accounting standards that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

Standard or Interpretation	Effective Date - Annual Period Beginning on or After
- IFRS 16 'Leases' - Lease Liability in a Sale and Leaseback [Amendments]	January 1, 2024
- IAS 1 'Presentation of Financial Statements' - Non-current Liabilities with covenants [Amendments]	January 1, 2024
- IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures' - Supplier Finance Arrangements [Amendments]	January 1, 2024
- IAS 1 'Presentation of Financial Statements' - Classification of Liabilities as Current or Non-Current [Amendments]	January 1, 2024
- IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability [Amendments]	January 1, 2025
- IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments Disclosures' - Classification and Measurement of Financial Instruments [Amendments]	January 1, 2026

Other than the aforesaid amendments, IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 18 - Presentation and Disclosures in Financial Statements
- IFRS 19 - Subsidiaries without Public Accountability: Disclosures
- IFRS 1 - First Time Adoption of International Financial Reporting Standards
- IFRS 17 - Insurance Contracts
- IFRS S1 - General Requirements for Disclosure of Sustainability-related Financial Information
- IFRS S2 - Climate-Related Disclosures
- Amendments to IFRS 10 and 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Company has assessed that the impact of these amendments is not expected to be significant.

## 3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods.

### 3.1 Leases

The Company assesses whether a contract contains a lease or not at the inception of a contract, for contracts entered into, or modified, on or after January 1, 2019. When the terms and conditions of a contract are modified, the Company reassesses whether the contract is, or contains, a lease further.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Company is reasonably certain to not to exercise that option.

The Company reassesses whether it is reasonably certain to exercise an extension option, or not to exercise a termination option, upon the occurrence of either a significant event or a significant change in circumstances that is within the control of the Company and affects whether the Company is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in the determination of the lease term.

The Company revises the lease term if there is a change in the non-cancellable period of a lease.

## Company as a lessee

### Recognition

The Company recognizes a right-of-use asset and a lease liability at the commencement date. A commencement date is the date on which the lessor makes an underlying asset available for use by the lessee (the Company).

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases of all underlying assets that have a lease term of 12 months or less and leases for which the underlying asset, when new, is of low-value. The Company recognizes the lease payments associated with these leases as an expense on straight-line basis over the lease term.

### Initial measurement

#### Lease liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid. The lease payments are discounted using the interest rate implicit in the lease, or the Company's incremental borrowing rate if the implicit rate is not readily available. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments comprise fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. Lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

#### Right-of-use asset

The Company initially measures the right-of-use asset at cost. This cost comprises the amount of lease liability as initially measured, plus any lease payments made on or before the commencement date, less lease incentives received, initial direct costs and estimated terminal costs (i.e, dismantling or other site restoration costs required by the terms and conditions of the lease contract).

### Subsequent measurement

#### Lease liability

After the commencement date, the Company re-measures the lease liability to reflect the affect of interest on outstanding lease liability, lease payments made, reassessments and lease modifications etc. Variable lease payments not included in the measurement of the lease liability and interest on lease liability are recognized in profit or loss, unless these are included in the carrying amount of another asset.

Lease payments are apportioned between the finance charges and reduction of the lease liability using the incremental borrowing rate to achieve a constant rate of interest on the remaining balance of the liability.

Lease liability payable in foreign currency is translated to local currency of the Company i.e. Pak Rupees at the reporting date. Any foreign exchange differences arising on translation of lease liability are recognized in profit or loss.

#### Right-of-use asset

After the commencement date, the Company measures the right-of-use asset at cost less accumulated depreciation and accumulated identified impairment losses, if any, adjusted for any remeasurement of the lease liability.

The Company depreciates the cost of right-of-use asset, net of residual value, from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. However, if the lease contract transfers ownership of the underlying asset to the Company by the end of the lease term or if the cost of the right-of-use asset reflects that the Company will exercise the purchase option, the Company depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset.

Depreciation is charged to profit or loss (Note 18.10).



### 3.2 Post employment benefits

#### Defined benefit plan

Defined benefit plans provide an amount of gratuity that an employee will receive on or after retirement, usually dependent on one or more factors such as age, years of service and compensation. A defined benefit plan is a plan that is not a defined contribution plan. The liability recognized in the statement of financial position in respect of 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, if any. The defined benefit obligations are calculated annually by an independent actuary using the projected unit credit method. The Company operates an unfunded gratuity scheme for its employees. The unfunded gratuity scheme is a defined benefit final salary plan.

"The present values of the defined benefit obligations are determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds or the market rates on government bond. These are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related obligation. Retirement benefits are payable to staff on resignation, retirement or termination from service, subject to the completion of prescribed qualifying period of service under these schemes.

Remeasurement gain / losses are recognized in other comprehensive income. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets, if any. This cost is included in employee benefit expense in the statement of profit or loss."

### 3.3 Taxation

Income tax comprises current and deferred tax. Income tax is recognized in the statement of profit or loss except to the extent that relates to items recognized directly in equity or other comprehensive income, in which case it is recognized in equity or other comprehensive income.

#### Current

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting date.

The charge for current tax is higher of corporate tax (higher of tax based on taxable income and minimum tax) and alternative corporate tax. However, in case of loss for the year, income tax expense is recognized as minimum tax liability on turnover of the Company in accordance with the provisions of the Income Tax Ordinance, 2001. Super tax applicable on the Company is also calculated as per applicable tax rates as per the Income Tax Ordinance, 2001.

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

Alternative corporate tax is calculated at 17% of accounting profit, after taking into account the required adjustments.

Current tax for current and prior periods, to the extent unpaid, is recognized as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognized as an asset.

The Company offsets current tax assets and current tax liabilities if, and only if, it has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

When minimum tax is higher than tax calculated on taxable profits, excess amount is recognized as levy under IFRIC 21 / IAS 37. Further, the Company shall also charged tax expense under levy when tax is calculated under final tax regime.

#### Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary timing differences arising from the difference between the carrying amount of the assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction neither affects accounting nor taxable profit or loss.

Deferred tax liabilities are recognized for all major taxable temporary differences.

Deferred tax assets are recognized for all major deductible temporary differences to the extent that it is probable that taxable profit will be available against which deductible temporary differences, unused tax losses and tax credits can be utilized. The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent of probable future taxable profit available that will allow deferred tax asset to be recovered.

Deferred tax is calculated at rates that are expected to apply to the period when the differences reverse based on the tax rates and tax laws that have been enacted or have been notified for subsequent enactment by the reporting date.

When different tax rates apply to different levels of taxable income, deferred tax assets and liabilities are measured using the average rates that are expected to apply to the taxable profit (tax loss) of the periods in which temporary differences are expected to reverse.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

### 3.4 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within short period. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

### 3.5 Financial instruments

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

#### 3.5.1 Financial assets

All financial assets are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Regular purchases and sales of financial assets are recognized and derecognized, as applicable, using trade-date accounting or settlement date accounting.





#### Classification

Financial assets are classified in either of the three categories: at amortised cost, at fair value through other comprehensive income and at fair value through profit or loss. Currently, the Company classifies its financial assets at amortised cost and fair value through profit or loss. This classification is based on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. The management determines the classification of its financial assets at the time of initial recognition.

#### Initial recognition and measurement

"Except for trade receivables, financial assets are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in the profit and loss.

Trade receivables are initially measured at the transaction price if these do not contain a significant financing component in accordance with IFRS 15."

#### Subsequent measurement

Financial assets carried at amortised cost are subsequently measured using the effective interest rate (EIR) method. The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss.

Financial assets measured at fair value through profit or loss are subsequently measured at fair value prevailing at the reporting date. The difference in fair value and dividend income arising on equity is charged to profit or loss.

Financial assets 'at fair value through other comprehensive income' are marked to market using the closing market rates and are carried in the statement of financial position at fair value. Net gains and losses arising on changes in fair values of these financial assets are recognized in other comprehensive income. Interest calculated using the EIR method is credited to profit or loss. Dividends on equity instruments are credited to profit or loss when the Company's right to receive payments is established.

#### Derecognition

Financial assets are derecognized when:

- the contractual rights to receive cash flows from the assets have expired; or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  - a) the Company has transferred substantially all the risks and rewards of the asset; or
  - b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The difference between the carrying amount and the consideration received is recognized in profit or loss.

If the Company transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it recognizes either a servicing asset or a servicing liability for that servicing contract.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability which cannot be offset with the related asset. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

If the Company's continuing involvement is in only a part of a financial asset, the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the consideration received for the part no longer recognized is recognized in profit or loss.

#### Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECLs) for all financial assets which are measured at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognized in two stages. For credit exposures, for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

### 3.5.2 Financial liabilities

#### Initial recognition and measurement

Financial liabilities are initially classified at amortised cost. Such liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument and include trade and other payables, loans or borrowings and accrued mark up etc.

The Company does not reclassify any of its financial liabilities.

Financial liabilities are initially recognized at fair value less transaction costs for all financial liabilities not carried at fair value through profit or loss. Financial liabilities carried at fair value through profit or loss are initially recognized at fair value and transaction costs are credited in profit or loss.

#### Subsequent measurement

The Company measures its financial liabilities subsequently at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss. Difference between carrying amount and consideration paid is recognized in profit or loss when the liabilities are derecognized.

#### Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respect of carrying amounts is recognized in profit or loss. The difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

### 3.5.3 Offsetting of financial assets and liabilities

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



### 3.6 Property, plant and equipment

Property, plant and equipment, except freehold land, buildings thereon and plant and machinery, are stated at cost less accumulated depreciation and any identified impairment loss, if any. Freehold land is stated at revalued amount less any identified impairment loss while buildings on freehold land and plant and machinery are stated at revalued amount less accumulated depreciation and accumulated impairment loss, if any. Revaluation is carried out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from their fair value. Additions, subsequent to revaluation, are stated at cost less accumulated depreciation and any identified impairment loss.

The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Cost in relation to certain assets may also include cost of borrowing during construction period in respect of loans taken for specific projects.

Depreciation on property, plant and equipment, except freehold land, is charged to profit or loss on straight line method with the exception of tools and equipment, furniture and fixture, office equipment and vehicles, whose depreciation is charged in profit or loss on diminishing balance method so as to write off the cost or revalued amount of an asset over its estimated useful life. Incremental depreciation representing the difference between actual depreciation based on revalued carrying amount of the asset and equivalent depreciation based on the original carrying amount of the asset is transferred to retained earnings from surplus on revaluation of property, plant and equipment. All transfers to / from surplus on revaluation of property, plant and equipment are net of applicable deferred income taxes.

Depreciation on additions is charged from the date assets are available for use to the date at which the assets are disposed off.

Depreciation rates on owned assets are disclosed in Note 18.1.

Depreciation method, residual value and useful lives of assets are reviewed at least at each reporting date and adjusted if impact on depreciation is significant.

Day to day maintenance and normal repairs are charged to profit or loss as and when incurred. Gains or losses on disposal of property, plant and equipment are included in profit or loss.

Increases in the carrying amounts arising due to revaluation are credited to revaluation surplus on property, plant and equipment through other comprehensive income. Decreases that offset previous increases of any other property, plant and equipment of the Company are debited against revaluation surplus directly in equity. All other decreases are charged to the profit or loss.

The effect of any changes in estimate is accounted for on a prospective basis. Further, determining adjustments for any differences in nature, location and condition of the property, plant and equipment involves significant judgment.

### 3.7 Capital work-in-progress

Capital work-in-progress is stated at cost less identified impairment loss, if any, and represents expenditure incurred on property, plant and equipment during construction and installation. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. Cost may also include applicable borrowing costs. Transfers are made to relevant property, plant and equipment category as and when assets are available for use.

### 3.8 Investment Properties

Investment property, which is property held to earn rentals and/or for capital appreciation, including property under construction for such purposes, is measured initially at its cost, including transaction costs.

Subsequent to initial recognition, investment property is measured at fair value. The changes in fair value are recognized in profit or loss. Any other investment property (whose fair value cannot be measured reliably) is measured at cost less accumulated depreciation and impairment loss, if any.

The fair value of investment property is determined at the reporting date using current market prices for comparable real estate, adjusted for any differences in nature, location and condition by an independent valuer.

The effect of any changes in estimate is accounted for on a prospective basis. Further, determining adjustments for any differences in nature, location and condition of the investment property involves significant judgment.

### 3.9 Intangible assets

An intangible asset is recognized as an asset if it is probable that future economic benefits attributable to the asset will flow to the Company and the cost of such asset can be measured reliably. Cost of intangible assets i.e. ERP software includes purchase cost and directly attributable expenses incidental to bring the software to its intended use.

