



ANNUAL REPORT
2024

CITI PHARMA LIMITED

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COMPANY INFORMATION

Board of Directors

Mr. Nadeem Amjad

Chairman

Mr. Rizwan Ahmad

Chief Executive Officer

Zameer Ul Hassan Shah

Executive Director

Ms. Saira Aslam

Non-Executive Director

Mr. Muhammad Naeem

Non-Executive Director

Mr. Abdul Jaleel Shaikh

Independent Director

Ms. Farzin Khan

Independent Director

Audit Committee

Mr. Abdul Jaleel Shaikh
(Independent Director)

Mr. Nadeem Amjad
(Non-Executive Director)

Mr. Muhammad Naeem
(Non-Executive Director)

Mr. Ghulam Dastgeer
(Secretary to Audit Committee)

Human Resource & Remuneration Committee

Ms. Farzin Khan
(Independent Director)

Mr. Zameer Ul Hassan Shah
(Executive Director)

Mr. Rizwan Ahmad
(Executive Director)

Mr. Ghulam Dastgeer
(Secretary to HR & Remuneration
Committee)

Chief Financial Officer

Mr. Asif Iqbal

Company Secretary

Mr. Ghulam Dastgeer

Head of Internal Auditor

Muhammad Ishaq

External Auditors

Aslam Malik & Co
Chartered Accountants

Legal Advisor's

M. Haroon Farrukh

Share Registrar

F.D Registrar Services (Pvt) Ltd

Bankers

Habib Metropolitan Bank Limited
Habib Bank Limited- Islamic
Pak Brunei Investment Company Limited
Samba Bank Limited
Soneri Bank Limited
Bank of Punjab Limited
National Bank of Pakistan
Bank Al Habib Limited
Meezan Bank Limited
Standard Chartered Bank (Pakistan) Limited
United Bank Limited

Head Office

588-Q Block, M.A., Johar Town, Lahore
Tel: +92-42-35316587

Registered Office

3-KM, Head Balloki Road, Bhai Pheru, Distt
Kasur
Tel: +92-49-4510189, 4513392
Fax: +92-49-4510191
E-Mail: corporate@citipharma.com.pk
Website: www.citipharma.com.pk

CHAIRMAN'S REVIEW

ON BOARD'S OVERALL PERFORMANCE U/S 192 OF THE COMPANIES ACT 2017

This review report has been provided under the requirement of section 192 of the Companies Act 2017.

It is my enormous preference to present the Review Report to the shareholders on the Board's overall performance and effectiveness in achieving the Company's objectives.

It is my pleasure to present to you the Annual Report of Citi Pharma Limited for the financial year ended 30 June 2024. This year has been a significant period of transformation and progress for the company as we expanded our operations, secured key international partnerships and achieved robust growth in profitability. I would like to take this opportunity to review our performance, key milestones and future outlook

Review of Overall Performance of the Board

I am proud to highlight that The Board of Directors of Citi Pharma Limited continues to provide strong governance and strategic direction. During Financial year 2024, the Board has taken several key decisions that have been instrumental in driving the company's performance. The focus on improving operational efficiencies, expanding product offerings and strengthening international partnerships is a direct result of the Board's forward-thinking leadership.

The Board also played a significant role in navigating the company through macroeconomic uncertainties by prioritizing risk management and sustainability initiatives. Additionally, the Board's support in bolstering the company's compliance with regulatory standards, particularly in health and safety protocols, has ensured that Citi Pharma Limited maintains its standing as a responsible corporate citizen.

The Board has been instrumental in approving and steering the company's strategic direction, ensuring

alignment with long-term goals and responding dynamically to emerging market conditions. Their oversight has ensured that the company navigates economic uncertainties effectively.

The Board has been diligent in fostering a culture of innovation and adaptability which has enabled Citi Pharma limited to navigate market fluctuations and capitalize on emerging opportunities. Their commitment to good governance practices and maintaining shareholder value has ensured the company's continued upward trajectory.

The collective expertise of our Board members along with the unwavering dedication of our Board committees, has been instrumental in ensuring the company's full compliance with legal and regulatory standards. Following a comprehensive assessment, we are pleased to confirm that the overall performance of the Board and its committees has been both satisfactory and highly effective.

I would like to express my sincere gratitude to the Board members for their invaluable guidance, as well as to our stakeholders for their steadfast support. The commitment of our employees is equally commendable and their contributions remain key to the continued success of our company.

Looking ahead, the Board remains optimistic about the future prospect of Citi Pharma Limited. With new collaborations, expansion in product portfolios, and continuous improvements in efficiency, the company is well-positioned to achieve greater financial performance in the coming years. The Board remains dedicated to delivering sustainable growth and creating value for all stakeholders while maintaining its focus on innovation and operational excellence.



Nadeem Amjad
Chairman

Date: October 01, 2024

CEO MESSAGE

I am honored to address our valued shareholders, partners and employees as we reflect on yet another year of significant accomplishments and resilience at Citi Pharma Limited. The financial year 2024 was defined by a challenging global and domestic landscape, marked by geopolitical instability, persistent economic turbulence and political uncertainty in Pakistan. Despite these obstacles, I am proud to report that Citi Pharma Limited has once again demonstrated its ability to navigate through adversity and deliver commendable results across all business segments.

During the year under review, the pharmaceutical industry faced intense pressure due to supply chain disruptions, inflationary impact and currency volatility. Yet, our team remained steadfast in executing our strategic initiatives, enhancing operational efficiencies and ensuring that we continue to deliver high-quality products to our customers. Through disciplined financial management and an unwavering focus on our core business, we were able to maintain stability and achieve sustainable growth.

As we move forward, we remain keenly aware of the economic headwinds that continue to challenge Pakistan's macroeconomic environment. Fiscal stabilization and economic recovery remain at the forefront of the national agenda and these factors will undoubtedly shape the year ahead. However, Citi Pharma is poised to confront these challenges head-on, backed by a robust strategic plan that includes key investments in both forward and backward integration. Our goal is to enhance our production capabilities while minimizing dependencies on external suppliers.

We are also excited about the progress we are making toward establishing a state-of-the-art healthcare facility, featuring a 200-bed hospital alongside a research-driven medical science teaching university. These projects are not only part of our broader vision to expand our business footprint but also to

contribute to Pakistan's healthcare and education sectors by fostering innovation and training the next generation of

medical professionals.

At the core of our success is our commitment to safeguarding the interests of our stakeholders. We recognize the trust our investors, partners and employees' places in us and we take seriously our responsibility to generate sustainable returns while upholding the highest standards of corporate governance and risk management. Our focus on capital preservation, coupled with a strong emphasis on ethical business practices, continues to drive our efforts to enhance shareholder value.

Looking ahead, we are determined to build on the momentum we have gained. The recognition we have received, both locally and globally, serves as a testament to the strength of our vision and the dedication of our team. Together, we will continue to innovate, grow and deliver on our commitments, ensuring Citi Pharma Limited remains a leader in the pharmaceutical industry while contributing positively to Pakistan's economic and social development.

I extend my heartfelt gratitude to all our stakeholders including shareholders and customers, for their steadfast trust and support during these trying times. Together, let us seize the opportunities that lie ahead and strive for another successful chapter in our journey.



Rizwan Ahmad
Chief Executive

Date: October 01, 2024

VISION STATEMENT

We aim to be among the top pharmaceutical companies in Pakistan by constantly evolving and bringing home innovative products in healthcare segment.

MISSION STATEMENT

Citi Pharma's mission is to dedicate itself exceptional value through creation of innovative & cost-effective pharma products and develop a corporate culture that rewards initiative, enthusiasm and ethical practices.

DIRECTOR'S PROFILE



Mr. Nadeem Amjad

Chairman

Mr. Amjad is also an early age entrepreneur with over 3 decades of profession business experience. Early on in his career, he has remained involved with trading businesses, dealing in Jewelry, Computer Micro-chips & Hardware, Telecommunications business.

He is a well-organized entrepreneur with an impeccable reputation of successful business ventures across the far east, middle east and Pakistan. He was the person behind the growth of the family businesses into various fields as well as geographies. He expanded the family business into the Hong Kong Real Estate business as well as hospitality.

He holds an MBA from University of London.



Mr. Rizwan Ahmad

CEO

Mr. Rizwan Sheikh is the Chief Executive Officer of the Company. He is widely recognized as one of the leading thought leaders, entrepreneurs and Chief Executives in Pakistan's pharma sector.

Mr. Sheikh entered into the world of business at an early age, when he joined the family telecommunications business under the name of Citi Phones (Pvt.) Limited. He gained considerable success as he graduated the business from a retailer to an importer. Later on, he joined the family business in Hong Kong and ventured into telecommunications, real estate, hospitality (restaurants) and pharma (API) trading. In 2007, Mr. Sheikh established a mobile phone manufacturing plant in Chinese province of Shenzhen and set up a trading company, "Discover Wireless" in Dubai, UAE. Since 2012, he has been spearheading CPHL successfully, transforming the Company from a loss-making entity to a profitable one.

Mr. Rizwan holds an LLB (Bachelors of Law) from University of Punjab. After completing his bachelors, he studied law further from the University Law College.

Until recently, he was a Member Board of Management, Pakistan Drugs Testing and Research Center (a Government of Punjab undertaking), which is an independent contract research organization carrying out drugs' testing and bioavailability/bioequivalence (BA/BE) studies and providing clinical, analytical and bio analytical chemistry services. He was also a member of the Expert Panel (Ministry of Health, Pakistan) for inspection of bioequivalence centers.

DIRECTOR'S PROFILE



Mr. Abdul Jaleel Sheikh

Independent Director

Mr. Shaikh has been associated with Pak Brunei since inception and is currently serving as the Chief Risk Officer. Mr. Shaikh carries with him over four decades of diversified professional work experience in Project Management & Civil Engineering, Corporate and Project Finance, Project Monitoring, Special Asset Management, Credit and General Administration. Mr. Shaikh worked as a civil engineer for ten years in Saudi Arabia before joining Saudi Pak Industrial & Agricultural Investment Company. He remained with Saudi Pak for over twenty years and was a key member of the senior management team involved in all strategic business decisions. He represented Saudi Pak on the boards of various manufacturing and service sector companies, many of which were newly established companies and subsidiaries. Amongst other, these included Saudi Pak Commercial Bank, Saudi Pak Insurance Company, Fecto Cement Co. Ltd., and First General Modaraba Services (Pvt) Limited. Currently, he represents Pak Brunei as nominee director for Primus Leasing Limited, Awwal Corporate Restructuring Company limited and Awwal Modaraba Management Limited. He is also an independent director on the Boards of Nimir Industrial Chemicals Limited, Citi Pharma Limited and Yaqeen Developers Private Limited. M.r Shaikh brings an in-depth knowledge of markets and detailed understanding of systems for efficient operations. He is a key member of all management committees driving operational and strategic direction of the Company.



Ms. Farzin Khan

Independent Director

Ms. Farzin is presently serving as National Programme Manager – Anti Corruption/AML/CFT at United Nations Office on Drugs & Crime (UNODC) Pakistan. Previously, she has served as Deputy Chief of Project for USAID’s Financial Market Development (FMD) Project. In her recent roles with leading donors in the development sector, she has handled extensive support portfolios at national level for various regulatory and financial institutions and gained extensive experience of Financial Oversight & Regulation, Compliance & Corporate Governance, Stakeholder Communications & Advocacy, Project Management & AML/CFT Compliance mechanisms.

Ms. Farzin has twelve years of local and regional experience across legal & regulatory enforcement agencies, regional governmental bodies and donor sectors. She has served for ten years as the Deputy Secretary General of the South Asian Federation of Exchanges (SAFE)- an industry association comprising of 24 securities market institutions from South Asia as well as from Mauritius and UAE. In her earlier assignments, Ms. Farzin worked in a number of national level regulatory institutions such as the Competition Commission of Pakistan (CCP) as well as the Securities and Exchange Commission (SECP).

In recent years Ms. Farzin has worked on a number of corporate governance assignments and successfully graduated as a Certified Director from the Lahore University of Management Sciences (LUMS) as per SECP approved program. She speaks regularly at seminars and events at regional and national level on her areas of expertise as well as growing role of Women in financial world.

Ms. Farzin has an extensive educational and training background. She holds an MBA in Finance as well as a Masters in Financial Management from the University of Bedfordshire Business School, United Kingdom, besides having attended many other career development programs, seminars and conferences. She also has the distinction of being an IVLP Scholar under the United States funded Program on Financial Reforms. Alongside her professional accomplishments, she is happily married for sixteen years and has a thirteen years old son. In her own words, she greatly values work life balance and promotes organizational commitment for promoting gender equality and an enabling rather encouraging environment for female professionals.

DIRECTOR'S PROFILE



Mrs. Saira Aslam

Non-Executive Director

Mrs. Saira Aslam is an Bsc from Lahore Garrison College and is associated with CPHL as a Director. She actively participates in the philanthropy in the city of Lahore and is considered to be one of the active philanthropists in the city.



Dr. Zameer UI Hassan

Director

Dr. Shah is an experienced pharmaceutical sector professional with over 2 decades of experience in leading local and MNC companies. He is currently working as Director Operations of CPHL and is in charge of all production related matters. Prior to joining CPHL in 2002, Dr. Shah was involved with leading pharma sector players such as Global Pharmaceuticals (Pvt.) Limited, Caraway Pharmaceuticals, Cirin Pharmaceuticals Pvt. Limited, Merck Marker in Pakistan. He has also worked internationally with Tabuk Pharmaceutical Manufacturing Company "â€" Riyadh, Saudi Arabia and Shifa Jeddah Polyclinics.