Costs that are directly associated with identifiable software and have probable economic benefits beyond one year, are recognized as an intangible asset. However, costs associated with the maintenance of software are recognized as an expense.

All intangibles are measured initially at cost and subsequently stated at cost less accumulated amortisation and identified impairment losses, if any. Amortisation is charged to profit or loss using the straight line method so as to write off the cost of an asset over its estimated useful life. The amortisation period and the amortisation method for intangible assets are reviewed, at each reporting date, and adjusted if impact on amortisation is significant. ERP software is being amortised over 10 years based on estimated useful life.

### 3.10 Stores, spares and loose tools

Stores and spares are valued at weighted average cost except for items in transit, while items considered obsolete if any are carried at nil value. Items in transit are valued at cost comprising invoice value plus other charges paid thereon. Provision is made for obsolete and slow moving stores and spares based on management estimate.

### 3.11 Stock-in-trade

Raw materials and packing material, except for those in transit, are valued at the lower of weighted average cost and net realizable value. Work-in-process and finished goods are valued at the lower of weighted average cost and net realizable value. Work-in-process and finished goods comprise cost of direct materials, labor and appropriate manufacturing overheads. Cost of goods purchased for resale comprises invoice value plus charges paid thereon.

Materials in transit are stated at cost comprising invoice value plus other incidental charges paid thereon.

Net realizable value signifies the estimated selling price in the ordinary course of business less costs necessary to be incurred in order to make a sale. If the net realizable value is lower than the carrying amount, a write-down is recognized for the amount by which the carrying amount exceeds its net realizable value. Provision is made in the financial statements for obsolete and slow moving stock in trade based on management estimate.

### 3.12 Balances from contract with customers

#### Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. The Company recognizes a contract asset for the earned consideration that is conditional if the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due. However, the Company transfers goods after inspection by customers and receives payment as per terms of contract. Therefore, no contract asset arises.



#### Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional. Trade receivables are carried at original invoice amount less expected credit loss based on a review of all outstanding amounts at the reporting date. Bad debts are written off when identified.

#### 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. A contract liability is recognized at earlier of when the payment is received or the payment is due if a customer pays consideration before the Company transfers goods or services to the customer.

### 3.13 Cash and cash equivalents

For the purpose of presentation in the statement of cashflows, cash and cash equivalents include cash in hand, deposits held at calls with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, bank overdrafts and short term borrowings.

### 3.14 Revenue recognition

Revenue is recognized in accordance by applying the following steps:

- i) Identifying contract with a customer
- ii) Identifying performance obligation in the contract
- iii) Determining transaction price of the contract
- iv) Allocating transaction price to each of the separate performance obligations in the contract
- v) Recognizing the revenue when (or as) the Company satisfies a performance obligation

Revenue is recognized at a point in time, when the Company satisfies performance obligations by transferring the promised goods to its customers and when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The normal credit term is 30 to 90 days upon delivery. Control is transferred to the customer on dispatch of goods and transaction price is fixed and decided mostly through tendering process.

In determining the transaction price for sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, non cash consideration, and consideration payable to the customer (if any). The contracts do not contain right of return as the goods are dispatched to customer after their inspection, and customer inspection process. The Company does not offer volume discount as price is agreed through tendering.

### 3.15 Dividend and other appropriations

Dividend to shareholders is recognized in the period in which it is declared and other appropriations are recognized as liability in the period in which these are approved by the Board of Directors.

### 3.16 Earnings per Share

The Company presents basic and diluted earnings per share (EPS). Basis EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any.



### 3.17 Related party transactions

Related parties comprise the parent company, associated companies / undertakings, directors of the company and their close relatives and key management personnel of the company. The Company in the normal course of business carries out transactions with various related parties. Amounts due from and due to related parties are shown under respective notes to these financial statements. Following are the key related parties of the company:

Name of Related party	Basis of Relationship	% of Holding in the Company
Mr. Javaid Shafiq Siddiqi	Director	5.514%
Mr. Usman Haq	Director	5.199%
Mr. Salem Rehman	Director / CEO	3.429%
Mr. Tariq Rehman	Director	0.379%
Mr. Ahsan Suhail Mannan	Director	8.378%
Mr. Pervaiz Shafiq Siddiqi	Director	5.514%
Mr. Salman Javaid siddiqi	Director	0.001%
Mr. Umair Noorani	Director	0.059%
Ms. Ayesha Mussadaque Hamid	Independent director	0.001%
Ch. Imran Ali	Independent director	0.001%
Syed Muhammad Mohsin	Independent director	0.001%
Mr. Osman Hameed Chaudhary	Independent director	0.003%
Mr. Riaz Ahmed	Chief Financial Officer	Nil
Directors' close family members	Directors' close family members	22.381%
M/s Associated Engineers (Private) Limited	Common Directorship	5.745%
M/s ICC (Private) Limited	Common Directorship	7.595%
M/s The Imperial Electric Company (Private) Limited	Common Directorship	1.662%
M/s Khairun Nisa Hospital Foundation	Common Directorship	Nil
M/s Tehzibul Akhlaq Trust	Common Directorship	Nil

### 3.18 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources shall be required to settle the obligation and the amount has been reliably estimated. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

#### Judgement and estimates

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

### 3.19 Impairment of non-financial assets

Assets that have an indefinite useful life - for example, goodwill or intangible assets not ready to use - are not subject to amortisation and are tested annually for impairment. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is



recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment losses on fixed assets that offset available revaluation surplus are charged against this surplus, all other impairment losses are charged to profit or loss. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date. Where impairment loss is recognized, the depreciation / amortisation charge is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value, over its remaining useful life. Any reversal of impairment loss of a revalued asset shall be treated as a revaluation increase.

### 3.20 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (the Chief Executive Officer of the Company). Segment results, assets and liabilities include items directly attributable to a segment. Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment and intangible assets. Currently, the Company is operating in one segment.

## 4. SUMMARY OF OTHER ACCOUNTING POLICIES

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### 4.1 Borrowing costs

General and specific borrowing costs directly attributable to acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are charged to profit or loss in the period in which they are incurred.

### 4.2 Ijarah contracts

The Company has entered into Ijarah contracts under which it obtains usufruct of an asset for an agreed period for an agreed consideration. Ijarah contracts are undertaken in compliance with the Shariah essentials for such contracts prescribed by the State Bank of Pakistan.

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

### 4.3 Government grants

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

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

Government grants relating to the purchase of property, plant and equipment are included in noncurrent liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

### 4.4 Foreign currency transactions and translation

All monetary assets and liabilities in foreign currencies are translated into Pak rupees at exchange rates prevailing at the reporting date. Non-monetary transactions in foreign currencies are translated into Pak rupees at exchange rates prevailing at the date of transaction. Exchange gains and losses are included in profit or loss.

#### 4.5 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability at the measurement date in an orderly transaction between market participants in the principal, or in its absence, the most advantageous market to which the Company has access at that date. There are three levels which are as under:

##### Level 1

The Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

##### Level 2

When there is no quoted price in an active market, the Company determines transaction price by applying valuation techniques. The chosen valuation technique incorporates all the factors that market participants would take into account in pricing a transaction. The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price i.e. the fair value of the consideration given or received.

##### Level 3

If the Company determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, the instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is credited or charged to profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is supported wholly by observable market data or the transaction is closed out.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

#### 4.6 Contingent liabilities

A contingent liability is disclosed when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company.

A contingent liability is also disclosed when there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

#### 5. ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2024 No. of Share	2023 No. of Share		2024 Rupees	2023 Rupees
18,570,460	18,570,460	Ordinary shares of Rs. 10 each fully paid in cash	185,704,600	185,704,600
2,800,000	2,800,000	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	28,000,000	28,000,000
13,629,540	13,629,540	Ordinary shares of Rs. 10 each issued as right shares	136,295,400	136,295,400
<u>35,000,000</u>	<u>35,000,000</u>		<u>350,000,000</u>	<u>350,000,000</u>



5.1 Reconciliation of number of shares outstanding

2024 No. of Share	2023		2024 Rupees	2023 Rupees
35,000,000	35,000,000	Ordinary shares of Rs. 10 each fully paid in cash at the beginning of the year	350,000,000	350,000,000
-	-	- Issued / cancelled during the year	-	-
35,000,000	35,000,000		350,000,000	350,000,000

5.2 Ordinary shares of the Company held by its associated companies as at the reporting date are as follows:

	2024 (Number of Shares)	2023
Associated Engineers (Private) Limited	2,010,575	2,010,575
ICC (Private) Limited	2,943,411	2,943,411
The Imperial Electric Company (Private) Limited	581,549	581,549
	5,535,535	5,535,535

5.3 All ordinary shares rank equally with respect to residual assets of the Company. Ordinary shareholders are entitled to receive all distributions including dividends and other entitlements in the form of bonus and right shares as and when declared by the Company. The voting and other rights are in proportion to the shareholding.

5.4 The terms of agreement between the Company and certain lenders impose certain restrictions on distribution of dividends by the Company.

6. RESERVES	Note	2024 Rupees	2023 Rupees
Capital reserve			
- Share premium reserve	6.1	39,898,526	39,898,526
Revenue reserve			
- General reserve		90,000,000	90,000,000
- Unappropriated Profit		892,411,814	674,385,954
		1,022,310,340	804,284,480

6.1 This reserve can be utilized by the Company only for the purposes specified in Section 81(2) of the Companies Act, 2017.

7. SPONSORS' LOAN	2024 (Rupees)	2023 (Rupees)
Opening balance	115,708,828	115,708,828
Add: Additions during the year	-	3,009,348
Add: Transfer from short term borrowing	-	16,761,033
Less: Transfer to short term borrowing	-	(17,289,856)
Less: Payments made	-	(2,480,525)
	115,708,828	115,708,828

7.1 In accordance with the requirements of Technical release TR - 32 (Accounting Directors' Loan) issued by the Institute of Chartered Accountants of Pakistan, the long term loan has been presented as sponsors' loan and shown as an equity component. These loans are unsecured, interest free and repayable at discretion of the Company. Furthermore, as part of security arrangements for financing facilities obtained from the banks as stated in note 14, these loans are subordinated with banks upto Rs. 115.708 million.

7.2 During last year, one of the Company's director passed away and the balance of his loan was transferred to the designated successors in accordance with the succession certificate. In order to keep the limit of subordinated loans intact, certain loans were reclassified from / to short term borrowings; and a loan from an associated company was novated in favour of a successor sponsor director.

8. SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT	2024 Rupees	2023 Rupees
Land - freehold:	903,427,276	903,427,276
Buildings on freehold land:	304,547,380	316,212,903
Plant and machinery:	307,305,452	315,819,094
	1,515,280,108	1,535,459,273
Effect of change in tax rates	(31,045,668)	8,654,039
Incremental depreciation charged on revalued property, plant and equipment in current year net of deferred tax (transferred to Unappropriated profit)	(26,122,043)	(28,833,204)
	1,458,112,397	1,515,280,108

8.1 This represents surplus over book value resulting from the revaluation of freehold land, buildings on freehold land and plant and machinery adjusted by incremental depreciation arising on revaluation of the above-mentioned assets and related deferred tax assets except freehold land which is presented at revalued amount. Latest revaluation was carried out by an independent valuer as on June 30, 2022 using current market price / replacement cost methods; wherever applicable for the respective assets, which resulted in further revaluation surplus of Rs. 361.686 million.

8.2 Incremental depreciation charged on revalued property, plant and equipment has been transferred to retained earnings to record realization of surplus to the extent of incremental depreciation. Incremental depreciation represents the difference between depreciation based on revalued carrying amount of the asset and equivalent depreciation based on the original carrying amount of the asset.

8.3 The surplus on revaluation of property, plant and equipment is not available for distribution to shareholders in accordance with Section 241 of the Companies Act, 2017.





9.	LONG TERM FINANCING	Note	2024 Rupees	2023 Rupees
	Banking companies - secured			
	The Bank of Punjab	9.1	156,605,879	171,583,401
	Habib Bank Limited	9.2	249,977,628	196,324,628
	Askari Bank Limited	9.3	172,144,252	172,144,252
	Saudi Pak Industrial and Agricultural Investment Company Limited	9.4	49,913,047	64,173,915
	First Habib Modaraba - Diminishing Musharakah	9.5	65,124,486	75,519,626
			693,765,292	679,745,822
	Loan from related parties - unsecured			
	EMCO Industries Limited Provident Fund			
	- Associated undertaking	9.6	17,129,818	37,129,818
	Discounting / unwinding of discount	9.7	(1,961,073)	(7,964,564)
			15,168,745	29,165,254
			708,934,037	708,911,076
	Less: current portion	16	(158,375,069)	(59,012,672)
			550,558,968	649,898,404
9.1	This represents the utilized portion of a demand finance facility having limit of Rs. 176.182 million. The facility is sanctioned to finance the import and inland purchase of plant and machinery and carries markup @ 3 months KIBOR plus 2%. It is secured by joint pari passu charge amounting to Rs. 234.91 million on the present and future fixed assets of the Company. The repayment of loan is structured in 20 quarterly installments commencing from July 2023.			
9.2	This represents the utilized portion of a term finance facility having limit of Rs. 250 million. The facility is sanctioned to finance the import of plant and machinery and carries markup @ 3 months KIBOR + 1.5%. This loan is secured by joint pari passu charge of Rs. 333.34 million on fixed assets of the Company. The loan is repayable in 20 equal quarterly installments commencing from September 2024.			
9.3	This represents the utilized portion of a term finance facility having limit of Rs. 172.500 million. The facility is sanctioned to finance the import of plant and machinery and carries markup @ 6 months KIBOR + 2%. This loan is secured by joint pari passu charge of Rs. 230 million on present and future fixed assets of the Company. The loan is repayable in 20 equal quarterly installments commencing from July 2024.			
9.4	This represents the utilized portion of long term finance for Renewable energy amounting to Rs. 82 million. The facility is sanctioned to finance supply and installation of 980-990 KWP Solar Power Plant. It carries markup @ 3 months KIBOR + 2.75% per annum. This loan is secured by joint pari passu charge on fixed assets of the Company. The loan is repayable in 23 quarterly installments commenced from May 2022.			
9.5	The Company acquired certain vehicles under the diminishing musharakah financing arrangements for a period of 60 months payable with post dated cheques. The effective rate of the diminishing musharakah financing is 3 months KIBOR + 1.75 to 2% with floor and ceiling rates of 13% to 21% respectively (2023: 13% and 21% respectively).			
9.6	This represents loan obtained from EMCO Industries Limited Provident Fund on July 01, 2000. Owing to liquidity issues, this loan has been rescheduled a number of times. Latest rescheduling of the loan was carried out on March 06, 2018 by the Trustees of the fund whereby the Company decided to discontinue contributions to the provident fund and to discontinue the charging of markup on loan obtained from the fund on the basis of the following covenants:			

- Amount of loan to be repaid through monthly installments of Rs. 2.0 million till complete settlement of the loan. This loan is due to mature on July 31, 2027.
- The payment will represent the principal repayment and no markup will be charged on the outstanding principal amount.
- Employees who are the members of the fund, would be inducted in a new gratuity scheme of the Company with effect from March 6, 2018.

9.7 In accordance with the requirements of IFRS 9, amortisation and unwinding have been carried out and the relevant difference is charged to profit or loss.

9.8 This includes Shariah compliant borrowings utilized from First Habib Modaraba (Diminishing Musharakah) amounting to Rs. 65.124 million (2023: Rs. 75.519 million).

10. LEASE LIABILITIES	Note	2024 Rupees	2023 Rupees
Opening balance		10,139,889	2,960,327
Add: Additions during the year		-	9,978,976
Add: Interest expense	34	1,657,536	311,591
Less: Excess liability written back		-	(199,162)
Less: Payments made		(4,652,661)	(2,911,843)
Gross liability		7,144,764	10,139,889
Less: Current portion	16	(4,294,764)	(4,294,764)
Closing balance		2,850,000	5,845,125

#### 10.1 Nature of leasing activities

The Company's leases comprise space taken from a related party (M/s Imperial Electric Company (Private) Limited) for office operations. Periodic rentals are fixed over the lease term. These neither contain any variable lease payments nor any lease incentives. The Company is not committed to any lease not yet commenced as at the reporting date.

#### 10.2 Summary of amounts relating to leases charged in different line items of the financial statements as follows:

	Included in	Note	2024 Rupees	2023 Rupees
Carrying amount of ROU assets	Statement of financial position	18.10	6,472,850	9,709,274
Depreciation charge	Administrative expenses	18.10 & 30	3,236,424	2,756,408
Interest expense	Finance cost	34	1,657,536	311,591

#### 10.3 Maturity analysis of contractually undiscounted cash flows

	2024 Rupees	2023 Rupees
Up to one year	4,294,764	4,294,764
2-5 Years	2,850,000	5,845,125
More than 5 years	-	-
Total lease liability	7,144,764	10,139,889

Remaining lease term of existing lease contract is 2 years (2023: 3 years) for which lease liability is recorded.



11.	POST EMPLOYMENT BENEFITS	Note	2024 Rupees	2023 Rupees			
	Staff gratuity - unfunded	11.1	163,701,914	120,389,472			
11.1	Staff gratuity - unfunded						
	Latest actuarial valuation of the gratuity scheme was conducted as on June 30, 2024. Results of actuarial valuation are as under:						
11.2	Movement in net liability for staff gratuity						
	Opening balance		120,389,472	91,015,646			
	Benefit due but not paid at the beginning of the year		3,368,612	3,903,464			
	Charge for the year - profit or loss	11.3	37,367,707	26,343,035			
	Actuarial losses due to experience adjustments		14,760,006	7,406,395			
	Payments made during the year		(8,929,971)	(4,910,456)			
	Benefits due but not paid		(3,253,912)	(3,368,612)			
	Net liability at end of the year		163,701,914	120,389,472			
11.3	Charge for the year						
	The amounts recognized in profit or loss against defined benefit scheme are as follows:						
			2024 Rupees	2023 Rupees			
	Current service cost		19,100,568	15,461,624			
	Interest cost		18,267,139	10,881,411			
			37,367,707	26,343,035			
11.4	Actuarial assumptions		2024	2023			
	Discount rate - per annum		14.75%	15.75%			
	Expected rate of increase in salary level - per annum		13.75%	14.75%			
	Average expected remaining working lives of employees		10 Years	10 Years			
	Average duration of liability		9 Years	9 Years			
	Expected mortality rate for active employees		SLIC (2001-2005) Mortality Table				
	Actuarial valuation method		Projected Unit Credit Method				
11.5	The Company does not have any plan assets covering its post-employment benefits payable. The comparative statement of present value of defined benefit obligations is as under:						
			2024 Rupees	2023 Rupees	2022 Rupees	2021 Rupees	2020 Rupees
	Present value of defined benefit obligations		163,701,914	120,389,472	91,015,646	73,930,900	65,690,188
	Fair value of plan assets		-	-	-	-	-
	Net liability		163,701,914	120,389,472	91,015,646	73,930,900	65,690,188
11.6	Expected Future costs						2025 Rupees
	Current and past service cost						23,115,284
	Interest cost						24,146,032
							47,261,316

## 11.7 Year end sensitivity analysis on defined benefit obligation

Reasonably possible changes as at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have resulted in present value of defined benefit obligation as stated below:

	Note	2024 Rupees	2023 Rupees
Discount rate + 1%		149,981,018	110,078,241
Discount rate - 1%		179,040,132	131,669,486
Salary increase + 1%		179,036,173	131,666,575
Salary increase - 1%		149,679,179	110,076,889

## 11.8 The charge for the year has been allocated as follows:

Cost of revenue	29	28,835,940	19,733,963
Administrative expenses	30	7,458,868	5,466,927
Selling and distribution expenses	31	1,072,899	1,142,145
		<b>37,367,707</b>	<b>26,343,035</b>

## 11.9 Expected benefit payments for next years and beyond

	Rupees
Year 2025	11,214,624
Year 2026	13,512,561
Year 2027	15,750,185
Year 2028	18,371,427
Year 2029	21,759,573
Year 2030 and beyond	73,210,596

## 12. DEFERRED TAXATION

Deferred tax assets and deferred tax liabilities relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset and presented as follows:

Credit / (debit) balances arising in respect of timing differences relating to:

	2024 Rupees	2023 Rupees
Deferred tax liability		
- Accelerated tax depreciation and amortisation	83,334,219	48,544,469
- Revaluation of property, plant and equipment	298,676,604	275,556,578
	<b>382,010,823</b>	<b>324,101,047</b>
Deferred tax asset		
- Provision for doubtful debts	(20,886,216)	(11,187,890)
- Provision for obsolete stores and spares	(4,201,168)	(3,775,770)
- Provision for obsolete stock	(6,507,747)	(5,848,791)
- Provision for staff gratuity	(57,295,670)	(37,869,712)
- Others	(15,161,736)	(20,582,286)
	<b>(104,052,537)</b>	<b>(79,264,449)</b>
	<b>277,958,286</b>	<b>244,836,598</b>



	2024 Rupees	2023 Rupees
12.1 Reconciliation of deferred tax liabilities / (assets), net		
Opening balance	244,836,598	224,765,307
Effect of change in tax rates on revaluation surplus	31,045,668	(8,654,038)
Recognized in statement of profit or loss	7,242,022	31,055,085
Recognized in statement of comprehensive income	(5,166,002)	(2,329,756)
Charged to revaluation surplus through other comprehensive income	-	-
Closing balance	277,958,286	244,836,598

12.2 Deferred tax assets / liabilities on temporary differences are measured at effective rate of 35% (2023: 31.46%).

	Statement of Financial Position		Statement of Comorehensive Income	
	2024 Rupees	2023 Rupees	2024 Rupees	2023 Rupees
12.3 Analysis of change in deferred tax				
Deferred tax Liability / (Asset)				
Accelerated tax depreciation and amortisation	83,334,219	48,544,469	34,789,750	36,550,297
Revaluation of property, plant and equipment	298,676,604	275,556,578	(7,925,642)	(12,997,005)
Provision for doubtful debts	(20,886,216)	(11,187,890)	(9,698,326)	23,623,868
Provision for obsolete stores and spares	(4,201,168)	(3,775,770)	(425,398)	(3,066,533)
Provision for obsolete stock	(6,507,747)	(5,848,791)	(658,956)	175,337
Provision for staff gratuity	(57,295,670)	(37,869,712)	(14,259,956)	(8,381,553)
Others	(15,161,736)	(20,582,286)	5,420,550	(4,849,326)
	277,958,286	244,836,598	7,242,022	31,055,085

13	TRADE AND OTHER PAYABLES	Note	2024 Rupees	2023 Rupees
	Trade creditors - unsecured	13.1	255,667,177	288,579,664
	Accrued liabilities		131,358,806	95,204,006
	Employees retirement benefit funds		1,547,573	2,761,772
	Contract liabilities for goods - unsecured	13.2	34,441,651	74,464,939
	Sales tax payable		33,697,127	109,327
	Withholding tax payable		17,767,199	4,462,861
	Workers' (profit) participation fund	13.3	24,124,726	26,380,968
	Workers' welfare fund	13.4	15,768,833	32,630,211
			514,373,092	524,593,748

13.1 Trade creditors include Rs. 4,179,323 (2023: Rs. 459,536) due to related party M/s ICC (Private) Limited.

13.2 Contract liabilities are expected to be satisfied during year ending on June 30, 2025.



		2024 Rupees	2023 Rupees
13.3	Workers' (Profit) Participation Fund		
	Opening balance	26,380,968	15,282,302
	Expense recognised during the year	32 24,124,726	26,524,553
	Interest on workers' (profit) participation fund	32 2,199,407	-
		52,705,101	41,806,855
	Payments / adjustments made during the year	(28,580,375)	(15,425,887)
	Closing balance	24,124,726	26,380,968
13.4	Workers' welfare fund		
	Opening balance	32,630,211	22,550,881
	Expense recognised during the year	32 9,123,408	10,079,330
		41,753,619	32,630,211
	Payments made during the year	(25,984,786)	-
	Closing balance	15,768,833	32,630,211
14	ACCRUED FINANCE COST	2024 Rupees	2023 Rupees
	Accrued finance cost on:		
	- Long term financing from banking companies	35,510,490	27,867,027
	- Long term financing from related parties	8,734,867	8,734,867
	- Short term borrowings from banking companies	40,415,049	33,523,230
	- Short term borrowings from related parties	5,785,828	17,667,413
		90,446,234	87,792,537
15	SHORT TERM BORROWINGS	2024 Rupees	2023 Rupees
	Interest bearing		
	From banking companies - secured:		
	- Running finance, local bills discounting and export and import finances	15.1 994,610,943	748,095,629
	From related parties - unsecured:		
	- ICC (Private) Limited	15.2 20,699,999	63,750,000
		1,015,310,942	811,845,629
	Interest free		
	From related parties - unsecured:		
	- Directors and close relatives thereof	15.3 37,039,268	37,039,268
	- The Imperial Electric Company (Private) Limited	2,615,692	2,615,692
		39,654,960	39,654,960
		1,054,965,902	851,500,589