Throughout his career, he has been involved with the production of various penicillin, cephalosporin and psychotropic medicines.

He has completed his Master of Philosophy in Pharmaceutics from Gomal University (D.I. Khan). During his M. Phil, his thesis was on Bioequivalence Study of 400mg dispersible tablets (deferasirox) in comparison to Asurna 400 mg dispersible tablets by a leading MNC.



Mr. Muhammad Naeem

Non-Executive Director

He has more than 25 years of experience in retail sector, covering mostly electronic items and mobile phones. He serves as the Director of Citi Pharma Limited.

PROFILE OF KEY MANAGEMENT



Mr. Asif Iqbal

Chief Financial Officer

Mr. Asif Iqbal has been serving as the Chief Financial Officer at CPHL for the past four years. He has more than 13 years experience which spans various financial matters including raising debt and equity financing, financial reporting, corporate and taxation laws.

Under Mr. Asif Iqbal's astute guidance, CPHL has achieved a significant milestone by successfully listing on the Pakistan Stock Exchange.

Furthermore, his adept management skills played a pivotal role in orchestrating a prosperous Initial Public Offering (IPO) for CPHL in collaboration with renowned financial consultants. Further, CPHL has achieved significant financial growth and stability under his leadership.

Mr. Asif's strategic financial planning has contributed to CPHL's profitability and growth. He has implemented cost-saving measures and optimized financial resources, resulting in improved financial performance for the company.

Mr. Asif's established relationships and sterling reputation within the financial markets have positioned CPHL for sustained growth and success, making him an integral part of our leadership team.

Mr. Asif is a respected member of the Pakistan Institute of Public Finance Accountants. His educational background includes a Certificate in Accounting and Finance (CAF) from the Institute of Chartered Accountants of Pakistan, complementing his practical experience in finance. He also holds Bachelor's in Commerce (B. Com).



Mr. Ghulam Dastgeer

Company Secretary

Mr. Ghulam Dastgeer is an accomplished Chartered Accountant with a wealth of experience spanning various industries. He joined Citi Pharma Limited in February 2024 as the Company Secretary, bringing extensive expertise in corporate governance, finance, and business strategy.

Mr. Dastgeer has previously held the position of Head of Department (HOD) at Government Foods, where he was responsible for overseeing key operations and driving organizational growth. Additionally, he served as the Group General Manager at United Group of Industries, where he played a pivotal role in strategic decision-making and managing large-scale business operations.

With his strong financial expertise and skills, Mr. Dastgeer continues to contribute to Citi Pharma Limited's governance and operational excellence.

DIRECTOR'S REPORT

The Directors of your company are pleased to present the Annual Report along with the Company's audited financial statements for the year ended June 30, 2024. The Directors' Report has been prepared in accordance with the section 227 of the Companies Act, 2017 and Listed Companies (Code of Corporate Governance) Regulations, 2019 and will be submitted to the shareholders at the Annual General Meeting of the Company to be held on October 28, 2024.

PRINCIPAL ACTIVITIES

The principal activity of the company is manufacturing and sale of pharmaceuticals, medical chemicals and botanical products.

OVERVIEW OF ECONOMY AND BUSINESS

In this challenging macroeconomic landscape, Citi Pharma Limited remained resilient, focusing on strengthening its operational efficiencies, cost management, and strategic partnerships. The company entered into significant agreements with international firms such as Hangzhou Newsea Technology Co., Ltd. and Murli Krishna Pharma Private Ltd., which are expected to drive future growth despite the prevailing economic uncertainties. The Health and Pharmaceutical sector continue to present opportunities for long-term growth, driven by increasing demand of healthcare services and medications in Pakistan. While economic headwinds persist, Citi Pharma Limited is well-positioned to leverage these opportunities and will sustain its growth trajectory in the coming years.

OVERVIEW OF FINANCIAL PERFORMANCE OF THE COMPANY

On the external front, slowdown in large-scale manufacturing due to the elevated interest rates and inflation led to a decline in imports, bringing the current account deficit to its lowest point in a decade. Consequently, the PKR has remained stable against the USD

Additionally, the recent successful conclusion of a USD 7 billion IMF stands fund program, along with remittances and increased bilateral inflows, has eased external pressures, resulting in a rise in foreign

exchange reserves which are currently at a two-year high.

On the political side, the establishment of federal and provincial governments has provided essential stability and reduced uncertainty which restored investor confidence. This political

stability is expected to enhance economic conditions and attract foreign direct investment in key sectors.

OVERVIEW OF FINANCIAL PERFORMANCE

For the financial year ended 30 June 2024, the Company achieved a modest increase in sales which grew from PKR 12,396 million to PKR 12,409 million. Despite a challenging economic environment, our focus on operational efficiency and cost management resulted in a 5.25% improvement in gross profit (as compared to previous year), rising from PKR 1,507 million in the previous year to PKR 1,586 million. This reflects a gross profit margin enhancement and demonstrates our commitment to driving profitability while maintaining sustainable growth. Additionally, the stability of the currency rate during the second half of the financial year, contributed positively to the improvement in our gross profit margin, allowing us to enhance our profitability in a competitive market environment.

Net profit saw a significant increase of 27%, jumping from PKR 657 million last year to PKR 833 million this year. This substantial growth in net profit is primarily attributed to a favorable exchange rate environment; while last year, we incurred exchange losses of PKR 245 million, this year we recorded an exchange gain of PKR 65 million.

In summary, our company experienced significant profit growth in the fiscal year 2024, reflecting our commitment to creating value for our stakeholders. Despite challenges posed by high interest rates, our financial performance remains robust. We extend our sincere gratitude to our dedicated team, loyal customers and valued shareholders for their ongoing support.

DIRECTOR'S REPORT

EARNING PER SHARE

The diluted earnings per share for the current year is Rs. 3.65, compared to Rs. 2.88 last year, indicating a substantial increase in profit margins.

DIVIDEND

Your Company remains committed to delivering exceptional returns to its shareholders. Based on the strong performance reported, the directors are pleased to announce a final cash dividend of Rs. 3.25 per share, representing a 32.5% payout.

COMPOSITION OF BOARD OF DIRECTORS

Citi Pharma Limited has an independent and objective Board of Directors, ensuring sound governance and balanced decision-making. The roles of the Chairman and the Chief Executive Officer are distinct, with each having a clearly defined role and responsibility. Additionally, the Audit and HR Committees are both chaired by independent directors, further enhancing the Board's impartiality.

The Board is composed of seven members, including two female directors and five male directors. The current composition of the Board is as follows:

Sr. No.	Category	Name
1	Independent Director	1. Mr. Abdul Jaleel Shaikh 2. Ms. Farzin Khan
2	Executive Director	1. Mr. Rizwan Ahmad 2. Mr. Dr. Zameer UI Hassan Shah
3	Non-Executive Director	1. Mr. Nadeem Amjad 2. Mr. Muhammad Naeem 3. Ms. Saira Aslam

COMMITTEES OF THE BOARD

a. Audit Committee

Audit committee comprises of three members from the Board. The chairman of the Board is an independent director as required in the CCG Regulations 2019 while the two are non-executive directors. The Board of Directors has set out terms of reference for the audit committee. The audit committee reviews the

annual and quarterly financial statements, internal audit reports and holds its meeting prior to the Board meetings. The following are the members of the audit committee.

Name	Designation
Abdul Jaleel Shaikh	Chairman/Independent Director
Nadeem Amjad	Non-Executive Director
Muhammad Naeem	Non-Executive Director
Ghulam Dastgeer	Secretary to the Audit Committee

b. Human Resource & Remuneration Committee

The committee consists of three members from the Board; one is independent director and two are executive directors. The Chairman of the committee is the independent director. The committee reviews and formulates the HR & management policies of the company. The Committee is also responsible for the remuneration of employees and ensures that it is aligned with the Company's business strategy and long-term interests. The following are the members of the Human Resource committee:

Name	Designation
Mrs. Farzin Khan	Chairman/Independent Director
Mr. Rizwan Ahmad	Executive Director
Mr. Zameer UI Hassan Shah	Executive Director
Mr. Ghulam Dastgeer	Secretary to HR & Remuneration

BOARD OF DIRECTOR'S MEETING AND ATTENDANCE

The board of directors met four (4) times during the financial Year 2023-24 and all these meeting were held in the Pakistan.

AUDIT COMMITTEE

Board Audit Committee: Four (4) meetings have been convened during the financial year ended June 30, 2024.

DIRECTOR'S REPORT

Human Resource, Remuneration and Nominations Committee Meetings

Human Resource and Remuneration Committee Meetings were held Two (2) time during the financial year ended June 30, 2024.

DIRECTOR'S TRAINING PROGRAM

Out of the seven Directors of the Company, three have successfully completed the training under the Director's Training Program. The Company plans to conduct the Director's Training Program for the remaining directors in the upcoming financial year.

All Directors are well aware of their duties and responsibilities being a corporate body, Directors.

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

The Board is familiar with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019, and has collaborated with Management to implement the necessary measures for compliance. For further details, please refer to the review report on the Statement of Compliance issued by the Company's external auditors in the Annual Report, as mandated by the Listed Companies (Code of Corporate Governance) Regulations, 2019.

ADEQUACY OF INTERNAL AND FINANCIAL CONTROLS

The Board has put in place robust internal financial controls throughout all functions. The independent Internal Audit team of your Company continuously monitors the enforcement of these financial controls, which are then reviewed by the Audit Committee.

CORPORATE AND FINANCIAL REPORTING FRAMEWORK

- o The financial statements prepared by the management of the Company, represent fairly its state of affairs, the result of the operations, cash flows and changes in equity.

- o Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgement.
- o Proper books of accounts have been maintained by the Company.
- o Financial reporting is based on the approved International Accounting Standards as applicable in Pakistan, have been followed in preparation of financial statements and any departure therefrom has been adequately disclosed and explained.
- o There is no significant doubt about the Company's ability to continue as a going concern.
- o The system of internal control is sound in design. The system is being continuously monitored by Internal Audit and through other such monitoring procedures. The process of monitoring internal controls will continue as an ongoing process with the objective to further strengthen the controls and bring improvements in the system.

RELATED PARTY TRANSACTIONS

The Company ensures compliance with Code of Corporate Governance for all the related party transactions. The details of these transactions are provided in note no. 36 of the annexed financial statements.

OPERATING AND FINANCIAL DATA

Operating and financial data of the company for the last six years is annexed.

MATERIAL CHANGES

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

SUBSEQUENT EVENTS

No material changes affecting the Company's financial position have occurred between the statement of financial position date and date of this report.

DIRECTOR'S REPORT

MATERIAL CHANGES

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

PATTERN OF SHAREHOLDING

A statement of the pattern of shareholding in the Company as at 30 June 2024 is in subsequent pages.

AUDITORS

The present external auditors' Messrs. Aslam Malik & Co, Chartered Accountants, retire and being eligible, have offered themselves for re-appointment. The Board of Directors endorses the recommendation of the Audit Committee for their re-appointment as auditors of the Company for the financial year ending June 30, 2025 at a mutually agreed fee.

RISK OF MANAGEMENT

In fulfilling its responsibilities, the Board of Directors has consistently monitored the socio-economic environment and the associated internal and external risks that could affect the Company's safe and smooth operations. They have remained vigilant in identifying and addressing these risks throughout the year. The Board has recognized potential risks, evaluated their impact on the Company and developed strategies to mitigate all foreseeable business risks. These strategies will be implemented through the Audit Committee to ensure comprehensive risk mitigation without any gaps.

RISK ASSESSMENT

Businesses encounter various uncertainties that could threaten their objectives, potentially leading to preventable losses if not addressed. The Board has conducted a careful and thorough assessment of both internal and external risks the company may face. Factors such as rising financing costs, fuel and energy expenses, and their impact on trade and communication along with the depreciation of the local currency and

the depletion of foreign reserves, have heightened the vulnerability of these risks.

CORPORATE SOCIAL RESPONSIBILITY

As part of its CSR mandate, Citi Pharma Limited makes significant investments in community upliftment and the promotion of human rights. Our social initiatives primarily focus on areas surrounding our plant site, emphasizing education, livelihood opportunities, healthcare and vocational training for underprivileged individuals, as well as providing free medical services to those in need near our facility.

ENVIRONMENT, HEALTH AND SAFETY

The Company is committed to maintaining a safe and secure environment and believes it is our responsibility to ensure that everyone working with us understands how to work safely and without risking their health. The health and safety of our employees and visitors is a top priority of the Company. So, we continuously identify, assess and manage any potential hazards associated with our operations to eliminate or minimize risks.

AMENDMENTS IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

The Board of Directors is cognizant of the recent amendments introduced by the Securities and Exchange Commission of Pakistan (SECP) under S.R.O. (I)/2024, which brings key changes to the Listed Companies (Code of Corporate Governance) Regulations, 2019. Among these amendments, the incorporation of mechanisms as prescribed under the Protection Against Harassment of Women at the Workplace Act, 2010, is a significant development, ensuring a safer work environment for all employees. Additionally, the enhanced role of the Board and its members in addressing sustainability risks and opportunities has been underscored. In response, the Board has constituted a dedicated committee to thoroughly study these amendments and ensure compliance, while addressing any new requirements related to governance and sustainability.