- 15.1 Short-term running finance, local bill discounting and export and import finance facilities available from various commercial banks under mark-up arrangements amount to Rs. 994.610 million (2023: Rs. 748.095 million) towards the working capital requirement. Rates of mark-up range from 1 to 6 months KIBOR and spread of upto 2% (2023: from 1 to 6 months KIBOR and spread upto 2%) per annum on the balance outstanding. Aggregate short term borrowings are secured by first joint pari passu charge and ranking charge on present and future assets including hypothecation of stores, spares and loose tools, stock-in-trade, trade debts, charge on property, plant and equipment of the Company, ranking charge over the Company's present and future fixed assets, lien over export LCs / contracts, personal guarantees of directors and subordination of sponsors' loan. The unutilized portion in respect of above funded facilities amounts to Rs. 2.34 million (2023: Rs. 25.08 million).
- 15.2 This borrowing is obtained from an associated company, to meet the working capital requirements of the Company and carries mark-up @ 1 month KIBOR + 2% per annum on the balance outstanding.
- 15.3 This represents loan obtained to meet the working capital requirements of the Company. The Company has also utilised personal finance line of one of the directors as disclosed in note 40.1 to the financial statements.
- 15.4 Letters of credit and guarantee

The main facilities for opening letters of credit and guarantees aggregate to Rs. 1277.85 million (2023: Rs. 860.61 million). The amount utilized as at June 30, 2024, for letters of credit was Rs. 222.99 million (2023: Rs. 96.67 million) and for letters of guarantee was Rs. 738.59 million (2023: Rs. 626.19 million). The amounts unavailed as at the reporting date amount to Rs. 316.27 million (2023: Rs. 145.79 million). The aggregate facilities for opening letters of credit and letters of guarantee are secured by charge on present and future fixed assets of the Company, ranking charge on current assets of the Company, lien over import documents, personal guarantees, subordination of sponsors' loan and counter guarantees of the Company.

16	CURRENT PORTION OF NON-CURRENT LIABILITIES	Note	2024 Rupees	2023 Rupees
	Long term financing	9	158,375,069	59,012,672
	Lease liabilities	10	4,294,764	4,294,764
	Payable to employees against discontinued provident fund	16.1	-	131,911
			162,669,833	63,439,347

- 16.1 This represents outstanding balance of employer contribution payable to non-workmen employees on termination of provident fund scheme with effect from December 31, 2002. The outstanding balance of employer contribution payable includes both, principal and interest portions. The balance has been paid entirely during the year

## 17 Contingencies and Commitments

### Contingencies

- 17.1 The Company has indemnified the Trustees of EMCO Industries Limited Provident Fund and the beneficiaries thereof, from any and all events wherein they or anyone suffers any loss and / or damage for allowing the Company rescheduled time frame to repatriate the borrowed sum into the fund.
- 17.2 An ex-employee has filed case against the Company in Punjab Labour Appellate Tribunal lahore. Because of the uncertain nature, it is not possible to quantify their financial impact. The case is pending adjudication. The management and the legal advisor of the Company are of the view that the outcome of this case is expected to be favorable for the Company and liability, if any, arising out on the settlement is not likely to be material. Hence, no provision has been recorded in these financial statements.

- 17.3 Bank guarantees amounting to Rs. 738.587 million (June 30, 2023: Rs. 626.186 million) have been issued in favour of the following:

	2024 Rupees	2023 Rupees
Sui Northern Gas Pipeline Limited	50,406,000	50,406,000
NTDC / DISCOs	688,181,150	566,802,033
Collector of Customs	-	8,978,358
	738,587,150	626,186,391

Commitments

- 17.4 Letters of credit other than for capital expenditure amount to Rs. 222.988 million (2023: Rs. 96.669 million).
- 17.5 Letters of credit for capital expenditure amount to Rs. Nil (2023: Rs. 172.053 million).
- 17.6 Commitments for future minimum payments in respect of Ijarah and Diminishing Musharkah arrangements are as follows:

	Not later than one year	Later than one year and later than five years	Later than five years
	----- Rupees -----		
Diminishing Musharkah	27,372,048	67,514,879	-

18. PROPERTY, PLANT AND EQUIPMENT	Note	2024 Rupees	2023 Rupees
Operating fixed assets	18.1	2,889,396,635	2,616,669,070
Right of use assets	18.10	6,472,850	9,709,274
Capital work in progress	18.11	2,051,502	187,997,134
		2,897,920,987	2,814,375,478



## 18.1 Operating fixed assets - owned

Reconciliation of carrying amounts of property, plant and equipment at the beginning and at the end of the year is as follows:

Description	Freehold Land Rupees	Buildings on Freehold Land Rupees	Plant and Machinery Rupees	Tools and Equipment Rupees	Furniture and Fittings Rupees	Vehicles Rupees	Office Equipment Rupees	Total Rupees
<b>NET CARRYING VALUE BASIS</b>								
Year Ended June 30, 2024								
Opening net book value	907,473,343	604,542,118	1,002,962,482	554,394	1,960,310	86,257,995	12,918,428	2,616,669,070
Additions during the year	-	27,831,089	416,226,622	908,722	-	10,152,000	3,621,921	458,740,354
Depreciation charge	-	(50,005,389)	(113,424,902)	(110,879)	(392,056)	(19,215,429)	(2,864,134)	(186,012,789)
Disposal during the year	-	-	-	-	-	-	-	-
Closing net book value	907,473,343	582,367,818	1,305,764,202	1,352,237	1,568,254	77,194,566	13,676,215	2,889,396,635
Depreciation rates		5%	4%-50%	20%-40%	20%	20%	20%	
Gross Carrying Value Basis As at June 30, 2024								
Cost / revalued amount	907,473,343	1,131,508,062	2,333,452,724	10,861,979	11,457,041	109,067,052	53,022,860	4,556,843,061
Accumulated depreciation	-	(549,140,244)	(1,027,688,522)	(9,509,742)	(9,888,787)	(31,872,486)	(39,346,645)	(1,667,446,426)
Net book value	907,473,343	582,367,818	1,305,764,202	1,352,237	1,568,254	77,194,566	13,676,215	2,889,396,635
<b>NET CARRYING VALUE BASIS</b>								
Year Ended June 30, 2023								
Opening net book value	907,473,343	621,509,220	694,325,000	337,464	2,450,192	4,755,579	12,673,834	2,243,524,632
Additions during the year	-	31,530,005	392,919,134	316,500	-	91,059,300	3,075,545	518,900,484
Depreciation charge	-	(48,497,107)	(82,450,352)	(99,570)	(489,882)	(9,243,186)	(2,830,951)	(143,611,048)
Disposal during the year								
- Cost	-	-	12,275,133	-	-	3,943,000	-	16,218,133
- Accumulated depreciation	-	-	(10,443,833)	-	-	(3,629,302)	-	(14,073,135)
	-	-	(1,831,300)	-	-	(313,698)	-	(2,144,998)
Closing net book value	907,473,343	604,542,118	1,002,962,482	554,394	1,960,310	86,257,995	12,918,428	2,616,669,070
Depreciation rates		5%	4%-35%	20%-40%	20%	20%	20%	
Gross Carrying Value Basis As at June 30, 2023								
Cost / revalued amount	907,473,343	1,103,676,973	1,917,226,102	9,953,257	11,457,041	98,915,052	49,400,939	4,098,102,707
Accumulated depreciation	-	(499,134,855)	(914,263,620)	(9,398,863)	(9,496,731)	(12,657,057)	(36,482,511)	(1,481,433,637)
Net book value	907,473,343	604,542,118	1,002,962,482	554,394	1,960,310	86,257,995	12,918,428	2,616,669,070

## 18.2 Apportionment of depreciation charge for the year

	Note	2024 Rupees	2023 Rupees
Cost of revenue	29	172,944,299	134,664,898
Administrative expenses	30	13,068,490	8,946,150
		186,012,789	143,611,048

18.3 Operating fixed assets contain fully depreciated asset having cost of Rs. 4.19 million (2023: Nil) which is still in use as at the reporting date.

18.4 Operating fixed assets contain certain vehicles financed through diminishing musharakah facility. The cost of these amounts to Rs. 97.567 million (2023: 87.315 million) and accumulated depreciation of Rs. 27.151 million (2023: 9.654 million).

18.5 Particulars of immovable property (land and building) of the Company are as follow:

Location	Usage of immovable property	Total area
19-KM Lahore Sheikhpura Road	Production plant	222 Kanals 18 Marlas

## 18.6 Cost, accumulated depreciation and book value of revalued assets

Had there been no revaluation, the carrying amounts of the following classes of assets would have been as follows:

	2024 Rupees	2023 Rupees
Freehold land	4,046,067	4,046,067
Buildings on freehold land	160,018,703	161,782,972
Plant and machinery	874,751,592	558,312,218
	1,038,816,362	724,141,257

18.7 Fair value of the properties is determined using the market comparable method. Fair values are categorized as level 2 fair value hierarchy where inputs are observable. The latest valuations were performed by an independent professional valuer as at June 30, 2022 and were based on proprietary databases of prices of transactions for properties of similar nature, location and condition. As per the latest valuation report, as of June 30, 2022, surplus from revaluation of assets amounted to Rs. 361.686 million (note 8). Forced sale value of land, buildings and plant and machinery were Rs. 771.352 million; Rs. 525.659 million; and Rs. 561.619 million respectively as at June 30, 2022.

## 18.8 Valuation techniques used to derive level 2 fair values

Description	Valuation Technique	Significant Unobservable Inputs	Range (weighted average)
Land	Inquiries in the vicinity of land and also information obtained from the estate dealers of the area.	Price per kanal	Reasonable fair value estimates
Building	Physical inspection and checking of measurements with the lay-out plan of the buildings provided. Construction details, covered areas and quality of construction were noted. Conditions of buildings were noted and accordingly depreciated rate of construction was calculated which was applied to arrive at fair depreciated market value.	Price per sq. ft.	Reasonable fair value estimates
Machinery	Inspect all machinery and asset item in various section in units.inquiries from the market to obtain prevalent replacement values of similar local and imported machinery items.The machinery & equipment of the production unit is local and imported both.Depreciation due to usage has been applied on all assets of the machinery @ 7.5% per annum on written Down Value basis to arrive at a Fair Market Value.	Year of manufacturing	Reasonable fair value estimates

18.9 The property, plant and equipment of the Company are subject to first and joint pari passu charge as security for certain financing by banks (refer Note to 9 and 15).





#### 18.10 Right of use assets

	Note	2024 Rupees	2023 Rupees
Opening balance		9,709,274	2,486,706
Add: Additions during the year		-	9,978,976
Less: Depreciation charge for the year	30	(3,236,424)	(2,756,408)
Closing balance		6,472,850	9,709,274
Lease Term (Years)		3 Years	3 Years
Remaining lease term (Years)		2 Years	3 Years

Right-of-use assets comprise office space taken from a related party for office operations. There are no variable lease payments in the lease contracts. There were no leases with residual value guarantees or leases not yet commenced to which the Company is committed.

#### 18.11 Capital work in progress

	2024 Rupees	2023 Rupees
Opening balance	187,997,134	152,431,838
Additions during the year	151,899,566	441,361,519
Transfers during the year	(337,845,198)	(405,796,223)
Closing balance	2,051,502	187,997,134

Capital work in progress represents letters of credit for the purchase of machinery.

#### 19 INVESTMENT PROPERTIES

	Land Rupees	Building Rupees	2024 Total Rupees	2023 Total Rupees
Opening balance	35,516,657	49,471,850	84,988,507	84,376,437
Fair value gain on revaluation	1,653,343	4,496,950	6,150,293	612,070
Closing balance	37,170,000	53,968,800	91,138,800	84,988,507

19.1 These represent portion of land and building on the same land given on rent to a third party. The investment property of the Company is subject to first and joint pari passu charge as security for certain financing by banks (refer to Note 9 and 15). These are held to earn rental income. Particulars of investment properties as at the reporting date are as follows:

Property Type	Location	Area	Independent Valuer	Fair Value Rupees	Forced Sale Value Rupees
Land	District Sheikhupura	44,974 sq. ft.	M/s Jasper and Jasper	37,170,000	31,594,500
Building on land	District Sheikhupura	44,974 sq. ft.	M/s Jasper and Jasper	53,968,800	45,873,480
				91,138,800	77,467,980

19.2 The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

### 19.3 Fair value measurements

There are no level 1 and level 3 assets or any transfers between levels 1, 2 and 3 during the year.