DIRECTOR'S REPORT

REMUNERATION POLICY

The Independent Directors of the Company are entitled to a remuneration recommended by Human Resource and Remuneration Committee (HR&RC) and approved by the Board, based on market benchmark of the consumer healthcare industry and other similar style of business.

REMUNERATION OF THE CHIEF EXECUTIVE OFFICER, DIRECTOR AND EXECUTIVES

A detailed note on the remuneration of the Chief Executive Officer, Directors and Executives for the year 2024 are provided in note no. 37 of the annexed financial statements.

CAPITAL EXPENDITURE

The capital expenditure for the year 2024 amounted to Rs. 485 million.

FUTURE OUTLOOK AND CHALLENGES

The following expansion is underway:

API segment:

As we look ahead to the financial year ending June 30, 2025, Citi Pharma Limited remains optimistic about its growth prospects. The company is poised to capitalize on emerging market opportunities and continue strengthening its market position through strategic partnerships and innovative product offerings. With the anticipated completion of major agreements and a focus on enhancing operational efficiencies, we expect to see substantial growth in revenue and profitability.

Furthermore, our commitment to research and development will enable us to introduce new products that meet evolving consumer needs. While challenges such as fluctuating economic conditions and regulatory

changes may arise, we are confident in our ability to navigate these complexities and deliver sustained value to our stakeholders. The dedication of our team and

Excessively high taxation and elevated interest rates and an unfavorable business environment will continue to weigh on the manufacturing industry, making it challenging to pass on rising costs. This situation may negatively affect profit margins.

ACKNOWLEDGMENT

The Company expresses its gratitude to its shareholders, employees, business partners and all other stakeholders for their trust and support throughout our journey toward growth and prosperity. We anticipate another year of success and are committed to our mission of creating sustainable value for all our stakeholders.

For and on behalf of the of Board



(Rizwan Ahmed)
Chief Executive Officer



Nadeem Amjad
Chairman

Lahore
Dated: October 01, 2024

ڈائریکٹرز رپورٹ

30 جون 2024 کو ختم ہونے والے سال کے لئے ڈائریکٹرز رپورٹ

آپ کی کمپنی کے ڈائریکٹرز 30 جون، 2024 کو ختم ہونے والے سال کے لئے کمپنی کے آڈٹ شدہ مالی گوشواروں کے ساتھ سالانہ رپورٹ پیش کرنے پر خوش ہیں۔ ڈائریکٹرز رپورٹ کمپنیز ایکٹ 2017 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کی دفعہ 227 کے مطابق تیار کی گئی ہے اور اسے 25 اکتوبر 2024 کو ہونے والی کمپنی کے سالانہ عمومی اجلاس میں حصص کنندگان کو پیش کیا جائے گا۔

بنیادی سرگرمیاں

کمپنی کی بنیادی سرگرمی ادویات، طبی کیمیکلز اور نباتاتی مصنوعات کی مینوفیکچرنگ اور فروخت ہے۔

معاشی و کاروباری جائزہ

اس چیلنجنگ میکرو اکنامک منظر نامے میں ہٹی فارملیٹڈ اپنی آپریشنل استعداد کار، لاگت کے انتظام اور اسٹریٹجک شراکت داری کو مضبوط بنانے پر توجہ مرکوز کرتے ہوئے چلدار رہا۔ کمپنی نے ہانگ کانگ، نیوز یارک اور بیجنگ میں کمپنی لمیٹڈ اور مرلی کرشنا فارما پرائیویٹ لمیٹڈ جیسی بین الاقوامی فرموں کے ساتھ اہم معاہدے کیے ہیں، جن سے موجودہ معاشی غیر یقینی صورتحال کے باوجود مستقبل کی ترقی کو آگے بڑھانے کی توقع ہے۔ صحت اور ادویات کا شعبہ پاکستان میں صحت کی دیکھ بھال کی خدمات اور ادویات کی بڑھتی ہوئی طلب کی وجہ سے طویل مدتی ترقی کے مواقع پیش کر رہا ہے۔ اگرچہ معاشی مشکلات بدستور برقرار ہیں، ہٹی فارملیٹڈ ان مواقع سے فائدہ اٹھانے کے لئے اچھی پوزیشن میں ہے اور آنے والے سالوں میں اپنی ترقی کے راستے کو برقرار رکھے گی۔

بیرونی حماذ پر بلند شرح سود اور افراط زر کی وجہ سے بڑے پیمانے پر مینوفیکچرنگ میں سست روی کی وجہ سے درآمدات میں کمی واقع ہوئی جس سے کرنٹ اکاؤنٹ خسارہ ایک دہائی کی کم ترین سطح پر پہنچ گیا۔ نتیجے کے طور پر امریکی ڈالر کے مقابلے میں روپے کی قدر مستحکم رہی ہے۔

مزید برآں، آئی ایم ایف کے 7 ارب ڈالر کے اسٹینڈ فنڈ پروگرام کے حالیہ کامیاب اختتام کے ساتھ ساتھ ترسیلات زر اور باہمی آمد میں اضافے نے بیرونی دباؤ کو کم کیا ہے، جس کے نتیجے میں زرمبادلہ کے ذخائر میں اضافہ ہوا ہے جو اس وقت دو سال کی بلند ترین سطح پر ہے۔

سیاسی طور پر وفاقی اور صوبائی حکومتوں کے قیام سے ضروری استحکام اور غیر یقینی صورتحال میں کمی آئی ہے جس سے سرمایہ کاروں کا اعتماد بحال ہوا ہے۔ یہ سیاسی استحکام سے اقتصادی حالات میں اضافہ اور اہم شعبوں میں براہ راست غیر ملکی سرمایہ کاری کو راغب کرنے کی توقع ہے۔

مالی کارکردگی کا جائزہ

30 جون 2024 کو ختم ہونے والے مالی سال کے دوران کمپنی نے فروخت میں معمولی اضافہ حاصل کیا جو 12,396 ملین روپے سے بڑھ کر 12,409 ملین روپے تک پہنچ گئی۔ چیلنجنگ معاشی ماحول کے باوجود آپریشنل کارکردگی اور لاگت کے انتظام پر ہماری توجہ کے نتیجے میں مجموعی منافع (گزشتہ سال کے مقابلے میں) میں 5.25 فیصد بہتری آئی، جو گزشتہ سال کے 1,507 ملین روپے سے بڑھ کر 1,586 ملین روپے ہو گئی۔ یہ مجموعی منافع مارجن میں اضافے کی عکاسی کرتا ہے اور پائیدار ترقی کو برقرار رکھتے ہوئے منافع کو چلانے کے لئے ہمارے عزم کو ظاہر کرتا ہے۔ مزید برآں، مالی سال کی دوسری ششماہی کے دوران کرنسی کی شرح کے استحکام نے ہمارے مجموعی منافع کے مارجن میں بہتری میں مثبت کردار ادا کیا، جس سے ہمیں مسابقتی مارکیٹ کے ماحول میں اپنے منافع میں اضافہ کرنے کی اجازت ملی۔

خالص منافع میں 27 فیصد کا نمایاں اضافہ دیکھا گیا جو گزشتہ سال کے 657 ملین روپے سے بڑھ کر اس سال 833 ملین روپے تک پہنچ گیا۔ خالص منافع میں یہ خاطر خواہ اضافہ بنیادی طور پر ایک سازگار شرح تبادلہ ماحول کی وجہ سے ہے۔ جبکہ گزشتہ سال ہمیں 245 ملین روپے کا زرمبادلہ نقصان اٹھانا پڑا تھا، اس سال ہم نے 65 ملین روپے کا زرمبادلہ منافع ریکارڈ کیا۔

خلاصہ میں، ہماری کمپنی نے مالی سال 2024 میں منافع میں نمایاں اضافہ کا تجربہ کیا، جو ہمارے سٹیک ہولڈرز کے لئے قدر پیدا کرنے کے ہمارے عزم کی عکاسی کرتا ہے۔ بلند شرح سود کی وجہ سے درپیش چیلنجز کے باوجود ہماری مالی کارکردگی مستحکم ہے۔ ہم اپنی مخلص ٹیم، وفادار گاہکوں اور قابل قدر سینئر ہولڈرز کو ان کی جاری حمایت کے لئے تہہ دل سے شکر ادا کرتے ہیں۔

فی حصص آمدنی

رواں مالی سال کے لئے فی حصص آمدنی 3.65 روپے ہے، جو پچھلے سال کے 2.88 روپے کے مقابلے میں منافع کے مارجن میں خاطر خواہ اضافے کی نشاندہی کرتی ہے۔

ڈیویڈنڈ

آپ کی کمپنی اپنے حصص کنندگان کو غیر معمولی منافع فراہم کرنے کے لئے پر عزم ہے۔ رپورٹ کردہ مضبوط کارکردگی کی بنیاد پر، ڈائریکٹرز 3.25 روپے فی حصص کے حتمی نقد منافع کا اعلان کرتے ہوئے خوش ہیں، جو 32.5 فیصد ادائیگی کی نمائندگی کرتا ہے۔

ڈائریکٹرز رپورٹ

بورڈ آف ڈائریکٹرز کی تشکیل

سٹی فارمالیٹیڈ کے پاس ایک آزاد اور معرضی بورڈ آف ڈائریکٹرز ہے، جو مضبوط حکمرانی اور متوازن فیصلہ سازی کو یقینی بناتا ہے۔ چیئرمین اور چیف ایگزیکٹو آفیسر کے کردار الگ الگ ہیں، ہر ایک کا واضح طور پر متعین کردار اور ذمہ داری ہے۔ مزید برآں، آڈٹ اور ایچ آر کمیٹیوں کی صدارت آزاد ڈائریکٹرز کرتے ہیں، جس سے بورڈ کی غیر جانبداری میں مزید اضافہ ہوتا ہے۔ بورڈ سات ممبران پر مشتمل ہے جس میں دو خواتین ڈائریکٹرز اور پانچ مرد ڈائریکٹرز شامل ہیں۔ بورڈ کی موجودہ ساخت درج ذیل ہے:

سیریل نمبر	کیٹگری	نام
1	آزاد ڈائریکٹر	1- جناب عبدالجلیل شیخ 2- محترم فرزین خان
2	ایگزیکٹو ڈائریکٹر	1- جناب رضوان احمد 2- جناب ڈاکٹر ضمیر الحسن شاہ
3	نان ایگزیکٹو ڈائریکٹر	1- جناب ندیم امجد 2- جناب محمد نعیم 3- مسز سائرہ اسلم

بورڈ کی کمیٹیاں

(الف) آڈٹ کمیٹی

آڈٹ کمیٹی بورڈ کے تین ممبران پر مشتمل ہے۔ بورڈ کا چیئرمین ایک آزاد ڈائریکٹر ہے جیسا کہ سی جی ریگولیشنز 2019 میں ضروری ہے جبکہ دونوں نان ایگزیکٹو ڈائریکٹر ہیں۔ بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی کے لیے ممبران آف ریفرنس طے کیے ہیں۔ آڈٹ کمیٹی سالانہ اور سہ ماہی مالی بیانات، داخلی آڈٹ رپورٹس کا جائزہ لیتی ہے اور بورڈ کے اجلاسوں سے پہلے اپنا اجلاس منعقد کرتی ہے۔ آڈٹ کمیٹی کے ارکان مندرجہ ذیل ہیں۔

نام	عہدہ
جناب عبدالجلیل شیخ	چیئرمین / آزاد ڈائریکٹر
جناب ندیم امجد	نان ایگزیکٹو ڈائریکٹر
جناب محمد نعیم	نان ایگزیکٹو ڈائریکٹر
جناب غلام دستگیر	سیکرٹری برائے آڈٹ کمیٹی

(ب) انسانی وسائل اور معاوضہ کمیٹی

کمیٹی بورڈ کے تین ارکان پر مشتمل ہے۔ ایک آزاد ڈائریکٹر ہے اور دو ایگزیکٹو ڈائریکٹر ہیں۔ کمیٹی کا چیئرمین آزاد ڈائریکٹر ہوتا ہے۔ کمیٹی کمیٹی کی ایچ آر اور مینجمنٹ پالیسیوں کا جائزہ لیتی ہے اور تشکیل دیتی ہے۔ کمیٹی ملازمین کے معاوضے کے لئے بھی ذمہ دار ہے اور اس بات کو یقینی بناتی ہے کہ یہ کمیٹی کی کاروباری حکمت عملی اور طویل مدتی مفادات کے ساتھ مطابقت رکھتی ہے۔ انسانی وسائل کی کمیٹی کے ارکان مندرجہ ذیل ہیں:

نام	عہدہ
مسز فرزین خان	چیئرمین / آزاد ڈائریکٹر
جناب رضوان احمد	ایگزیکٹو ڈائریکٹر
جناب ضمیر الحسن شاہ	ایگزیکٹو ڈائریکٹر
جناب غلام دستگیر	سیکرٹری برائے انسانی حقوق و معاوضہ کمیٹی

ڈائریکٹرز رپورٹ

بورڈ آف ڈائریکٹرز کا اجلاس اور حاضری

مالی سال 2023-24 کے دوران بورڈ آف ڈائریکٹرز کے چار (4) اجلاس ہوئے اور یہ تمام اجلاس پاکستان میں ہوئے۔

آڈٹ کمیٹی

بورڈ آڈٹ کمیٹی: 30 جون 2024 کو ختم ہونے والے مالی سال کے دوران چار (4) اجلاس بلائے گئے ہیں۔

انسانی وسائل اور معاوضے کے اجلاس

30 جون 2024 کو ختم ہونے والے مالی سال کے دوران انسانی وسائل اور معاوضہ کمیٹی کے دو (2) اجلاس منعقد ہوئے۔

ڈائریکٹرز کا تربیتی پروگرام

کمپنی کے سات ڈائریکٹرز میں سے تین نے ڈائریکٹرز ٹریننگ پروگرام کے تحت کامیابی سے تربیت مکمل کی ہے۔ کمپنی آئندہ مالی سال میں بقیہ ڈائریکٹرز کے لئے ڈائریکٹرز ٹریننگ پروگرام منعقد کرنے کا ارادہ رکھتی ہے۔

تمام ڈائریکٹرز کا رپورٹ کارپوریٹ ہاؤس، ڈائریکٹرز ہونے کے ناطے اپنے فرائض اور ذمہ داریوں سے بخوبی آگاہ ہیں۔

لسٹڈ کمپنیوں (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کی تعمیل

بورڈ لسٹڈ کمپنیوں (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کی ضروریات سے واقف ہے، اور تعمیل کے لئے ضروری اقدامات کو نافذ کرنے کے لئے انتظامیہ کے ساتھ تعاون کیا ہے۔ مزید تفصیلات کے لئے، براہ کرم سالانہ رپورٹ میں کمپنی کے بیرونی آڈیٹرز کی طرف سے جاری کردہ تعمیل کے بیان پر جائزہ رپورٹ ملاحظہ کریں، جیسا کہ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے ذریعہ لازمی ہے۔

داخلی مالیاتی کنٹرول کی مناسبت

بورڈ نے تمام افعال کے دوران مضبوط داخلی مالیاتی کنٹرول قائم کیے ہیں۔ آپ کی کمپنی کی آزاد اندرونی آڈٹ ٹیم مسلسل ان مالیاتی کنٹرولوں کے نفاذ کی نگرانی کرتی ہے، جس کا آڈٹ کمیٹی کے ذریعہ جائزہ لیا جاتا ہے۔

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک

- کمپنی کی انتظامیہ کے ذریعہ تیار کردہ مالی بیانات، اس کے معاملات کی حالت، آپریشنز کے نتیجے، نقد بہاؤ اور ایکویٹی میں تبدیلیوں کی نمائندگی کرتے ہیں۔
- 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۔
- کمپنی کی طرف سے اکاؤنٹس کی مناسب کتابیں برقرار رکھی گئی ہیں۔

مالی رپورٹنگ منظور شدہ بین الاقوامی اکاؤنٹنگ اسٹینڈرڈز پر مبنی ہے جیسا کہ پاکستان میں لاگو ہے، مالی بیانات کی تیاری میں اس پر عمل کیا گیا ہے اور اس سے کسی بھی روانگی کو مناسب طور پر ظاہر اور وضاحت کی گئی ہے۔

○ کمپنی کی جاری تشویش کے طور پر جاری رکھنے کی صلاحیت کے بارے میں کوئی اہم شک نہیں ہے۔

○ اندرونی کنٹرول کا نظام ڈیزائن میں مضبوط ہے۔ انٹرنل آڈٹ اور اس طرح کے دیگر مانیٹرنگ طریقہ کار کے ذریعے اس نظام کی مسلسل نگرانی کی جا رہی ہے۔ داخلی کنٹرولز کی نگرانی کا عمل ایک جاری عمل کے طور پر جاری رہے گا جس کا مقصد کنٹرولز کو مزید مضبوط بنانا اور نظام میں بہتری لانا ہے۔

متعلقہ فریق سے لین دین

کمپنی تمام متعلقہ فریقین سے لین دین کے لئے کوڈ آف کارپوریٹ گورننس کی تعمیل کو یقینی بناتی ہے۔ ان لین دین کی تفصیلات منسلک مالی بیانات کے نوٹ نمبر 36 میں فراہم کی گئی ہیں۔

آپریٹنگ اور مالیاتی اعداد و شمار

پچھلے چھ سالوں کے لئے کمپنی کے آپریٹنگ اور مالی اعداد و شمار منسلک ہیں۔

ڈائریکٹرز رپورٹ

دیگر واقعات

اس رپورٹ کی تاریخ اور تاریخ کے درمیان کمپنی کی مالی پوزیشن کو متاثر کرنے والی کوئی مادی تبدیلی نہیں ہوئی ہے۔

مادی تبدیلیاں

کوئی مادی تبدیلی نہیں کی گئی ہے اور کمپنی نے شعوری طور پر کوئی ایسا وعدہ نہیں کیا ہے جو اس کی مالی حالت کو متاثر کرے گا۔

حصص کا نمونہ

30 جون 2024 کو کمپنی میں حصص کنندگی کے نمونے کا ایک بیان اگلے صفحات میں ہے۔

آڈیٹرز

موجودہ بیرونی آڈیٹرز، میسرز اسلم ملک اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، ریٹائرڈ اور اہل ہونے کی وجہ سے دوبارہ تقرری کے لیے خود کو پیش کر چکے ہیں۔ بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی کی جانب سے 30 جون 2025 کو ختم ہونے والے مالی سال کے لیے کمپنی کے آڈیٹرز کی حیثیت سے دوبارہ تقرری کی سفارشات کی توثیق کی۔

انتظامی خطرات

اپنی ذمہ داریوں کو پورا کرنے میں، بورڈ آف ڈائریکٹرز نے سماجی و اقتصادی ماحول اور اس سے وابستہ اندرونی اور بیرونی خطرات کی مسلسل نگرانی کی ہے جو کمپنی کے محفوظ اور ہموار آپریشنز کو متاثر کر سکتے ہیں۔ وہ سال بھر ان خطرات کی نشاندہی کرنے اور ان سے نمٹنے میں محتاط رہے ہیں۔ بورڈ نے ممکنہ خطرات کو تسلیم کیا ہے، کمپنی پر ان کے اثرات کا جائزہ لیا ہے اور تمام متوقع کاروباری خطرات کو کم کرنے کے لئے حکمت عملی تیار کی ہے۔ ان حکمت عملیوں کو آڈٹ کمیٹی کے ذریعے نافذ کیا جائے گا تاکہ بغیر کسی خلاء کے جامع خطرے کو کم کرنے کو یقینی بنایا جاسکے۔

خطرے کا تخمینہ

کاروباری اداروں کو مختلف غیر یقینی صورتحال کا سامنا کرنا پڑتا ہے جو ان کے مقاصد کو خطرے میں ڈال سکتے ہیں، ممکنہ طور پر اگر ان پر توجہ نہ دی جائے تو قابل تلافی نقصانات ہو سکتے ہیں۔ بورڈ نے کمپنی کو درپیش اندرونی اور بیرونی دونوں خطرات کا محتاط اور مکمل جائزہ لیا ہے۔ فنائنگ کے بڑھتے ہوئے اخراجات، ایندھن اور توانائی کے اخراجات، اور مقامی کرنسی کی قدر میں کمی اور غیر ملکی ذخائر میں کمی کے ساتھ تجارت اور مواصلات پر ان کے اثرات جیسے عوامل نے ان خطرات کے خطرے کو بڑھا دیا ہے۔

کارپوریٹ سماجی ذمہ داری

اپنے سی ایس آر مینڈیٹ کے ایک حصے کے طور پر، سی فار مالٹیٹڈ کمپنی کی بہتری اور انسانی حقوق کے فروغ میں اہم سرمایہ کاری کرتا ہے۔ ہمارے سماجی اقدامات بنیادی طور پر ہمارے پلانٹ سائٹ کے آس پاس کے علاقوں پر توجہ مرکوز کرتے ہیں، تعلیم، روزگار کے مواقع، صحت کی دیکھ بھال اور صحت کی دیکھ بھال پر زور دیتے ہیں۔ پسماندہ افراد کے لئے پیشہ ورانہ تربیت کے ساتھ ساتھ ہماری سہولت کے قریب ضرورت مندوں کو مفت طبی خدمات فراہم کرنا۔

ماحول، صحت اور حفاظت

کمپنی ایک محفوظ اور محفوظ ماحول کو برقرار رکھنے کے لئے پرعزم ہے اور اس بات کو یقینی بنانا ہماری ذمہ داری ہے کہ ہمارے ساتھ کام کرنے والا ہر شخص سمجھتا ہے کہ اپنی صحت کو خطرے میں ڈالنے بغیر محفوظ طریقے سے کیسے کام کرنا ہے۔ ہمارے ملازمین اور زائرین کی صحت اور حفاظت کمپنی کی اولین ترجیح ہے۔ لہذا، ہم خطرات کو ختم کرنے یا کم سے کم کرنے کے لئے اپنے آپریشنز سے وابستہ کسی بھی ممکنہ خطرات کی مسلسل نشاندہی، تشخیص اور انتظام کرتے ہیں۔

لسٹڈ کمپنیوں (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 میں ترامیم

بورڈ آف ڈائریکٹرز سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) کی جانب سے ایس آر او (آئی) / 2024 کے تحت متعارف کرائی گئی حالیہ ترامیم سے آگاہ ہیں، جس میں لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 میں اہم تبدیلیاں کی گئی ہیں۔ ان ترامیم میں کام کی جگہ پر خواتین کو ہراساں کرنے کے خلاف تحفظ ایکٹ، 2010 کے تحت طے شدہ میکانزم کو شامل کرنا ایک اہم پیش رفت ہے، جو تمام ملازمین، کے لئے محفوظ کام کے ماحول کو یقینی بناتا ہے۔ مزید برآں، ہمارے اندر کے خطرات اور مواقع سے نمٹنے میں، بورڈ اور اس کے ممبران کے بڑھتے ہوئے کردار کو اجاگر کرنا گامی ہے۔ اس کے

ڈائریکٹرز رپورٹ

معاوضے کی پالیسی

کمپنی کے آزاد ڈائریکٹرز انسانی وسائل اور معاوضہ کمیٹی (ایچ آر اینڈ آرسی) کی طرف سے تجویز کردہ اور بورڈ کی طرف سے منظور شدہ معاوضے کے حقدار ہیں، جو صارفین کی صحت کی دیکھ بھال کی صنعت کے مارکیٹ شیئر مارک اور اسی طرح کے کاروبار کے دیگر طرز پر مبنی ہے۔

چیف ایگزیکٹو آفیسر، ڈائریکٹرز اور ایگزیکٹوز کا معاوضہ

سال 2024 کے لئے چیف ایگزیکٹو آفیسر، ڈائریکٹرز اور ایگزیکٹوز کے معاوضے کے بارے میں ایک تفصیلی نوٹ منسلک مالی گوشواروں کے نوٹ نمبر 37 میں فراہم کیا گیا ہے۔

سرمائے کے اخراجات

سال 2024 کے لئے سرمائے کے اخراجات 485 ملین روپے تھے۔

مستقبل کا نقطہ نظر اور چیلنجز

جیسا کہ ہم 30 جون، 2025 کو ختم ہونے والے مالی سال کی طرف دیکھ رہے ہیں، ہٹی فار مالٹیٹڈ اپنی ترقی کے امکانات کے بارے میں پر امید ہے۔ کمپنی ابھرتی ہوئی مارکیٹ کے مواقع سے فائدہ اٹھانے اور اسٹریٹجک شراکت داری اور جدید مصنوعات کی پیشکشوں کے ذریعے اپنی مارکیٹ پوزیشن کو مستحکم کرنے کے لئے تیار ہے۔ بڑے معاہدوں کی توقع تکمیل اور آپریشنل استعداد کار کو بڑھانے پر توجہ مرکوز کرنے کے ساتھ، ہم آمدنی اور منافع میں خاطر خواہ اضافہ دیکھنے کی توقع کرتے ہیں۔

مزید برآں، تحقیق اور ترقی کے لئے ہماری وابستگی ہمیں نئی مصنوعات متعارف کرانے کے قابل بنائے گی جو صارفین کی بڑھتی ہوئی ضروریات کو پورا کرتی ہیں۔ اگرچہ اتار چڑھاؤ والے معاشی حالات اور ریگولیٹری تبدیلیوں جیسے چیلنجز پیدا ہو سکتے ہیں، لیکن ہم ان پیچیدگیوں سے نمٹنے اور اپنے اسٹیک ہولڈرز کو پائیدار قدر فراہم کرنے کی اپنی صلاحیت پر اعتماد ہیں۔ ہماری ٹیم کی لگن اور ہمارے شراکت داروں اور گاہکوں کی حمایت آنے والے سال میں ہماری کامیابی کو آگے بڑھانے میں اہم کردار ادا کرے گی۔

حد سے زیادہ ٹیکس اور بلند شرح سود اور ناسازگار کاروباری ماحول مینوفیکچرنگ انڈسٹری پر اثر انداز ہوتا رہے گا، جس سے بڑھتی ہوئی لاگت کو برداشت کرنا مشکل ہو جائے گا۔ یہ صورتحال منافع کے مارجن کو منفی طور پر متاثر کر سکتی ہے۔

اعتراف

کمپنی اپنے شیئر ہولڈرز، ملازمین، کاروباری شراکت داروں اور دیگر تمام اسٹیک ہولڈرز کا شکریہ ادا کرتی ہے جنہوں نے ترقی اور خوشحالی کی جانب ہمارے سفر کے دوران اعتماد اور حمایت کی۔ ہم کامیابی کے ایک اور سال کی توقع کرتے ہیں اور اپنے تمام اسٹیک ہولڈرز کے لئے پائیدار قدر پیدا کرنے کے اپنے مشن کے لئے پرعزم ہیں۔

بورڈ کے لئے اور بورڈ کی طرف سے

M N Malik

(محمد نعیم)

ڈائریکٹر

سید احمد

(رضوان احمد)

چیف ایگزیکٹو آفیسر

لاہور

تاریخ: 01 اکتوبر 2024



We maintain participative relationship with the society and being a pharma company, continuously invest in the interventions related to health. In addition to our communities, we ensure the well-being and safety of all the stakeholders in our value chain through continuous engagement with relevant stakeholders to uphold the best practices in social responsibility. Giving away our share of kindness is not a part of a larger social responsibility that the society itself has entrusted upon us. We conduct different health awareness programs.