Valuation techniques used to derive level 2 fair values

Description	Valuation Technique	Significant Unobservable Inputs	Range (weighted average)
Land	Inquiries in the vicinity of land and also information obtained from the estate dealers of the area.	Price per kanal	Reasonable fair value estimates
Building	Physical inspection and checking of measurements with the lay-out plan of the buildings provided. Construction details, covered areas and quality of construction were noted. Conditions of buildings were noted and accordingly depreciated rate of construction was calculated which was applied to arrive at fair depreciated market value.	Price per sq. ft.	Reasonable fair value estimates

19.4 The Company, as a lessor, has entered into operating lease on its investment property. The lease originally had a term of 5 years, commencing in August 2020. The Company has received security deposit of Rs. 784,346 from the tenant which is utilizable in accordance with the requirements of written agreements, in terms of Section 217 of the Companies Act, 2017.

19.5 Future minimum rentals receivable under non-cancellable operating lease as at the reporting date are as follows:

	Within one year Rupees	After one year but not more than five years Rupees	More than five years Rupees
Undiscounted rentals	11,089,404	-	-

### 19.6 Amount recognised in profit and loss account

The change in fair value is presented in statement of profit or loss as "Other income". The rental income in respect of this property amounts to Rs. 11,105,645 that has been recognized in the statement of profit or loss.

20	INTANGIBLE ASSETS	Note	2024 Rupees	2023 Rupees
	Intangible asset		3,746,254	846,171
20.1	Net Carrying Value			
	Net carrying value - opening balance		846,171	1,124,919
	Transfer from capital work in progress		-	-
	Amortisation during the year	20.3	846,171 (278,747)	1,124,919 (278,747)
	Net carrying value as at June 30,		567,424	846,171
	Gross Carrying Value			
	Cost		2,787,496	2,787,496
	Accumulated amortisation		(2,220,072)	(1,941,325)
	Net book value		567,424	846,171
	Amortization rate		10%	10%



		2024 Rupees	2023 Rupees
20.2	Capital work in Progress		
	Opening balance	-	-
	Additions during the year	3,178,830	-
		3,178,830	-
	Transfer to Intangible assets	-	-
	Closing balance	3,178,830	-
20.3	The Company has implemented Enterprise Resource Planning (SAP). Amortisation charge for the year has been allocated to administrative expenses.		
20	LONG TERM PREPAYMENTS AND OTHER RECEIVABLES		
	Note	2024 Rupees	2023 Rupees
	Long term prepayments	58,156,456	25,270,314
	Recoverable from employees	-	1,758,749
		58,156,456	27,029,063
21.1	Long term prepayments		
	Opening balance	45,624,147	46,211,595
	Additions during the year	62,006,114	20,842,842
	Charged to profit or loss	(23,351,595)	(21,430,290)
		84,278,666	45,624,147
	Current portion of long term prepayments	(26,122,210)	(20,353,833)
		58,156,456	25,270,314
21.1.1	Long term prepayments comprise expenses incurred on product testing and international assurance on product quality whose benefits will be availed through a number of successive years. Thus, these amounts will be charged to profit or loss on time proportionate basis.		
21.2	Recoverable from employees		
	Note	2024 Rupees	2023 Rupees
	Recoverable from employees	-	2,658,081
	Current portion	-	(899,332)
		-	1,758,749
21.2.1	This represents recoveries imposed on employees, falling under bonus policy on account of production of faulty finished goods. The entire amount has been recovered during the year.		
22	LONG TERM LOANS		
	Note	2024 Rupees	2023 Rupees
	Loans to employees (secured - considered good)	1,784,335	2,323,860
	Less: current portion	(649,053)	(465,430)
		1,135,282	1,858,430
22.1	These represent interest free loans for purchase of motorcycles, bicycles and for the construction of residential houses etc. These loans are secured against gratuity, are interest free and are repayable over a period of two to eight years. This also includes loan given to an executive amounting to Rs.220,000 (2023: Rs.340,000). Maximum aggregate balance outstanding at any time during the year calculated by reference to month end balances amounted to Rs. 340,000 (2023: Rs.460,000).		

23	STORES, SPARES AND LOOSE TOOLS	Note	2024 Rupees	2023 Rupees
	Stores		82,099,417	91,083,363
	Spare parts		35,060,561	29,501,905
	Loose tools		1,835,846	2,013,534
			<u>118,995,824</u>	<u>122,598,802</u>
	Less: Provision for obsolescence	23.1	(12,003,336)	(12,003,337)
			<u>106,992,488</u>	<u>110,595,465</u>
23.1	Provision for obsolescence of stock			
	Opening balance		12,003,336	2,189,069
	Provision for the year		-	9,814,267
			<u>12,003,336</u>	<u>12,003,336</u>
	Less: Obsolete stocks written off		-	-
			<u>12,003,336</u>	<u>12,003,336</u>
23.2	Stores and spares include items which may result in fixed capital expenditure but are not distinguishable.			
24	STOCK-IN-TRADE	Note	2024 Rupees	2023 Rupees
	Raw materials		424,653,260	384,347,315
	Materials in transit		114,956,279	138,240,955
	Work-in-process		98,258,475	124,210,138
	Finished goods		556,305,506	612,361,650
			<u>1,194,173,520</u>	<u>1,259,160,058</u>
	Less: Provision for obsolescence of stock	24.1	(18,593,562)	(18,593,562)
			<u>1,175,579,958</u>	<u>1,240,566,496</u>
24.1	Provision for obsolescence of stock			
	Opening balance		18,593,562	18,593,562
	Provision for the year	32	-	-
			<u>18,593,562</u>	<u>18,593,562</u>
	Less: Obsolete stocks written off		-	-
			<u>18,593,562</u>	<u>18,593,562</u>
24.2	The Company has written down its finished goods amounting to Rs. 48.040 million (2023: Rs. Nil) during the period. This expense has been recognized as an expense in cost of revenue in these financial statements.			
24.3	Stocks are under charge by way of hypothecation as security against financing obtained from banks (refer to Note 15).			



25	TRADE RECEIVABLES	Note	2024 Rupees	2023 Rupees
	Local - (unsecured - considered good)		1,198,600,231	726,271,026
	Local - (unsecured - considered doubtful)		59,674,903	35,566,793
	Foreign - (unsecured - considered good)		43,805,293	22,639,865
			1,302,080,427	784,477,684
	Less: Expected credit loss allowance	25.1	(59,674,903)	(35,566,793)
			1,242,405,524	748,910,891
25.1	Movement in expected credit loss allowance			
	Opening balance		35,566,793	107,447,013
	Provision for the year	32	26,683,804	-
			62,250,597	107,447,013
	Less: Balances written off		(2,575,694)	(71,880,220)
			59,674,903	35,566,793

25.2 Details of trade receivables from export sales as at June 30, 2024:

Jurisdiction	Export sales during the year	Gross receivables at year end	Default amount	Names of defaulting parties	Legal action taken
	Rupees	Rupees	Rupees		
Turkey	112,618,354	24,076,800	-	No default	N/A
Qatar	28,135,600	12,663,560	-	No default	N/A
United States of America	14,727,248	-	-	No default	N/A
Brazil	214,062	-	-	No default	N/A
Colombia	512,883	-	-	No default	N/A
China	12,946,344	7,064,933	-	No default	N/A
	169,154,491	43,805,293	-		



## 26 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	Note	2024 Rupees	2023 Rupees
Advances:			
- to employees against salaries - considered good	26.1	762,561	1,173,285
- to suppliers			
- Considered good		41,361,735	72,729,113
- Considered doubtful		575,685	575,685
		42,699,981	74,478,083
Security deposits	26.2	6,367,298	4,816,298
Margins held by banks		13,452,366	14,658,320
Claim receivable		2,169,975	100,237
Prepayments		1,746,073	1,003,210
Sales tax refundable		-	46,196,859
Current portion of loans to employees - considered good	22	649,053	465,430
Current portion of long term prepayments	21.1	26,122,210	20,353,833
Current portion of recoverable from employees	21.2	-	899,332
		93,206,956	162,971,602
Less: Provision for doubtful advances	26.3	(575,685)	(575,685)
		92,631,271	162,395,917

26.1 These advances are extended to employees and executives against salaries and for expenses. This includes amount due from directors of Rs. 757,634 (2023: Rs. 337,806). These balances are secured against employees' retirement benefits balances. The maximum aggregate amount outstanding at any time during the year is same as the above carrying amount of advance to employees against salaries.

26.2 Security deposits include Rs. 1.78 million as a deposit against performance guarantee issued by Askari Bank Limited on behalf of the Company. This amount is invested in Term Deposit Receipt (TDR) carrying markup of 18.25% per annum with one year maturity.

	Note	2024 Rupees	2023 Rupees
26.3 Provision for doubtful advances			
Opening balance		575,685	575,685
Add: Provision for the year	32	-	-
Closing balance		575,685	575,685

		2024 Rupees	2023 Rupees
27 CASH AND BANK BALANCES			
Cash in hand		1,156,717	1,592,941
Cash at banks - in current accounts	27.2	8,923,214	16,804,310
		10,079,931	18,397,251

27.1 The above figures of cash and bank balances reconcile to the amount of cash and cash equivalents shown in the statement of cash flows.

27.2 This includes deposit in current account of Shariah compliant bank amounting to Rs 400,470 (2023: Rs.385,280)



28	REVENUE	2024 Rupees	2023 Rupees
	Gross revenue:		
	- Local	4,748,766,226	4,111,187,720
	- Export	169,154,491	79,730,626
		4,917,920,717	4,190,918,346
	Less: Sales tax	(725,516,096)	(645,394,332)
	Net sales	4,192,404,621	3,545,524,014
28.1	All the revenue is recognised at a point of time.		
28.2	The Company's revenue based on geographical location is given as under:		
	Pakistan	4,748,766,226	4,111,187,720
	Turkey	112,618,354	51,974,487
	United Arab Emirates	-	4,332,245
	Qatar	28,135,600	-
	United States of America	14,727,248	23,423,894
	Brazil	214,062	-
	Colombia	512,883	-
	China	12,946,344	-
		4,917,920,717	4,190,918,346

29	COST OF REVENUE	Note	2024 Rupees	2023 Rupees
	Raw and packing materials consumed		1,500,000,794	1,431,137,464
	Salaries, wages and benefits	29.1	520,165,182	476,188,947
	Power and gas		433,592,820	573,890,565
	Stores and spares consumed		107,442,235	162,991,529
	Testing and inspection		47,276,259	64,420,912
	Travelling and conveyance		170,921,656	112,312,081
	Rent, rates and taxes		1,348,091	1,884,157
	Professional and consultancy charges		2,252,779	531,438
	Repairs and maintenance		11,879,320	11,835,564
	Entertainment		3,177,144	2,084,146
	Insurance		9,058,148	7,245,274
	Ijarah rentals	29.2	19,767	235,438
	Printing and stationery		1,852,363	2,498,961
	Communication		853,926	731,892
	Vehicle maintenance		557,166	380,933
	RTV coating related project expenses		3,325,490	13,482,280
	Miscellaneous		23,115	86,003
	Depreciation	18.2	172,944,299	134,664,898
			2,986,690,554	2,996,602,482
	Work in process			
	- Opening work in process		124,210,138	97,223,799
	- Closing work in process		(98,258,475)	(124,210,138)
			25,951,663	(26,986,339)
	Cost of goods manufactured		3,012,642,217	2,969,616,143
	Finished goods			
	- Opening finished goods		612,361,650	223,917,718
	- Closing finished goods		(556,305,506)	(612,361,650)
			56,056,144	(388,443,932)
			3,068,698,361	2,581,172,211

29.1 This includes provision for gratuity expense amounting to Rs. 28.835 million (2023: Rs. 19.734 million).

29.2 The Company has entered into ijarah agreements with First Punjab Modaraba for machinery. The original term of Ijarah was 5 years with monthly payments of Rs.135,022 under the agreement.