CSR (CORPORAT SOCIAL RESPONSIBILITY)



COMPANY KEY PRODUCTS

I. PRODUCTS PORTFOLIO

API segment

1. **Paracetamol**, Paracetamol, also known as acetaminophen, is a medication used to treat pain and fever. Paracetamol was first developed in 1877 and is the most commonly used medication for pain and fever across the world. It is on the World Health Organization's List of Essential Medicines. Paracetamol is available as a generic medication, with brand names including Tylenol and Panadol among others.



2. **Penicillin/Amoxicillin** is an antibiotic used to treat a number of bacterial infections. These include middle ear infection, strep throat, pneumonia, skin infections, and urinary tract infections, among others. It is taken orally, or less commonly by injection. Amoxicillin was discovered in 1958 and came into medical use in 1972. It is on the World Health Organization's List of Essential Medicines. It is one of the most commonly prescribed antibiotics in children. Amoxicillin is available as a generic medication.

3. **Levofloxacin** is used to treat a variety of bacterial infections. This medication belongs to a class of drugs known as quinolone antibiotics. It works by stopping the bacterial growth and is used to treat bacterial infections. It will not work for viral infections (such as common cold, flu). Levofloxacin was first approved by the FDA in 1996, and was approved in Canada and several South American countries soon after.

4. **Cefixime/Cephalosporin**, is an antibiotic medication used to treat a number of bacterial infections. Cefixime was patented in 1979 and approved for medical use in the United States in 1989. It is on the World Health Organization's List of Essential Medicines. It is available as a generic medication.

5. **Ciprofloxacin** is an antibiotic used to treat a number of bacterial infections. This includes bone and joint infections, intra-abdominal infections, certain type of infectious diarrhea, respiratory tract infections, skin infections, typhoid fever, and urinary tract infections, among others. Ciprofloxacin was patented in 1980 and introduced in 1987. It is on the World Health Organization's List of Essential Medicines and is classified as critically important for human medicine. It is available as a generic medication.

6. **Cephradine** is in a group of drugs called cephalosporin antibiotics. Cephradine fights bacteria in the body. Cephradine is used to

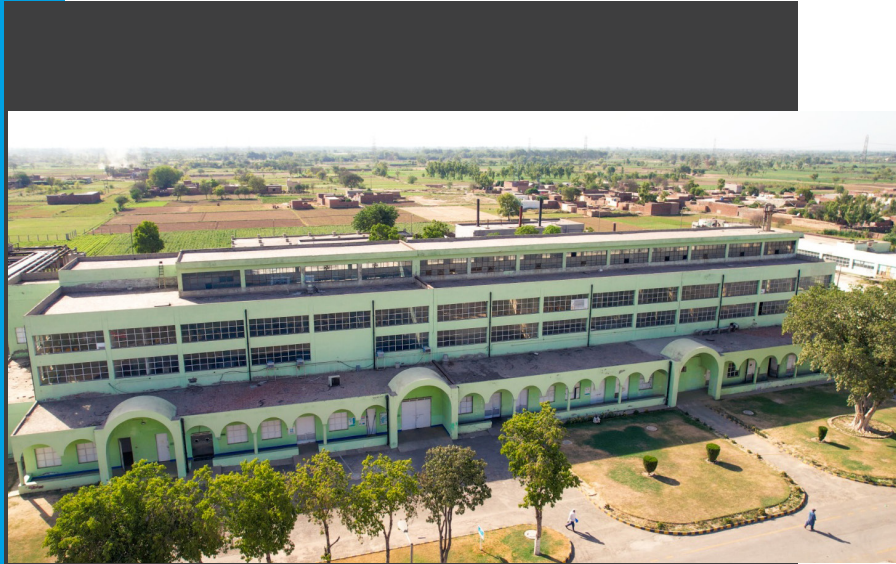
treat infections caused by bacteria, including upper respiratory infections, ear infections, skin infections, and urinary tract infections.

7. **Norfloxacin** is a synthetic chemotherapeutic antibacterial agent occasionally used to treat common as well as complicated urinary tract infections. Norfloxacin is a broad-spectrum antibiotic that is active against both Gram-positive and Gram-negative bacteria. It functions by inhibiting DNA gyrase, a type II topoisomerase, and topoisomerase IV, enzymes necessary to separate bacterial DNA, thereby inhibiting cell division.

COMPANY KEY PRODUCTS

8. **Aspirin** is used to reduce fever and relieve mild to moderate pain from conditions such as muscle aches, toothaches, common cold, and headaches. It may also be used to reduce pain and swelling in conditions such as arthritis. Aspirin is known as a salicylate and a nonsteroidal anti-inflammatory drug (NSAID). It works by blocking a certain natural substance in your body to reduce pain and swelling. This effect reduces the risk of stroke and heart attack.

8. **Ibuprofen** is a nonsteroidal, anti-inflammatory drug (NSAID) class that is used for treating pain, fever, and inflammation. Ibuprofen was discovered in 1961 by Stewart Adams at Boots UK Limited and initially marketed as Brufen. It is available under a number of trade names, including Nurofen, Advil and Motrin. It was first marketed in 1969 in the United Kingdom and in the United States in 1974. It is on the World Health Organization's List of Essential Medicines. It is available as a generic medication.



COMPANY KEY PRODUCTS



Formulation segment

General formulation facility plays a crucial role in the development and production of a wide range of pharmaceutical products. This facility is equipped to create various dosage forms, including tablets, capsules, syrups, and injectable solutions, ensuring that medications are delivered effectively and safely to patients. The formulation process involves multiple stages, beginning with the selection of active pharmaceutical ingredients (APIs) and excipients. Highly trained scientists and pharmacists work collaboratively to optimize the formulation for stability, bioavailability, and patient compliance. Rigorous quality control measures are implemented throughout the process, adhering to Good Manufacturing Practices (GMP) to ensure that all products meet regulatory standards. In addition to manufacturing, your facility may also focus on research and development, continually seeking innovative formulations that address unmet medical needs. This can involve customizing products to meet specific therapeutic requirements or developing new delivery systems to enhance the efficacy of existing medications. By staying at the forefront of pharmaceutical technology and regulatory compliance, your general formulation facility contributes to improved health outcomes and patient satisfaction.

Cephalosporin formulation

Cephalosporins are a class of antibiotics originally derived from the fungus *Cephalosporium acremonium*. The first cephalosporin, cephalosporin C, was discovered in the 1940s and later led to the development of various derivatives that are effective against a broad range of bacterial infections. Our Cephalosporin Formulation facility focuses on the formulation of these antibiotics, which involves developing and producing various dosage forms, such as tablets, capsules, suspensions and injectables. This process requires stringent adherence to quality control and regulatory standards to ensure efficacy and safety. Our Cephalosporin Formulation facility was inaugurated on 29 June 2021 by the Governor of Namangan, Uzbekistan.

Nutraceuticals

Cephalosporins are a class of antibiotics originally derived from the fungus *Cephalosporium acremonium*. The first cephalosporin, cephalosporin C, was discovered in the 1940s and later led to the development of various derivatives that are effective against a broad range of bacterial infections. Our Cephalosporin Formulation facility focuses on the formulation of these antibiotics, which involves

developing and producing various dosage forms, such as tablets, capsules, suspensions and injectables. This process requires stringent adherence to quality control and regulatory standards to ensure efficacy and safety. Our Cephalosporin Formulation facility was inaugurated on 29 June 2021 by the Governor of Namangan, Uzbekistan.

In the formulation process, a team of skilled Herbalists and Pharmacists meticulously selects high-quality botanical ingredients, ensuring that they are sourced sustainably and processed with care. The facility emphasizes the importance of maintaining the integrity of the herbs and employing advanced extraction techniques to preserve their active compounds. This approach not only enhances the efficacy of the products but also ensures safety and quality for consumers. Quality control is paramount in herbal formulation, and your facility adheres to stringent standards and regulatory guidelines. Each batch undergoes rigorous testing to verify potency, purity, and consistency, providing confidence to consumers in the effectiveness of the herbal products. Additionally, your facility may focus on research and development to explore new formulations and innovative delivery methods, aiming to expand the range of health benefits offered by herbal remedies. By combining traditional knowledge with modern science, your herbal formulation facility contributes to the growing acceptance and appreciation of herbal medicine in contemporary healthcare. The Nutraceuticals facility was Inaugurated on 9th June 2022 by the CEO of HALEON.

ii. Demand for the products

API segment

Historically, the growth rate in API segment has remained impressive. CPL deals in 9 primary APIs, including Paracetamol, Ciprofloxacin, Cefixime (Cephalosporin), and Amoxicillin (Penicillin). Consistent growth is achieved across the board in all segments mainly due to population growth, availability of health care facilities to the masses, awareness and increasing trend of prescription of generic salts from the practitioners. CPL has developed its expertise in research and development to develop more molecules within its production facilities. Recent COVID-19 pandemic has also triggered sales growth in Paracetamol and Ciprofloxacin categories. However, margins in this segment are relatively low. Higher sales volume requires more working capital in this category, being a B2B segment where larger formulations' producers take longer credit terms. The demand for API segment is also derived from growth in the formulation segment, which is dependent upon various factors such

as healthcare awareness, introduction of new products, etc.

CPL intends to expand its presence in the formulation segment and is aggressively working towards development of its own brands in various widely used prescriptions. The margins in this segment are relatively higher but being a new segment, sales volumes are expected to grow gradually by establishing an extensive distribution channel across Pakistan. Moreover, CPL product line will include injectables, capsules, syrups etc. This will be a B2C segment and demand of this segment is related to population increase, availability of health care facilities to the masses, awareness and many other factors, as already outlined above.

iii. Hospital Facility

Lahore is the 2nd largest city of Pakistan with a population of ~13.4 million as quoted by world population review. Presently, Lahore is facing a shortage of quality healthcare facilities. CPHL has acquired a 12-Kanal plot which is ideally located Pine Avenue, opposite DHA Lahore. CPHL intends to set up a state-of-the-art 200 bed hospital facility at this location to cater to the demands of a highly densely populated city.

iv. Future prospects, demand outlook

Citi Pharma Limited (CPL) is one of Pakistan's leading API manufacturing companies. The management is highly skilled in adopting and leveraging new technology, while remaining fully committed to complying with Good Manufacturing Practices (GMP). Continuously striving to incorporate the latest technological advancements, CPL understands the critical importance of staying ahead in technology. This gives the company a significant advantage by ensuring compliance with GMP standards while utilizing state-of-the-art production technologies. Recent agreements with international firms like Hangzhou Newsea Technology Co., Ltd. and Murli Krishna Pharma Private Ltd. are expected to fuel CPL's future growth, despite ongoing economic uncertainties. These partnerships will enhance the company's position in the API and formulation sectors, where there is a strong demand for local API products. The agreement with Murli Krishna Pharma is anticipated to introduce new APIs, providing an import substitution opportunity that will likely appeal to local formulation players due to cost savings on customs duties and favorable exchange rates, pending quality checks. The company's future plans include:

- Expanding production capacity in both the API and formulation segments, with the addition of new APIs

COMPANY KEY PRODUCTS

such as Chloroquine Phosphate and Hydroxychloroquine Sulfate, and their subsequent formulations.

- Adding psychotropic and narcotic products to its formulation portfolio, while increasing production capacity for penicillin.
- Establishing a hospital facility in Lahore as part of a vertical diversification strategy.
- A committee has been formed to study and address the upcoming changes.
- Set up a hospital facility in Lahore (as part of vertical diversification)

v. Social Welfare Activities

A dispensary in conjunction with Citi Pharma plant demonstrates a profound commitment to community welfare and health improvement. This initiative is designed to provide local residents with access to essential medical services and treatments, particularly in areas where healthcare resources may be limited. By offering a range of services, including consultations, basic health assessments, and access to medications, the dispensary plays a vital role in enhancing the overall well-being of the community.

The dispensary not only serves as a healthcare resource but also as an educational platform. Health awareness campaigns can be conducted to inform local residents about preventive measures, proper medication use, and the importance of maintaining a healthy lifestyle. This focus on education empowers individuals to take charge of their health and make informed decisions, fostering a culture of wellness within the community.