30	ADMINISTRATIVE EXPENSES	Note	2024 Rupees	2023 Rupees
	Salaries, wages and benefits	30.1	100,306,791	87,214,033
	Communication and stationery		2,696,999	2,456,991
	Travelling		9,375,812	11,997,231
	Legal and professional charges		4,103,563	4,794,180
	Fees and subscription		8,572,130	4,603,610
	Vehicle maintenance		1,528,745	1,088,428
	Utilities		2,267,642	1,571,391
	Insurance		2,118,553	1,769,024
	Repairs and maintenance		910,768	544,913
	Computer charges		1,426,580	1,331,242
	Security charges		-	55,742
	Newspapers, periodicals and miscellaneous expenses		599,609	2,874,557
	Charity	30.2	3,000,000	262,170
	Entertainment		2,060,068	1,497,018
	Depreciation on owned assets	18.2	13,068,490	8,946,150
	Depreciation on right of use assets	18.10	3,236,424	2,756,408
	Amortisation	20.1	278,747	278,747
			155,550,921	134,041,835

30.1 This includes provision for gratuity expense amounting to Rs. 7.458 million (2023: Rs. 5.467 million).

30.2 During the year, donation was paid to M/s Khairun Nisa Hospital Foundation and M/s Tehzibul Akhlaq Trust, to support needy individuals. Both are related parties due to common directorship.

31	SELLING AND DISTRIBUTION EXPENSES	Note	2024 Rupees	2023 Rupees
	Handling, freight and transportation		49,632,184	36,444,154
	Salaries, wages and benefits	31.1	8,994,228	7,331,477
	Travelling		22,398,274	11,239,422
	Insurance		447,592	169,491
	Vehicle maintenance		76,140	192,912
	Communication		266,182	194,847
	Advertisement and sales promotion		29,701,838	6,449,753
	Entertainment		1,650,153	914,478
	Miscellaneous		1,400,328	3,533,563
			114,566,919	66,470,097

31.1 This includes provision for gratuity expense amounting to Rs. 1.072 million (2023: Rs. 1.142 million).

32	OTHER OPERATING EXPENSES	Note	2024 Rupees	2023 Rupees
	Auditor's remuneration	32.1	1,700,000	1,400,000
	Exchange loss		2,574,718	-
	Workers' (profit) participation fund	13.3	24,124,726	26,524,553
	Interest on workers' (profit) participation fund	13.3	2,199,407	-
	Workers' welfare fund	13.4	9,123,408	10,079,330
	Expected credit loss allowance on trade debtors		26,683,804	-
	Balances written off		3,753,076	-
	Long term security deposit written off		-	1,492,400
	Recoverable from employees written off		-	6,000,000
	Late delivery charges / liquidity damages		59,170,756	73,940,864
			129,329,895	119,437,147
32.1	Auditor's remuneration:			
	- Statutory audit		1,200,000	950,000
	- Half yearly review		400,000	350,000
			1,600,000	1,300,000
	- Certification fee		100,000	100,000
			1,700,000	1,400,000
33	OTHER INCOME	Note	2024 Rupees	2023 Rupees
	Exchange gain		-	5,513,273
	Gain on disposal of property, plant and equipment		-	3,255,618
	Rental income		11,105,645	10,268,260
	Liabilities written back		8,409,749	337,660
	Fair value gain on investment properties	19	6,150,293	612,070
	Miscellaneous income		226,136	3,548,360
			25,891,823	23,535,241
34	FINANCE COST	Note	2024 Rupees	2023 Rupees
	Short term borrowings from banking companies		178,962,554	117,751,131
	Short term borrowings from related parties		20,617,369	19,870,657
	Long term financing from banking companies		154,234,946	77,883,407
	Long term financing from associated companies		196,165	154,160
	Unwinding of discount on interest free loans	9.7	6,003,489	10,692,907
	Diminishing musharkah finance		17,256,435	6,394,986
	Commission on bank guarantees		6,420,153	9,999,211
	Interest on lease liabilities	10	1,657,536	311,591
	Bank charges		7,362,358	4,933,595
			392,711,005	247,991,645





35	TAXATION	Note	2024 Rupees	2023 Rupees
	Current		106,636,108	85,094,855
	Super tax		21,923,070	8,556,478
	Prior year adjustment		1,148,496	2,323,985
			129,707,674	95,975,318
	Deferred	12.1	7,242,022	31,055,085
			136,949,696	127,030,403
35.1	Relationship between tax expense and accounting profit			
	Profit before taxation		355,947,517	419,946,320
	Tax at the applicable rate of 29% (2023: 29%)		103,224,780	121,784,433
	Tax effect of amounts that are:			
	Taxable under final tax regime		1,491,826	(1,914,443)
	Super tax		21,923,070	8,556,478
	Not deductible for tax purposes		76,331,212	63,027,299
	Deductible for tax purposes but not taken to the statement of profit or loss		(74,411,710)	(97,802,434)
	Prior year adjustment		1,148,496	2,323,985
	Impact of tax credit / minimum tax		-	-
	Deferred tax		7,242,022	31,055,085
			136,949,696	127,030,403
35.2	Reconciliation of levy and income tax under IAS -12			
	Current tax liability for the year as per applicable tax laws		128,559,178	93,651,333
	Portion of current tax liability as per tax laws, representing income tax under IAS -12		(127,067,352)	(92,991,856)
	Portion of levy as per IFRIC 21 / IAS 37		(1,491,826)	(659,477)
	Difference		-	-
35.3	The current tax expense for the year is calculated using corporation tax rate of 29% (2023: 29%) and super tax at 6% (2023: 3%). Deferred tax assets and liabilities on temporary differences are measured at effective rate of 35% (2023: 31.46%).			
36	EARNINGS PER SHARE		2024	2023
	Earnings for the year attributable to ordinary shareholders	Rupees	218,997,821	292,915,917
	Weighted average number of ordinary shares outstanding during the year	Numbers	35,000,000	35,000,000
	Earnings per share - basic and diluted	Rupees	6.26	8.37
36.1	Diluted earnings per share			
	There is no dilution effect on the earnings per share of the Company as the Company does not have any convertible instruments in issue as at the reporting date (2023: Nil) that would have any effect on the earnings per share if the option to convert is exercised.			

37	CASH GENERATED FROM OPERATIONS	Note	2024 Rupees	2023 Rupees
	CASH FLOWS FROM OPERATING ACTIVITIES			
	Profit before taxation		355,947,517	419,946,320
	Adjustment for:			
	- Depreciation on own assets	18.2	186,012,789	143,611,048
	- Depreciation on right of use assets	18.1	3,236,424	2,756,408
	- Amortisation	20.1	278,747	278,747
	- Provision for gratuity	11.2	37,367,707	26,343,035
	- Workers' (profit) participation fund	13.3	24,124,726	26,524,553
	- Interest on workers' (profit) participation fund	13.3	2,199,407	-
	- Workers' welfare fund	13.4	9,123,408	10,079,330
	- Interest on benefits due but not paid of gratuity	11.2	114,700	-
	- Amortisation of government grant	32	-	(187,949)
	- Balances written off	32	3,753,076	-
	- Long term security deposit - written off	32	-	1,492,400
	- Recoverable from employees - written off	32	-	6,000,000
	- Gain on disposal of property, plant and equipment	33	-	(3,255,618)
	- Interest on lease liabilities	34	1,657,536	311,591
	- Liabilities written back	33	(8,409,749)	(337,660)
	- Exchange loss / (gain)	32	2,574,718	(5,513,273)
	- Rental income	33	(11,105,645)	(10,268,260)
	- Fair value gain on investment properties	33	(6,150,293)	(612,070)
	- Unwinding of discount on interest free loans	34	6,003,489	10,692,907
	- Finance cost	34	391,053,469	236,987,147
			641,834,509	444,902,336
	Operating profit before working capital changes		997,782,026	864,848,656
	(Increase) / decrease in current assets			
	- Stores, spares and loose tools	23	3,602,977	15,653,483
	- Stock in trade	24	64,986,538	(480,526,032)
	- Trade receivables	25	(496,069,351)	(119,256,396)
	- Advances, deposits, prepayments and other receivables	26	71,064,237	(41,612,205)
	Increase in current liabilities			
	- Trade and other payables	13	17,306,713	162,435,157
			(339,108,886)	(463,305,993)
	Cash generated from operations		658,673,140	401,542,663



### 38. Changes in Liabilities Arising from Financing Activities

	As at June 30, 2023	Non-cash changes	Cash flows (Net)	As at June 30, 2024
	Rupees	Rupees	Rupees	Rupees
Long term financing - net	768,813,354	6,003,489	(5,980,528)	768,836,315
Unclaimed dividends	524,915	17,500,000	(17,256,337)	768,578
Short term borrowings - net	851,500,589	-	203,465,313	1,054,965,902
Lease liabilities	10,139,889	1,657,536	(4,652,660)	7,144,765
	<u>1,630,978,747</u>	<u>25,161,025</u>	<u>175,575,788</u>	<u>1,831,715,560</u>

	As at June 30, 2022	Non-cash changes	Cash flows (Net)	As at June 30, 2023
	Rupees	Rupees	Rupees	Rupees
Long term financing - net	406,058,129	10,692,907	352,062,318	768,813,354
Unclaimed dividends	525,321	17,500,000	(17,500,406)	524,915
Short term borrowings - net	690,420,249	-	161,080,340	851,500,589
Lease liabilities	2,960,327	10,091,405	(2,911,843)	10,139,889
	<u>1,099,964,026</u>	<u>38,284,312</u>	<u>492,730,409</u>	<u>1,630,978,747</u>

### 39. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

Aggregate amounts charged in the financial statements for the year as remuneration and benefits to the chief executive, full time working directors and other executives of the Company are as follows:

	Chief Executive Officer		Executive Directors		Non-Executive Directors		Executives		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Rupees		Rupees		Rupees		Rupees		Rupees	
Managerial remuneration	6,732,168	10,527,492	29,368,032	11,220,288	-	-	16,167,482	9,592,828	52,267,682	31,340,608
House rent allowance	3,029,472	4,737,372	13,215,612	5,049,120	-	-	4,870,267	2,829,136	21,115,351	12,615,628
Utilities	1,276,938	1,319,357	3,312,596	2,190,776	-	-	3,098,279	1,168,697	7,687,813	4,678,830
Ex- Gratia	677,892	1,156,429	1,949,964	1,205,142	-	-	1,376,120	754,703	4,003,976	3,116,274
Gratuity	813,470	-	2,085,749	1,355,784	-	-	1,397,947	812,067	4,297,166	2,167,851
Medical expenses	188,375	581,476	3,153,919	1,493,599	-	-	1,286,694	553,373	4,628,988	2,628,448
Meeting fee	-	-	-	-	680,000	140,000	-	-	680,000	140,000
Reimbursable expenses	2,500,980	2,327,097	7,318,579	3,891,585	-	-	5,604,750	2,569,082	15,424,309	8,787,764
	<u>15,219,295</u>	<u>20,649,223</u>	<u>60,404,451</u>	<u>26,406,294</u>	<u>680,000</u>	<u>140,000</u>	<u>33,801,539</u>	<u>18,279,886</u>	<u>110,105,285</u>	<u>65,475,403</u>
Number of persons	1	1	3	2	8	8	7	4	19	15

39.1 An "executive" is defined as an employee, other than the Chief Executive and directors, whose basic salary exceeds twelve hundred thousand rupees in a financial year.

39.2 The Company provides the Chief Executive Officer and executive directors with company maintained vehicles, utilities expenses, reimbursable club expenses, and servant salaries, while the executives are provided with company maintained vehicles and telephone expenses.