Moreover, the dispensary strengthens the bond between your organization and the local population, promoting trust and collaboration. By actively engaging with community members and addressing their health concerns, you demonstrate a genuine commitment to their welfare. This initiative not only improves health outcomes but also enhances the quality of life for residents, reinforcing the idea that corporate responsibility extends beyond business operations to encompass social impact. Through this dispensary, you are not just providing healthcare services; you are investing in the future of the community and contributing to its sustainable development.

KEY OPERATING & FINANCE DATA FOR LAST SIX YEARS

FINANCIAL POSITION	2024	2023	2022	2021	2020	2019
Fixed assets net	3,552,249,952	3,051,888,220	2,244,062,582	1,734,765,860	814,458,386	735,519,503
Total assets	11,402,428,642	9,984,164,614	8,127,152,498	6,499,162,737	2,471,348,598	1,318,273,103
Paid - up Capital	2,284,612,000	2,284,612,000	2,284,612,000	1,350,000,000	450,000,000	450,000,000
Equity	5,633,129,441	5,373,073,310	4,713,978,328	4,366,045,109	4,366,045,109	978,308,204
Long term liabilities	-	8,541,062	402,853,766	297,605,788	241,961,797	139,515,252

STATEMENT OF PROFIT OR LOSS	2024	2023	2022	2021	2020	2019
Net Sales	12,409,238,742	12,396,982,521	9,779,879,938	5,795,403,997	3,527,625,000	2,607,027,951
Gross Profit	1,586,195,116	1,507,112,978	1,363,082,659	780,474,326	436,949,856	330,755,595
Operating Profit/(Loss)	1,205,641,253	1,167,477,796	993,483,374	570,970,333	254,114,103	136,427,404
Profit/(Loss) before tax	1,281,201,708	957,254,344	1,060,576,110	499,746,398	202,527,899	136,427,404
Profit/(Loss) after tax	833,463,846	657,984,360	653,692,059	351,768,295	143,416,468	27,804,462

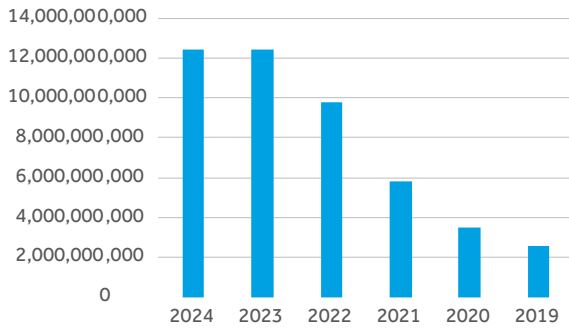
PROFITABILITY RATIOS	2024	2023	2022	2021	2020	2019
Gross Profit	12.78%	12.16%	13.94%	13.47%	12.39%	12.69%
Net Profit Ratio	6.72%	5.31%	6.68%	6.07%	4.07%	1.07%

RETURN TO SHAREHOLDER	2024	2023	2022	2021	2020	2019
Return on Capital Employed	22.55%	21.11%	19.42%	13.08%	25.97%	16.34%
Earning per share- Basic	3.65	2.88	2.88	3.64	31.87	6.18

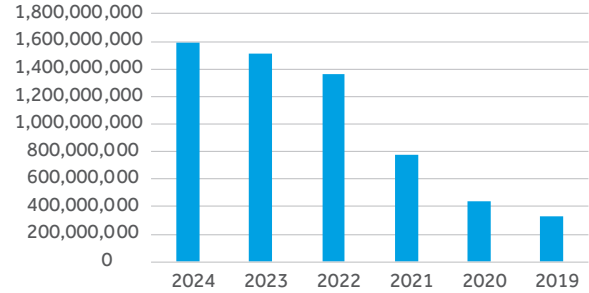
LIQUIDITY/LEVERAGE	2024	2023	2022	2021	2020	2019
Current Ratio	1.36	1.48	1.859	2.453	1.114	1.169
Break up Value Per Share (With Revaluation)	24.66	23.52	20.63	32.34	217.4	185.49
Break up Value Per Share (Without Revaluation)	23.30	22.16	19.28	30.05	217.4	185.49
Debt To Equity Ratio	25%	29%	21%	15%	46%	39%

ACTIVITY	2024	2023	2022	2021	2020	2019
Sales to total assets	1.09	1.24	1.20	0.89	1.43	1.98
Sales to fixed assets	3.49	4.06	4.36	3.34	4.33	3.54

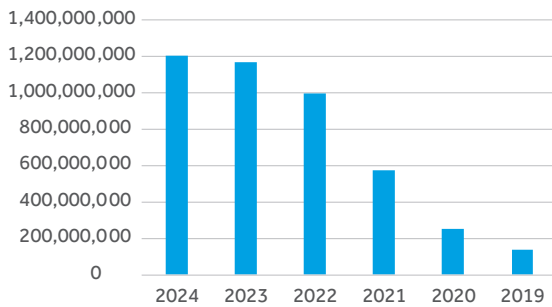
NET SALES



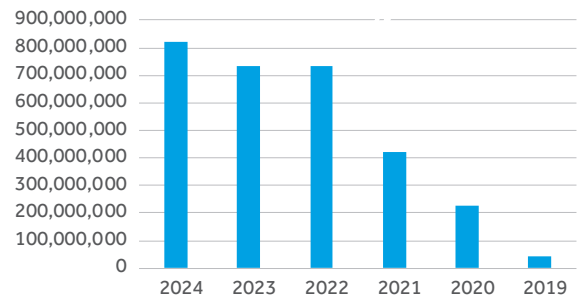
GROSS PROFIT



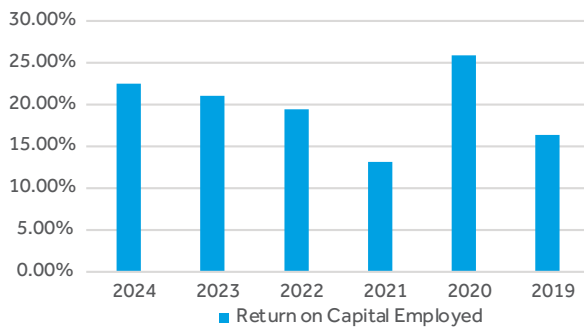
OPERATING PROFIT/(LOSS)



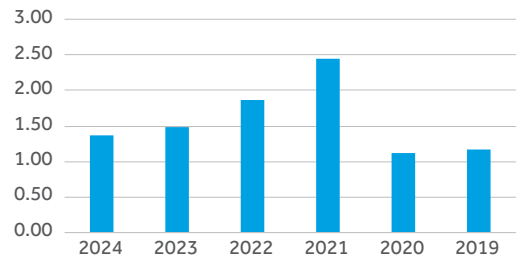
NET PROFIT



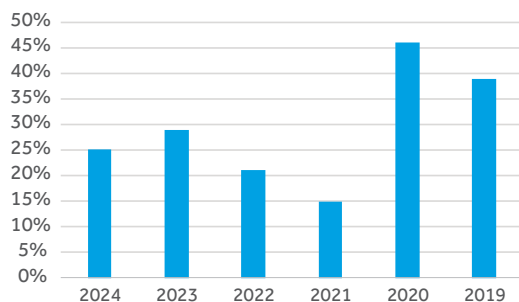
RETURN ON CAPITAL EMPLOYED



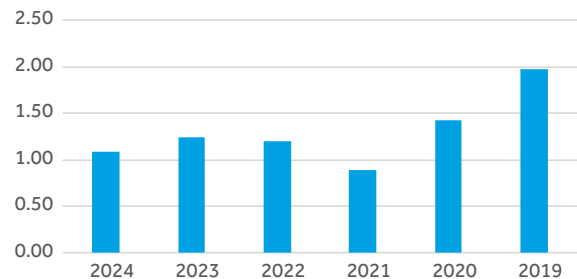
CURRENT RATIO



DEBT TO EQUITY RATIO



SALES TO TOTAL ASSETS



HORIZONTAL ANALYSIS

	2024	2023	2022	2021	2020	2019
EQUITY AND LIABILITIES						
SHARE CAPITAL AND RESERVES						
Issued, subscribed and Paid up:	0%	0%	69%	200%	0%	0%
Share Deposit Money	0%	0%	-100%	100%	0%	0%
Share Premium	0%	0%	100%	0%	0%	0%
Unappropriated profits	19%	90%	86%	-28%	37%	7%
Revaluation Surplus on Land	0%	0%	0%	100%	0%	0%
NON CURRENT LIABILITIES						
Long Term Financing - Secured	-100%	-97%	32%	15%	127%	219%
Deferred Liabilities	43%	27%	25%	45%	11%	0%
Deferred Grant	-100%	-98%	247%	1525%	0%	0%
Lease Liabilities	-100%	-30%	-19%	-44%	38%	-27%
CURRENT LIABILITIES						
Trade and other payables	65%	14%	79%	-19%	2253%	-46%
Director's Loan	-85%	2338%	0%	-29%	0%	-87%
Payable to General Public Against Excess Proceeds	0%	0%	-100%	100%	-	-
Short Term Borrowings-Secured	-5%	189%	100%	60%	-1%	-50%
Current Portion of Long Term Financing-Secured	-71%	-64%	53%	57%	56%	100%
Unclaimed Dividend	201%	-31%	100%	0%	0%	0%
Accrued Mark Up	16%	383%	2724%	-50%	27%	0%
Provision for taxation	20%	-3%	207%	122%	76%	0%
Contingencies and Commitments	-	-	-	-	-	-
Total Equity And Liabilities	14%	23%	25%	163%	87%	-11%
ASSETS						
NON CURRENT ASSETS						
Property, plant and equipment	11%	36%	29%	113%	11%	-1%
Capital Work in Progress	117%	391%	100%	0%	0%	0%
Intangibles	0%	0%	0%	-100%	100%	-29%
Long term security deposits	-14%	35%	103%	0%	45%	25%
Long Term Advance	0%	0%	0%	100%	48%	0%
CURRENT ASSETS						
Stock in Trade	23%	54%	117%	-13%	774%	-50%
Trade Debts- Unsecured	15%	34%	215%	48%	87%	-45%
Advances deposits and prepayments	56%	3%	130%	80%	118%	-62%
Short Term Investment	-14%	-23%	100%	0%	0%	0%
Cash and bank balance	61%	99%	-99%	3337%	2%	-14%
Total Assets	14%	23%	25%	163%	87%	-11%

HORIZONTAL ANALYSIS

	2024	2023	2022	2021	2020	2019
Turnover -Net	0.10%	27%	69%	64%	35%	30%
Cost of sales	-0.61%	29%	68%	62%	36%	31%
Gross profit	5.25%	10%	73%	79%	32%	26%
Administrative expenses	8%	-29%	141%	17%	-9%	59%
Selling expenses	17%	47%	4%	12%	-2%	46%
	12%	-8%	76%	15%	-6%	53%
Operating Profit	3%	18%	72%	125%	86%	1%
Financial Charges	-22%	444%	74%	-7%	138%	26%
	16%	-15%	72%	152%	78%	-2%
Other income	68%	26%	4693%	-35%	57%	0%
	30%	-7%	107%	146%	77%	-2%
Other Expenses	-2%	25%	23%	133%	79%	-2%
Profit before Taxation	34%	-10%	107%	147%	77%	-2%
Taxation	50%	-26%	168%	150%	-32%	100%
Profit after Taxation	27%	1%	81%	145%	416%	-76%

VERTICAL ANALYSIS

	2024	2023	2022	2021	2020	2019
EQUITY AND LIABILITIES						
SHARE CAPITAL AND RESERVES						
Issued, subscribed and Paid up:	20.04%	22.88%	28.11%	20.72%	18.21%	34.14%
Share Deposit Money	0.00%	0.00%	0.00%	35.70%	0.00%	0.00%
Share Premium	12.20%	13.94%	17.12%	0.00%	0.00%	0.00%
Unappropriated profits	14.45%	13.90%	8.96%	6.00%	21.38%	29.18%
Revaluation Surplus on Land	2.71%	3.10%	3.81%	4.75%	0.00%	0.00%
	49.40%	53.82%	58.00%	67.17%	39.59%	63.32%
NON CURRENT LIABILITIES						
Long Term Financing - Secured	0.00%	0.09%	3.08%	2.90%	6.66%	5.51%
Deferred Liabilities	1.81%	1.45%	1.41%	1.40%	2.55%	4.32%
Deferred Grant	0.00%	0.01%	0.40%	0.14%	0.02%	0.00%
Lease Liabilities	0.00%	0.04%	0.08%	0.12%	0.56%	0.76%
	1.81%	1.58%	4.96%	4.57%	9.79%	10.58%
CURRENT LIABILITIES						
Trade and other payables	31.25%	21.69%	23.27%	16.24%	36.19%	2.88%
Due to Related Parties	0.38%	2.98%	0.15%	0.19%	0.70%	1.30%
Payable to General Public Against Excess Proceeds	0.00%	0.00%	0.00%	8.00%	0.00%	0.00%
Short Term Borrowings-Secured	12.22%	14.73%	6.27%	0.00%	8.22%	15.56%
Current Portion of Long Term Financing-Secured	0.17%	0.65%	2.21%	1.80%	3.17%	3.82%
Unclaimed Dividend	0.01%	0.00%	0.01%	0.00%	0.00%	0.00%
Accrued Mark Up	0.63%	0.62%	0.16%	0.01%	0.04%	0.05%
Provision for taxation	4.13%	3.94%	4.97%	2.02%	2.32%	2.47%
	48.78%	44.60%	37.04%	28.26%	50.62%	26.10%
Contingencies and Commitments	-	-	-	-	-	-
Total Equity And Liabilities	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
ASSETS						
NON CURRENT ASSETS						
Property, plant and equipment	29.82%	30.57%	27.61%	26.63%	32.96%	55.79%
Capital Work In Progress	1.34%	0.70%	0.18%	0.00%	0.00%	0.00%
Intangibles	0.00%	0.00%	0.00%	0.00%	0.00%	0.20%
Long term security deposits	0.18%	0.24%	0.22%	0.13%	0.35%	0.45%
Long Term Advance	2.23%	2.55%	3.13%	3.91%	10.30%	13.03%
	33.56%	34.06%	31.14%	30.67%	43.60%	69.48%
CURRENT ASSETS						
Stock in Trade	28.09%	26.13%	20.81%	11.94%	36.08%	7.74%
Trade Debts- Unsecured	18.94%	18.85%	17.25%	6.82%	12.12%	12.16%
Advances deposits and prepayments	7.17%	7.94%	6.22%	3.38%	4.58%	3.94%
Short Term Investments	11.46%	15.17%	24.24%	0.00%	0.00%	0.00%
Cash and bank balance	0.77%	0.55%	0.34%	47.19%	3.62%	6.68%
	66.44%	65.94%	68.86%	69.33%	56.40%	30.52%
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

VERTICAL ANALYSIS

	2024	2023	2022	2021	2020	2019
Turnover -Net	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Cost of sales	-87.22%	-87.84%	-86.06%	-86.53%	-87.61%	-87.31%
Gross profit	12.78%	12.16%	13.94%	13.47%	12.39%	12.69%
Administrative expenses	1.65%	1.52%	2.72%	1.91%	2.68%	3.99%
Selling expenses	1.42%	1.22%	1.05%	1.71%	2.51%	3.47%
	3.07%	-2.74%	-3.78%	-3.62%	-5.18%	-7.45%
Operating Profit	9.72%	9.42%	10.16%	9.85%	7.20%	5.23%
Financial Charges	-2.42%	-3.12%	-0.73%	-0.70%	-1.25%	-0.71%
	7.30%	6.30%	9.43%	9.15%	5.96%	4.52%
Other income	3.95%	2.36%	2.36%	0.08%	0.21%	0.18%
	11.24%	6.30%	11.80%	9.23%	6.17%	4.71%
Other Expenses	-0.92%	-0.94%	-0.95%	-0.61%	-0.43%	-0.32%
Profit before Taxation	10.32%	7.72%	10.84%	8.62%	5.74%	4.38%
Taxation	-3.61%	-2.41%	-4.16%	-2.55%	-1.68%	-3.32%
Profit after Taxation	6.72%	5.31%	6.68%	6.07%	4.07%	1.07%

STATEMENT OF COMPLIANCE

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

Name of Company CitiPharma Limited

Year ending June 30, 2024

Citi Pharma Limited (the "Company") has complied with the requirement of the Regulations in the following manner:

1. The total number of directors are seven as per the following
 - a. Male Five (5)
 - b. Female Two (2)
2. The composition of the board is as follows:

a.	Independent Directors	02
b.	Non-Executive Directors	03
c.	Executive Directors	02

Category	Names
Independent Directors*	1. Mr. Abdul Jaleel Shaikh 2. Ms. Farzin Khan
Executive Directors	1. Rizwan Ahmad 2. Zameer Ul Hassan Shah
Non-Executive Directors	1. Nadeem Amjad 2. Muhammad Naeem 3. Saira Aslam

* In order to comply with the requirements of Listed Companies (Code of Corporate Governance) Regulations, 2019, two independent directors were elected on the Board of Directors upon maturity of existing term, whereas the code requires to appoint at-least two or one-third of the board members (whichever is higher). The fraction of 0.33 was not rounded up as the two appointed independent directors fairly protected the interests of the shareholders.

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. A complete

record of particulars of significant policies along with the dates on which they were approved, updated or amended has been maintained.

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 complied with requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of the meeting of Board.
8. The Board have a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations.
9. The independent directors of the company and the CEO/Director have already completed the directors training Program. The company has planned to arrange director's training of remaining director's subsequent to the financial year.
10. The Board has approved appointment of Chief financial officer and Company Secretary including their remuneration and terms and conditions of appointment and complied with relevant requirements of the Regulations.
11. The Financial statements of the Company were duly endorsed by the chief executive officer and chief financial officer before approval of the Board;
12. The Board has formed committees comprising of the members given below;

a. Audit Committee

Naem	Designation
Abdul Jaleel Shaikh	Chairman/Independent Director
Nadeem Amjad	Non-Executive Director
Muhammad Naeem	Non-Executive Director
Ghulam Dastageer	Secretary to Audit Committee

STATEMENT OF COMPLIANCE

WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 (The Regulations)

b. Human Resource & Remuneration committee

Naem	Designation
Farzin Khan	Chairman/Independent Director
Rizwan Ahmad	Executive Director
Zameer UI Hassan Shah	Executive Director
Mr. Ghulam Dastgeer	Secretary to HR & Remuneration Committee

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

14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following;

a) Audit Committee (Quarterly)

b) HR and Remuneration Committee (Yearly)

15. The Board has set up an effective internal audit function, which is 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 requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all requirements of regulation 3, 6, 7, 8,9, 27, 32, 33 and 36 of the Regulations have been complied with.

19. Explanation for non-compliance with requirements, other than regulations 19 is as below:

- Female executive has not completed training under Directors' Training Program (required under nonmandatory provision of the Regulation 19). However, their trainings are planned in the ensuing year.

For and behalf of the Board



Mr. Nadeem Amjad
Chairman



Mr. Rizwan Ahmad
CEO

Date: October 01, 2024

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Citi Pharma 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 Citi Pharma Limited 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 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.

Further, we highlight below instance of non-compliance with the requirement of the Regulations as reflected in the paragraph reference where it is stated in the statement of Compliance.

Paragraph Reference	Description
9	The Company has not arranged the directors training program or obtained the exemption from directors training program from the commission as required under clause 19 of the Regulations.

The engagement partner on the review resulting in this independent auditors' review report is Muhammad Kamran Aslam.



Chartered Accountants

Place: Lahore
Date: October 01, 2024

UDIN: CR202410827GHCbTaLzm

FINANCIAL **STATEMENTS**

For the year ended June 30, 2024

INDEPENDENT AUDITOR'S REPORT

To the members of Citi Pharma Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Citi Pharma 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 other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

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

cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

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

S. No	Key Audit Matters	How the matter was addressed in Our Audit
1	<p>Revenue Recognition</p> <p>Refer note 23 to the financial statements and the accounting policy in note 3.8 to the financial statements regarding the sale of goods.</p> <p>The Company is engaged in the manufacturing and sale of pharmaceuticals, medical chemicals, and botanical products.</p> <p>The Company recognized net revenue of Rs. 12,409 million from the sale of goods to customers during the year ended 30 June 2024.</p> <p>We identified recognition of revenue against the sale of goods as a key audit matter because revenue is one of the key performance indicators of the Company and gives rise to a risk that revenue is recognized without transferring control.</p>	<p>Our key audit procedures in this area amongst others included the following:</p> <ul style="list-style-type: none"> • Obtaining an understanding of the process relating to recording of sales and testing the design, implementation, and operating effectiveness of relevant key internal controls; • Assessing the appropriateness of the Company's accounting policies for recording sales and compliance of those policies with applicable accounting standards; • Comparing a sample of sale transactions recorded during the year with sales orders, sales invoices, delivery documents, and other relevant underlying documents;

INDEPENDENT AUDITOR'S REPORT

S. No	Key Audit Matters	How the matter was addressed in Our Audit
		<ul style="list-style-type: none"> • Performing cut-off procedures to ensure that the revenue was recognized in the correct accounting period. • Performing journal entry testing using a risk-based criterion, on a sample basis, relating to revenue transactions recorded by the Company and reviewing underlying documentation and business rationale of such journal entries. • Assessing the adequacy of the Company's disclosures in accordance with the applicable financial reporting framework.

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 of the Company for the year ended June 30, 2024, but does not include the financial statements, our auditor's report thereon, and the review report issued on statement of compliance with Code of Corporate Governance.

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:

INDEPENDENT AUDITOR'S REPORT

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

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

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

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial

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

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of other 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 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditors' report is Muhammad Kamran Aslam.



Chartered Accountants

Place: Lahore
Date: October 01, 2024
UDIN: AR202410827pfKCsvyMN

STATEMENT OF FINANCIAL POSITION

As at June 30, 2024

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital:			
300,000,000 Ordinary shares of Rs. 10/- each		3,000,000,000	3,000,000,000
SHARE CAPITAL			
Issued, subscribed and paid up capital	4	2,284,612,000	2,284,612,000
CAPITAL RESERVES			
Share premium	5	1,391,532,000	1,391,532,000
Surplus on revaluation of freehold land	6	309,294,525	309,294,525
		1,700,826,525	1,700,826,525
REVENUE RESERVE			
Unappropriated Profit		1,647,690,917	1,387,634,785
		5,633,129,442	5,373,073,310
NON-CURRENT LIABILITIES			
Long Term Financing - Secured	7	-	8,541,062
Deferred Liabilities	8	206,710,153	144,584,190
Deferred Grant	9	-	582,493
Lease Liabilities	10	-	4,366,411
		206,710,153	158,074,156
CURRENT LIABILITIES			
Trade and other payables	11	3,563,513,261	2,165,170,443
Due to Related Parties	12	43,420,000	297,480,434
Short Term Borrowings-Secured	13	1,393,095,588	1,470,571,476
Current portion of long term liabilities	14	18,865,031	64,585,799
Unclaimed Dividend		1,389,901	461,696
Accrued Mark Up		71,473,816	61,558,378
Provision for taxation		470,831,450	393,188,922
		5,562,589,047	4,453,017,148
Contingencies and commitments	15	-	-
		11,402,428,642	9,984,164,614
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	16	3,399,650,337	3,051,888,220
Intangible assets - capital work in progress		152,599,615	70,386,258
Net investment in finance lease		20,217,776	23,645,564
Long term deposits	17	254,540,900	254,540,900
		3,827,008,628	3,400,460,942
CURRENT ASSETS			
Stock in Trade	18	3,203,374,300	2,608,983,575
Trade Debts- Unsecured	19	2,160,059,406	1,882,148,741
Advances Deposits, prepayments & Other Receivables	20	817,795,801	523,058,370
Short Term Investments	21	1,306,290,577	1,514,904,826
Cash and Bank Balances	22	87,899,930	54,608,160
		7,575,420,014	6,583,703,672
		11,402,428,642	9,984,164,614


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



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

STATEMENT OF PROFIT OR LOSS

For the year ended June 30, 2024

	Note	June 30, 2024 Rupees	Restated June 30, 2023 Rupees
SALES - NET	23	12,409,238,742	12,396,982,521
Cost of sales	24	(10,823,043,626)	(10,889,869,543)
GROSS PROFIT		1,586,195,116	1,507,112,978
Administrative and general expenses	25	204,140,660	188,413,573
Marketing and distribution expenses	26	176,413,202	151,221,609
		(380,553,862)	(339,635,182)
OPERATING PROFIT		1,205,641,254	1,167,477,796
Finance cost	27	(299,906,390)	(386,233,578)
		905,734,864	781,244,218
Other income	28	489,667,362	292,221,415
		1,395,402,226	1,073,465,633
Other Expenses	29	(114,200,518)	(116,211,289)
PROFIT BEFORE INCOME TAXES AND FINAL TAXES		1,281,201,708	957,254,344
Taxation - Final taxes	30	(3,296,190)	(1,534,364)
PROFIT BEFORE INCOME TAX		1,277,905,518	955,719,980
Taxation - Income tax		(444,441,671)	(297,735,620)
Profit after income tax		833,463,847	657,984,360
EARNINGS PER SHARE - BASIC AND DILUTED	31	3.65	2.88

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



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

STATEMENT OF COMPREHENSIVE INCOME

For the year ended June 30, 2024

	June 30, 2024 Rupees	June 30, 2023 Rupees
PROFIT AFTER INCOME TAX	833,463,847	657,984,360
Other Comprehensive Income / (Loss)	-	
Items that will not be subsequently reclassified in profit or loss:		
- Experience adjustment on remeasurement of staff retirement	(3,696,255)	1,820,693
- Related tax impact	1,441,539	(710,070)
Other comprehensive (loss) / income for the year	(2,254,716)	1,110,623
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	831,209,131	659,094,983

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



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

STATEMENT OF CHANGES IN EQUITY

For the year ended June 30, 2024

	SHARE CAPITAL	CAPITAL RESERVES		REVENUE RESERVES	TOTAL
		SURPLUS ON REVALUATION OF FREEHOLD LAND	SHARE PREMIUM	UN- APPROPRIATED PROFIT	
	----- (Rupees) -----				
Balance as at June 30, 2022	2,284,612,000	309,294,525	1,391,532,000	728,539,802	4,713,978,327
Total Comprehensive income for the year	-	-	-	659,094,983	659,094,983
Revaluation Surplus on Land	-	-	-	-	709,294,525
Balance as at June 30, 2023	2,284,612,000	309,294,525	1,391,532,000	1,387,634,786	5,373,073,311
Final Dividend Paid for the year ended June 2023 @ 25%	-	-	-	(571,153,000)	(571,153,000)
Total Comprehensive income for the year	-	-	-	831,209,131	831,209,131
Balance as at June 30, 2024	2,284,612,000	309,294,525	1,391,532,000	1,647,690,917	5,633,129,442