#### 40. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Related parties comprise associated companies, related group companies, companies where directors also hold directorship, retirement benefits fund, directors and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of that Company. The Company in the normal course of business carries out transactions with various related parties. Details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these financial statements, are as follows:

##### Transactions during the year

Related party	Relationship	Nature of transaction	2024 Rupees	2023 Rupees
Associated Engineers (Private) Limited	Associated company	Conversion from short term borrowing to sponsors loan	-	16,761,033
EMCO Industries Limited Provident Fund	Associated undertaking	Principal repaid	20,000,000	34,500,000
The Imperial Electric Company (Private) Limited	Associated company	Short term borrowings received	214,500,000	131,500,000
		Short term borrowings repaid	214,500,000	131,500,000
		Payment of lease liabilities	4,652,660	2,911,843
		Interest on lease liability	1,657,536	311,591
		Markup paid on short term borrowings	196,165	154,160
		Other expense	4,440,016	2,016,187
		Payment for other expense	720,229	2,875,329
ICC (Private) Limited	Associated company	Short term borrowings repaid	43,050,000	17,000,000
		Markup on short term borrowings accrued	11,744,557	15,162,568
		Markup paid on short term borrowings	27,636,449	7,000,000
		Payments made on behalf of the Company	1,074,408	742,613
		Payments received from the company	1,399,181	681,775
Directors and close afamily members	Associated persons	Short term borrowings obtained	388,665,391	182,311,100
		Short term borrowings repaid	388,665,391	205,461,845
		Long term loan obtained	-	3,009,349
		Long term loan repaid	-	2,480,526
		Markup on short term borrowings accrued	8,872,812	4,708,089
		Markup on short term borrowings paid	4,862,505	5,754,269
		Gain on disposal of vehicle	-	269,384
		Conversion from sponsor's loan to short term borrowings	-	17,289,856
Khairun Nisa Hospital Foundation		Charity paid	2,500,000	-
Tehzibul Akhlaq Trust		Charity paid	500,000	-
Executives / Key management personnel		Short Term Loan received back during the year	120,000	120,000
		Amount Received against car leased	8,827,431	-

- 40.1 One of the directors has arranged personal finance line of Rs. 110 million from a bank for the purpose of extending short term borrowings to the Company. During the year ended June 30, 2024, the Company obtained short term borrowings from the director through his aforesaid personal finance line. The borrowed amounts were repaid and then borrowed again multiple times during the year ended, by rotating the said finance line. The maxium amount outstanding towards the said director during the year ended June 30, 2024 was Rs. 110 million. This facility is included in short term borrowings (Note 15.3) as at the reporting date and at any point of time during the year.



Outstanding Balance as at the year end		2024 Rupees	2023 Rupees
Associated Engineers (Private) Limited	Sponsor loan - interest free	27,335,446	27,335,446
	Mark-up on long term financing	6,391,541	6,391,541
EMCO Industries Limited	Long term financing	17,129,818	37,129,818
The Imperial Electric Company (Private) Limited	Short term borrowing - interest free	2,615,692	2,615,692
	Markup on long term financing	2,343,326	2,343,326
	Payable against rent	7,144,764	10,139,889
	Other payable	4,179,323	459,536
ICC (Private) Limited	Short term borrowing - interest bearing	20,699,999	63,750,000
	Markup on borrowing	1,775,521	17,667,413
	Other payable	-	5,047
	Advance given	319,726	-
Directors and close family members	Sponsors' loan	115,708,828	115,708,828
	Short term borrowing	37,039,268	37,039,268
	Markup on short term borrowing	4,010,307	-
Executives / Key management personnel	Long term loan receivable	220,000	340,000
	Other payable	12,675,431	3,848,000

## 41 FINANCIAL RISK MANAGEMENT

### 41.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk interest rate risk and other price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on having cost efficient funding as well as to manage financial risk to minimize earnings volatility and provide maximum return to shareholders.

Risk management is carried out by the Company's finance department under policies approved by the senior management.

#### (a) Market risk

##### (i) Currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

This exists due to the Company's exposure resulting from outstanding import and export payments. As at the reporting date the Company's exposure to currency risk was as follows:

	2024 Rupees	2023 Rupees
Cash and bank balances	4,507,870	4,386,444
Trade debts	43,805,293	22,639,865
The following significant exchange rates were applied during the year:		
Average exchange rate during the year (Rs. / USD)	283.12	246.00
Reporting date rate (Rs. / USD)	278.34	287.90

As at June 30, 2024, if Pakistani Rupee had weakened / strengthen by 1% against the US dollars with all other variables held constant, pre-tax profit for the year would have been lower / higher by Rs. 0.48 million (2023: Rs. 0.27 million), mainly as a result of foreign exchange losses / gains on translation of US dollar-denominated financial assets and liabilities.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rate risk arises from short and long-term borrowings. These are benchmarked to variable rates which expose the Company to cash flow interest rate risk. The Company analyses its interest rate exposure on a regular basis by monitoring interest rate trends and taking into consideration refinancing, renewal of existing positions, alternative financing and hedging etc.

As the Company has no significant floating interest rate assets, the Company's income is substantially independent of changes in market interest rates.

The interest rate profile of the Company's interest-bearing financial instruments as at the reporting date is as follows:

	2024 Rupees	2023 Rupees
Fixed rate instruments		
Financial liabilities	-	-
Floating rate instruments		
Financial liabilities	1,724,244,979	1,520,756,705

Cash flow sensitivity analysis for variable rate instruments.

As at June 30, 2024, if interest rates on the Company's borrowings had been 1% higher / lower with all other variables held constant, profit before tax for the year would have been lower / higher by Rs. 17.24 million (2023: Rs. 15.20 million), mainly as a result of interest exposure on variable rate borrowings.

(iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Company is not exposed to any market price risk.

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables), including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Credit risk of the Company arises from deposits with banks, trade receivables and other receivables. The management assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. The utilization of credit limits is regularly monitored. For banks and financial institutions, only independently rated parties with a strong credit rating are accepted.





The Company monitors the credit quality of its financial assets with reference to historical performance of such assets and available external credit ratings, if any. As at June 30, 2024, the maximum exposure to credit risk is equal to the carrying amount of the financial assets as detailed below:

	Note	2024 Rupees	2023 Rupees
Long term loans	22	1,784,335	2,323,860
Long term deposits		4,091,616	2,259,500
Trade receivables	25	1,302,080,427	784,477,684
Security deposits	26	6,367,298	4,816,298
Margins held by banks	26	13,452,366	14,658,320
Claim receivable	26	2,169,975	100,237
Bank balances	27	8,923,214	16,804,310
The aging of trade receivables as at the reporting date is as follows:			
Past due 1 - 90 days		1,148,033,555	635,553,652
Past due 91 - 180 days		88,117,678	46,768,249
Past due 181 - 365 days		17,499,958	27,163,936
More than 365 days		48,429,236	74,991,847
		<u>1,302,080,427</u>	<u>784,477,684</u>

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. The credit risk on liquid funds is limited because most of the counter parties are public sector power distribution companies (DISCOs). The Company believes that it is not exposed to major concentration of credit risk as its exposure is spread over a large number of counter parties which mostly include public sector power companies where shareholding is with the Governments.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The Company does not hold collateral as security. The letters of credit are considered integral part of foreign trade receivables and considered in the calculation of impairment.

The Company evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and operate in largely independent markets. The credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit ratings and DISCOs.

The management estimates the recoverability of trade receivables on the basis of financial position and past history of its customers based on the objective evidence that it shall not receive the amount due from the particular customer. The provision is written off by the Company when it expects that it cannot recover the balance due. Any subsequent repayments in relation to amounts written off are credited directly to profit or loss.

	Rating Short term	Rating Long term	Rating Agency	2024 Rupees	2023 Rupees
Allied Bank Limited	A-1+	AAA	PACRA	56,496	57,679
Askari Bank Limited	A-1+	AA+	PACRA	1,887,767	3,793,982
Bank Alfalah Limited	A-1+	AA+	PACRA	10,776	11,399
The Bank of Punjab	A-1+	AA+	PACRA	166,688	1,656,488
Faysal Bank Limited	A-1+	AA	PACRA / VIS	400,470	385,280
Habib Bank Limited	A-1+	AAA	VIS	5,057,100	5,248,442
MCB Bank Limited	A-1+	AAA	PACRA	21,716	4,089,955
National Bank of Pakistan	A-1+	AAA	PACRA / VIS	60,126	118,285
Silk Bank Limited	A-2	A-	VIS	942,552	1,137,740
Habib Metropolitan Bank	A-1+	AA+	PACRA	54,141	19,629
The Bank of Khyber	A-1	A+	PACRA / VIS	91,830	45,230
Soneri Bank Limited	A-1+	AA-	PACRA	71,545	48,291
Standard Chartered Bank (Pakistan) Limited	A-1+	AAA	PACRA	-	105,199
United Bank Limited	A-1+	AAA	VIS	102,007	86,711
				8,923,214	16,804,310

(c) Liquidity risk

Liquidity risk represents the risk that the Company will encounter difficulties in meeting obligations associated with financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. Due to dynamic nature of the business, the Company maintains flexibility in funding by maintaining committed credit lines available. The Company's liquidity management involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans. The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows:

Description	Carrying Amount Rupees	Contractual cash flows Rupees	Within 1 year Rupees	1-2 Years Rupees	2-5 Years Rupees	Above 5 Years Rupees
Contractual maturities of financial liabilities as at June 30, 2024:						
Long term financing	708,934,037	865,679,353	193,391,797	202,962,085	469,325,471	-
Creditors and accrued liabilities	387,025,983	387,025,983	387,025,983	-	-	-
Accrued finance cost	90,446,234	90,446,234	90,446,234	-	-	-
Lease liabilities	7,144,764	8,589,530	5,371,502	3,586,056	-	-
Short term borrowings	1,054,965,902	1,241,116,096	1,241,116,096	-	-	-
	2,248,516,920	2,592,857,196	1,917,351,612	206,548,141	469,325,471	-
Description	Carrying Amount Rupees	Contractual cash flows Rupees	Within 1 year Rupees	1-2 Years Rupees	2-5 Years Rupees	Above 5 Years Rupees
Contractual maturities of financial liabilities as at June 30, 2023:						
Long term financing	708,911,076	708,911,076	59,012,672	168,231,180	407,975,728	73,691,496
Creditors and accrued liabilities	383,783,670	383,783,670	383,783,670	-	-	-
Accrued finance cost	87,792,537	87,792,537	87,792,537	-	-	-
Lease liabilities	10,139,889	10,139,889	4,294,764	5,845,125	-	-
Short term borrowings	851,500,589	851,500,589	851,500,589	-	-	-
	2,042,127,761	2,042,127,761	1,386,384,232	174,076,305	407,975,728	73,691,496



(d) Fair value of financial instruments

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences may arise between the carrying value and the fair value estimates.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. Fair value is determined on the basis of objective evidence at each reporting date. The management assessed that the fair values of financial assets and financial liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments.

41.2 Financial instruments by categories

	At fair value through profit or loss Rupees	At amortized cost Rupees	At fair value through other comprehensive income Rupees	Total Rupees
Financial assets as at June 30, 2024				
Long term loans	-	1,784,335	-	1,784,335
Long term deposits	-	4,091,616	-	4,091,616
Trade receivables	-	1,302,080,427	-	1,302,080,427
Security deposits	-	6,367,298	-	6,367,298
Margins held by banks	-	13,452,366	-	13,452,366
Claim receivable	-	2,169,975	-	2,169,975
Cash and bank balances	-	10,079,931	-	10,079,931
	-	1,340,025,948	-	1,340,025,948
Financial assets as at June 30, 2023				
Long term loans	-	2,323,860	-	2,323,860
Long term deposits	-	2,259,500	-	2,259,500
Trade receivables	-	784,477,684	-	784,477,684
Security deposits	-	4,816,298	-	4,816,298
Margins held by banks	-	14,658,320	-	14,658,320
Claim receivable	-	100,237	-	100,237
Cash and bank balances	-	18,397,251	-	18,397,251
	-	827,033,150	-	827,033,150

	2024 Rupees	2023 Rupees
Financial liabilities at amortized cost		
Long term financing	708,934,037	708,911,076
Creditors and accrued liabilities	387,025,983	383,783,670
Accrued finance cost	90,446,234	87,792,537
Lease liabilities	7,144,764	10,139,889
Payable to employees against discontinued provident fund	-	131,911
Short term borrowings	1,054,965,902	851,500,589
	2,248,516,920	2,042,259,672

## 42 SHARIAH SCREENING DISCLOSURES BY COMPANY LISTED ON ISLAMIC INDEX

	Note	2024 Rupees	2023 Rupees
Loans / advances obtained as per Islamic mode	9.5	65,124,486	75,519,626
Shariah compliant bank deposits / bank balances	27.2	400,470	385,280
Profit earned from shariah compliant bank deposits / bank balances		-	-
Revenue earned from a shariah compliant business segment	28	4,192,404,621	3,545,524,014
Gain / loss or dividend earned from shariah compliant investments		-	-
Shariah compliant exchange gain earned		-	-
Mark up paid on Islamic mode of financing	34	17,256,435	6,394,986
Profits earned on any conventional loan or advance	26.2	226,136	-
Interest paid on any conventional loan or advance		371,143,337	195,181,384
Relationship with shariah compliant financial institute:			
- Long Term Financing			
- Diminishing musharakah financing arrangement	9.5	First Habib Modaraba	First Habib Modaraba
- Cash and Bank Balances - deposits with banks	27.2	Faysal Bank Limited	Faysal Bank Limited

## 43 CAPITAL RISK MANAGEMENT

The Company's objective 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.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares.

The management seeks to maintain a balance between higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The Company finances its operations through equity, borrowings and management of working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk.

In line with the norms, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including current and non current and excluding sponsors' loans) less cash and cash equivalents. Total capital is calculated as equity as shown in the statement of financial position plus net debt. As at the reporting date, the gearing ratio of the Company as under:

	2024 Rupees	2023 Rupees
Borrowings	1,765,861,012	1,568,376,229
Cash and bank balances	(10,079,931)	(18,397,251)
Equity	1,755,781,081	1,549,978,978
	2,946,131,565	2,785,273,416
Total capital employed	4,701,912,646	4,335,252,394
Gearing ratio	37.34%	35.75%



#### 44. PLANT CAPACITY AND PRODUCTION

	Capacity 2024	2023	Total Production 2024	2023
Insulators - tons	6,500	6,500	3,300	5,032

44.1 The total capacity represents the rated capacity of plant. Actual production depends on various factors like product mix and product type demanded.

#### 45 PROVIDENT FUND RELATED DISCLOSURES

The Company operated a recognized provident fund for all its permanent workers that was discontinued effective from March 06, 2018 pursuant to a rescheduling agreement between the Company and the Trustees of the fund as detailed in note 9.6. Owing to its working capital needs, the Company has utilized funds of the Provident Fund (the Fund).

46 NUMBER OF EMPLOYEES	2024 Number	2023 Number
Number of employees as at June 30,	463	429
Average number of employees during the year	446	439

#### 47 AUTHORIZATION OF FINANCIAL STATEMENTS

These financial statements were approved and authorized by the Board of Directors of the Company for issuance on September 24, 2024 .

#### 48 GENERAL

Comparative figures are re-arranged / reclassified, wherever necessary, to facilitate comparison. Following rearrangements have been made in these financial statements for better presentation:

Nature	From	To	Amount (Rupees)
Consultancy charges	Rent, rates and taxes (Note 29)	Professional and consultancy charges	531,348
Levy / final taxation	Taxation (Note 35)	Levy (Face of statement of profit and loss)	659,477

  
 CHIEF EXECUTIVE OFFICER

  
 DIRECTOR

  
 CHIEF FINANCIAL OFFICER

# PATTERN OF SHARE HOLDING

## AS ON JUNE 30, 2024

No. of Shareholders	Shareholding		Total Shares Held
	From	To	
182	1	100	3,651
291	101	500	73,575
68	501	1,000	56,661
113	1,001	5,000	287,437
29	5,001	10,000	223,894
10	10,001	15,000	123,169
2	15,001	20,000	36,426
3	20,001	25,000	62,259
1	25,001	30,000	28,750
1	30,001	35,000	30,815
1	35,001	40,000	40,000
4	45,001	50,000	196,723
2	60,001	65,000	129,000
1	65,001	70,000	69,019
1	90,001	95,000	95,000
1	95,001	100,000	97,500
1	105,001	110,000	107,500
1	115,001	120,000	120,000
1	125,001	130,000	125,811
1	130,001	135,000	132,582
2	140,001	145,000	285,278
1	170,001	175,000	174,000
1	175,001	180,000	177,125
2	235,001	240,000	477,664
1	245,001	250,000	250,000
1	275,001	280,000	276,902
1	360,001	365,000	364,528
1	395,001	400,000	399,668
1	435,001	440,000	436,046
1	530,001	535,000	532,618
2	590,001	595,000	1,184,915
1	595,001	600,000	600,000
2	615,001	620,000	1,234,730
1	620,001	625,000	621,000
1	635,001	640,000	637,654
1	660,001	665,000	660,492
1	715,001	720,000	718,923
2	755,001	760,000	1,513,422
1	760,001	765,000	763,954
1	1,195,001	1,200,000	1,200,000
1	1,225,001	1,230,000	1,227,830
2	1,785,001	1,790,000	3,574,772
1	1,815,001	1,820,000	1,819,810
1	1,850,001	1,855,000	1,853,005
1	1,995,001	2,000,000	2,000,000
1	2,010,001	2,015,000	2,010,575
1	2,370,001	2,375,000	2,375,000
1	2,655,001	2,660,000	2,658,133
1	2,930,001	2,935,000	2,932,184
749			35,000,000

### 2.3 Categories of Shareholders

	Shares Held	Percentage
2.3.1 Directors, Chief Executive Officer, and their spouse and minor children	10,378,029	29.6515%
2.3.2 Associated Companies, undertakings and related parties. (Parent Company)	5,250,257	15.0007%
2.3.3 NIT and ICP	1,057	0.0030%
2.3.4 Banks Development Financial Institutions, Non Banking Financial Institutions.	924	0.0026%
2.3.5 Insurance Companies	12,550	0.0359%
2.3.6 Modarabas and Mutual Funds	12,000	0.0343%
2.3.7 Shareholders holding 10% or more	0	0.0000%
2.3.8 General Public		
a. Local	19,008,698	54.3106%
b. Foreign	3,065	0.0088%
2.3.9 Others (to be specified)		
1- Joint Stock Companies	182,979	0.5228%
2- Pension Funds	148,019	0.4229%
3- Others	2,422	0.0069%





# PATTERN OF SHARE HOLDING

## AS ON JUNE 30, 2024

SR. #	NAME	No. of Shares Held	Percentage
<b>Associated Companies, Undertakings and Related Parties (Name Wise Detail):</b>			
1	ASSOCIATED ENGINEERS (PRIVATE) LIMITED (CDC)	2,010,575	5.7445
2	ICC (PVT) LIMITED (CDC)	2,658,133	7.5947
3	THE IMPERIAL ELECTRIC CO PVT LTD (CDC)	581,549	1.6616
<b>Mutual Funds (Name Wise Detail)</b>			
1	CDC - TRUSTEE NBP ISLAMIC STOCK FUND (CDC)	12,000	0.0343
<b>Directors and their Spouse and Minor Children (Name Wise Detail):</b>			
1	MR. TARIQ REHMAN - (CDC)	132,582	0.3788
2	OSMAN HAMEED CHAUDHARY (CDC)	1,167	0.0033
3	MR SALEM REHMAN (CDC)	1,200,000	3.4286
4	MR. PERVAIZ SHAFIQ SIDDIQI (CDC)	1,930,025	5.5144
5	MR. JAVAID SHAFIQ SIDDIQI (CDC)	1,930,025	5.5144
6	MR. USMAN HAQ (CDC)	1,819,810	5.1995
7	MR. AHSAN SUHAIL MANNAN (CDC)	2,932,184	8.3777
8	MR. SALMAN JAVAID SIDDIQI (CDC)	500	0.0014
9	MR. UMAIR NOORANI (CDC)	20,500	0.0586
10	CH. IMRAN ALI	500	0.0014
11	SYED MUHAMMAD MOHSIN	500	0.0014
12	MRS. AYESHA MUSSADAQUE HAMID	500	0.0014
13	MRS. SHAHIMA REHMAN W/O TARIQ REHMAN (CDC)	399,668	1.1419
14	MRS. FAUZIA JAVAID SIDDIQI W/O JAVAID S. SIDDIQI (CDC)	10,068	0.0288
Public Sector Companies & Corporations:		-	-
Banks, Development Finance Institutions, Non Banking Finance		161,493	0.4614
<b>Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:</b>			
<b>Shareholders holding five percent or more voting intrest in the listed company (Name Wise Detail)</b>			
1	ICC (PVT) LIMITED (CDC)	2,658,133	7.5947
2	MR. AHSAN SUHAIL MANNAN (CDC)	2,932,184	8.3777
3	MR. PERVAIZ SHAFIQ SIDDIQI (CDC)	1,930,025	5.5144
4	MR. JAVAID SHAFIQ SIDDIQI (CDC)	1,930,025	5.5144
5	AMINA WADALAWALA (CDC)	2,375,000	6.7857
6	ASSOCIATED ENGINEERS (PRIVATE) LIMITED (CDC)	2,010,575	5.7445
7	MR. MUHAMMAD ZULQARNAIN MAHMOOD KHAN (CDC)	2,000,000	5.7143
8	MRS. AYESHA NOORANI (CDC)	1,853,005	5.2943
9	MR. USMAN HAQ (CDC)	1,819,810	5.1995

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

S.No	NAME	SALE	PURCHASE
1	MR. PERVAIZ SHAFIQ SIDDIQI (CDC)	613,915	142,639
2	MR. JAVAID SHAFIQ SIDDIQI (CDC)	613,915	142,639
3	MR. AHSAN SUHAIL MANNAN (CDC)	-	217,780

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# FORM OF PROXY

I/We .....  
of ..... being member of EMCO Industries Limited  
and holder Of ..... Ordinary shares as per share Register Folio No. ....  
and/or CDC Participant I.D.No. .... and Sub Account No. ....  
hereby appoint .....  
of .....  
or failing him / her .....  
of .....

as my/our proxy to vote for me/us and my/our behalf at the 69th Annual General Meeting of the Company to be held at ICC House, 2-Chamba House Lane, Golf Road, GOR-1, Lahore on 24th October 2024, at 11:30 A.M., and at any adjournment thereof.

Signed this..... day of .....

.....  
Signature on Revenue Stamp  
(Signature should agree with the specimen  
Signature registered with the Company)

## WITNESS 1:

Signature -----

Name -----

Address -----

CNIC #: -----

Passport #:-----

## WITNESS 2:

Signature -----

Name -----

Address -----

CNIC #: -----

Passport #:-----

## Note:

1. Proxies, in order to be effective must be received by the Company Emco Industries Limited at its Registered Office Address; 4th Floor, National Tower, 28-Egerton Road, Lahore, not less than 48 (Forty Eight) hours before the meeting, duly completed in all respects.
2. CDC shareholders and their Proxies are requested to attach an attested photocopy of their National Identity Card or Passport with the proxy form before submission to the Company.

## ایکواڈسٹریز لمیٹڈ۔

### پراکسی (proxy) فارم

میں / ہم ----- بابت -----

بحیثیت ایکواڈسٹریز لمیٹڈ حصص دار اور حامل ----- شیئر (شیئرز) بمطابق شیئرز رجسٹرڈ فوئیو نمبر -----

اور CDC پارٹنر شپ (شرکت) آئی ڈی نمبر ----- اور سب اکاؤنٹ نمبر -----

محترم / محترمہ ----- کو میری / ہماری اور اپنی طرف سے مورخہ 24 اکتوبر 2024ء کو بوقت 11:30 بجے صبح

بمقام آئی سی سی ہاؤس، 2۔ چیمبر ہاؤس لین، گولف روڈ، جی او آر-1، لاہور میں منعقد ہونے والے کمپنی کے 69 ویں عام سالانہ اجلاس اور اس سلسلے میں کسی بھی

التوا پروڈکٹ دینے کے لیے اپنے / ہمارے پراکسی کے طور پر مقرر کرتا / کرتے ہوں / ہیں۔

آج بروز ----- تاریخ ----- 2024ء کو دستخط کئے گئے۔

دستخط نمبر

(دستخط کمپنی کے پاس رجسٹرڈ دستخط نمونہ کے مطابق ہونے چاہئیں)

گواہ نمبر 2:

گواہ نمبر 1:

دستخط: -----

دستخط: -----

نام: -----

نام: -----

پتہ: -----

پتہ: -----

کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ نمبر:

کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ نمبر:

نوٹ:

- 1۔ پراکسیز موثر ہونے کے لیے کمپنی ایکواڈسٹریز لمیٹڈ کو اس کے رجسٹرڈ ہیڈ آفس بمقام چوتھی منزل، نیشنل ٹاور، 28۔ ایبیرٹن روڈ، لاہور میں اجلاس شروع ہونے سے کم از کم 48 گھنٹے پہلے ہر لحاظ سے پوری طرح مکمل موصول ہونا ضروری ہے۔
- 2۔ سی ڈی سی شیئرز ہولڈر اور ان کے پراکسیز سے درخواست ہے کہ وہ اپنے قومی شناختی کارڈ یا پاسپورٹ کی ایک فوٹو کاپی کمپنی کو جمع کروانے سے پہلے پراکسی فارم کے ساتھ منسلک کریں۔





## **EMCO INDUSTRIES LIMITED**

### **Head Office:**

4th Floor, National Tower, 28-Egerton Road, Lahore Pakistan.

Tel: (+92) (42) 3630 6545 - 6, Fax: (+92) (42) 3636 8119

Email: [info@emco.com.pk](mailto:info@emco.com.pk)

### **Factory:**

19-Kilometers, Lahore Sheikhpura Road, Lahore.