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



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

STATEMENT OF CASH FLOWS

For the year ended June 30, 2024

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
CASH FLOWS FROM OPEARTING ACTIVITIES			
Profit before income taxes and final taxes		1,281,201,708	957,254,344
Depreciation	16.1	138,220,523	90,587,213
Gratuity Expense	8.1	29,639,062	21,476,748
Allowance for expected credit loss		4,776,739	-
Unrealized Exchange Loss		-	8,126,710
Amortisation of Deferred Grant	9	(3,043,317)	(4,978,457)
Gain on extinguishment of Term Finance under RFCC		-	(18,156,373)
Unrealized Loss on Investment in Shares		-	35,124,680
Un-Realised gain on investment in shares		(29,281,380)	-
Accrued Interest		(7,049,476)	(25,906,881)
Financial Charges		299,906,390	378,106,867
Worker's Profit Participation Fund	29	68,780,302	51,802,413
Worker's Welfare Fund	29	25,624,034	17,322,272
		527,572,877	553,505,192
Profit before working capital changes		1,808,774,585	1,510,759,535
EFFECT OF WORKING CAPITAL CHANGES			
Advances, Deposits And Prepayments		(146,787,981)	51,420,380
Trade Debts		(282,687,404)	(480,583,920)
Stock In Trade		(594,390,726)	(917,346,540)
Trade and other payables		1,358,957,848	260,082,911
		335,091,737	(1,086,427,169)
Financial Charges Paid		(289,990,951)	(329,302,839)
Income Tax Paid		(461,131,101)	(367,917,229)
Worker's Profit Participation Fund	8.1	(1,055,955)	(687,156)
Worker's Welfare Fund	11	(54,091,160)	(55,422,964)
		(806,269,167)	
Net cash flow from operating activities	A	1,337,597,155	(328,997,822)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property And Equipment	16.1	(326,942,164)	(453,319,118)
Capital Work in Progress		(241,253,833)	(501,150,164)
Long Term Security Deposits		3,427,788	(6,126,364)
Short Term Investments		52,829,364	179,767,239
Net cash flow from investing activities	B	(511,938,845)	(780,828,407)

STATEMENT OF CASH FLOWS

For the year ended June 30, 2024

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
CASH FLOW FROM FINANCING ACTIVITIES			
Long-term loans repaid		(51,558,110)	(377,676,130)
Liability Against Assets Subject To Finance Lease		(4,609,309)	(5,562,778)
Due to Related Parties	13	(254,060,434)	285,280,434
Dividend Paid		(571,153,000)	-
Short Term Borrowings	14	(77,475,888)	961,200,200
Net Cash flow From financing Activities	C	(958,856,741)	863,241,726
Net Increase/ (Decrease) In Cash And Cash Equivalents	A+B+C	(133,198,431)	(246,584,503)
Cash and cash equivalents at beginning of the year		1,411,532,062	1,658,116,565
Cash And Cash Equivalents At End Of The Year		1,278,333,631	1,411,532,062
Cash and cash equivalents comprise of:			
Cash in hand		26,505	183,762
Cash at bank		87,873,425	54,424,398
Short Term Investments		1,190,433,701	1,356,923,902
		1,278,333,631	1,411,532,062

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



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 The company was incorporated as a private limited company in Pakistan under the Repealed Companies Ordinance, 1984 on October 08, 2012. The principal activity of the company is manufacturing and sale of pharmaceuticals, medical chemicals and botanical products. The company was converted into public unlisted company with effect from October 13, 2020. The Company was listed on Pakistan Stock Exchange on July 09, 2021. The registered office of the company is situated at 3.5 KM, Head Balloki Road, Phool Nagar, Kasur. The Head office of the company situated at 588 Q Block, Johar Town, Lahore.

2 BASIS OF PREPARATION

2.1 Basis of measurement

These financial statements have been prepared under the historical cost convention modified by revaluation of freehold land referred to in note 3.1, certain financial instruments which are carried at their fair values and the Company's liability under defined benefit plan (gratuity) is determined on the present value of defined benefit obligations as determined by an independent actuary.

2.2 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:

International Financial Reporting Standard (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

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

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

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupees which is Company's functional currency.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with the accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. In the process of applying the Company's accounting policies, the management has made the following estimates and judgments which are significant to the financial statements:

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

	Note
- assumptions and estimates used in determining the recoverable amount, residual values and useful lives of operating fixed assets	16.1
- assumptions and estimates used in revaluation of land	6
- assumptions and estimates used in determining the useful lives and residual values of intangible assets	3.2
- assumptions and estimates used in calculating the provision for impairment for trade debts	20
- assumptions used in determination of current and deferred taxation	3.17
- assumptions and estimates used for valuation of present value of defined benefit obligation	3.19
- assumptions and estimates used in determining current taxation	30

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

2.5 Initial application of a standard, amendment or an interpretation to an existing standard

2.5.1 Amendments to published accounting and reporting standards which are effective for the year ended June 30, 2024

There were certain amendments that became applicable for the Company during the year but are not considered to be relevant or did not have any significant effect on the Company's operations and have, therefore, not been disclosed in these financial statements except that during the year certain amendments to IAS 1 Presentation of Financial Statements have become applicable to the Company which require entities to disclose their material accounting policy information rather than their significant accounting policies. These amendments have been incorporated in these financial statements with the primary impact that the material accounting policy information has been disclosed rather than the significant accounting policies.

During the year the Institute of Chartered Accountants of Pakistan (ICAP) have withdrawn the Technical Release 27 "IAS 12, Income Taxes (Revised 2012)" and issued guidance – "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes". The said guidance requires taxes paid under final tax regime to be shown separately as a levy instead of showing it in current tax.

Accordingly, the impact has been incorporated in these financial statements retrospectively in accordance with the requirement of International Accounting Standard (IAS 8) – 'Accounting Policies, Change in Accounting Estimates and Errors'. There has been no effect on the Statement of Financial Position, Earnings per share and Statement of Changes in Equity as a result of this change.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

Effect on statement of profit or loss	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy
For the year ended June 30, 2024			
Taxation - Final taxes	-	3,296,190	3,296,190
Profit before income tax	1,281,201,708	(3,296,190)	1,277,905,518
Taxation - Income tax	447,737,861	(3,296,190)	444,441,671
Profit after income tax	833,463,847	-	833,463,847
For the year ended June 30, 2023			
Taxation - Final taxes	-	1,534,364	1,534,364
Profit before income tax	957,254,344	(1,534,364)	955,719,980
Taxation - Income tax	299,269,984	(1,534,364)	297,735,620
Profit after income tax	657,984,360	-	657,984,360

2.5.2 Standard, amendments to published accounting and reporting standards and interpretations that are not yet effective and have not been early adopted by the Company

There are certain new standards and certain amendments to the accounting and reporting standards that will become mandatory for the Company's annual accounting periods beginning on or after July 1, 2024. However, these will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these financial statements.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, plant and equipments

a Owned assets

Property, plant and equipment except freehold land is stated at cost less accumulated depreciation and identified impairment losses. Freehold land is stated at Revalued amount. Cost of property, plant and equipment consists of historical cost, borrowing cost pertaining to the construction and erection period and directly attributable cost of bringing the assets into working condition.

Depreciation is charged to income on reducing balance method at the rates specified in Note 16. Full month's depreciation is charged on additions during the month, whereas no depreciation is charged on the assets disposed off during the month. Where an impairment loss is recognized, the depreciation charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and replacements are capitalized. Gains or losses on disposal of property, plant and equipment are included in the current year income.

Residual values and useful lives are reviewed at each balance sheet date and adjusted if expectations differ significantly from previous estimates. The management estimates that the financial impact of changes in the residual values and the useful lives during the year is immaterial.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

Residual values are determined by the management as the amount expects it would receive currently for an item of property, plant and equipment if it was already of the age and in the condition expected at the end of the life based on the prevailing market prices of the similar assets already at the end of its useful lives.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense.

b Right of use assets

The right-of-use asset is measured at cost, as the amount equal to initially measured lease liability adjusted for lease prepayments made at or before the commencement date, initial direct cost incurred less any lease incentives received.

The right-of-use asset is subsequently reducing balance method from the date of recognition to the earlier of the end of useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by the impairment losses, if any, and adjusted for certain remeasurement of the lease liability.

c Capital work in progress

Capital work-in-progress is stated at cost less impairment, if any. It consists of expenditure incurred and advances made in respect of items of property, plant and equipment in the course of their acquisition, construction and installation. Transfers are made to the relevant category of assets when assets are available for intended use.

3.2 Intangible assets

Intangible assets are stated at cost less accumulated amortization and accumulated impairment losses. The depreciable amount of intangible asset is amortized over the estimated useful life using the reducing balance method at the rate stated in the relevant note to the financial statements.

3.3 Impairment of non-financial assets

The carrying amount of the Company's assets is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of such assets is estimated. An impairment loss is recognized wherever the carrying amount of the asset exceeds the recoverable amount. Impairment losses are recognized in the statement of profit or loss and other comprehensive income. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If there is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the assets in prior year. Such reversal is recognized in the statement of profit or loss and other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

3.4 Stock in trade

Inventories are valued at lower of cost and net realizable value as per requirements of IAS 2. Cost of major stock items is determined as follows;

- Raw material	At weighted average cost
- Packing material	At weighted average cost
- Finished goods	Comprised of direct material, labor, and appropriate manufacturing overheads.
- Material in transit	Are stated at invoice value plus other charges incurred thereon.

Net realizable value signifies the estimates selling price in the ordinary course of business less costs necessary to be incurred in order to make a sale.

3.5 Trade and other receivables

These are classified at amortized cost and are initially recognized when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

3.6 Cash and cash equivalents

Cash and cash equivalents comprise running finances, cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

3.7 Trade debts, deposits and other receivables

These are classified at amortized cost and are initially recognized when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

3.8 Revenue recognition

The Company recognizes revenue when it transfers control over goods to its customers, being when the products are delivered to the customer and there is no unfulfilled obligation that could effect the customer's acceptance of the product. Revenue is recognized at an amount that reflects the consideration, to which the Company expects to be entitled in exchange for transferring of goods to its customers net of discount and sales related indirect taxes. The sales related indirect taxes are regarded as collected on behalf of statutory authorities. The Company generates revenue by supplying products to the customers, including export product.

- i) Revenue from sales is recognized on delivery of products to the customers with the exception that export sales if any are recognized at the time of issuance of bill of lading.
- ii) Dividend income is recognized when the right to receive dividend is established.
- iii) Income on bank deposits and short term investments are recognized using the effective yield method.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

3.9 Revenue from contract with customers

Sale of Goods

Sale of goods is recognized when the Company has transferred control of the products to the customers and there is no unfulfilled obligation that could affect the customer's acceptance of the products.

Contract assets

Contract assets arise when the Company performs its performance obligations by transferring goods to a customer before the customer pays its consideration or before payment is due.

Contract liabilities

Contract liability is the obligation of the Company to transfer goods to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Company performs its performance obligations under the contract.

3.10 Borrowings and borrowing costs

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowing costs are recognized as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalized as part of the cost of that asset.

3.11 Provisions

Provision is recognized when the Company has a legal and constructive obligation as a result of past event and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of obligation. Provision is reviewed at each date of statement of financial position and adjusted to reflect current best estimate.

3.12 Trade and other payables

Trade and other payables are recognized initially at fair value net of directly attributable cost, if any.

3.13 Related party transactions

All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes, as admissible, except in extremely rare circumstances where, subject to the approval of the board of directors, it is in the interest of the Company to do so.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

3.14 Financial instruments

All financial assets and financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. All the financial assets are derecognized at the time when the Company loses control of the contractual rights that comprise the financial assets. All financial liabilities are derecognized at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gains or losses on de-recognition of the financial assets and financial liabilities are taken to the statement of profit or loss.

3.14.1 Financial Assets

Classification

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

- a) Amortized cost where the effective interest rate method will apply;
- b) fair value through profit or loss;
- c) fair value through other comprehensive income.

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

For assets measured at fair value, gains and losses will either be recorded in statement of profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this depends on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVTOCI). The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in statement of profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

Debt Instrument

'Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

a) Amortised Cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other operating gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

b) Fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit or loss and recognised in other income/charges. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other income/charges and impairment expenses are presented as separate line item in the statement of profit or loss.

c) Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in the statement of profit or loss and presented net within other operating gains/(losses) in the period in which it arises.

De-recognition of financial assets

A financial asset (or, where applicable part of a financial asset or part of a group of similar financial assets) is derecognized when:

- i. The rights to receive cash flows from the asset have expired
- ii. 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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset.

In that case, the Company also recognizes an associated liability. 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.

Impairment of financial assets

The Company assesses on a forward looking basis the Expected Credit Losses (ECL) associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Following are financial instruments that are subject to the ECL model:

- Trade debts
- Loans, advances, deposits, prepayments and other receivables
- Short term investments
- Cash and bank balances

Simplified approach for trade debts

The Company recognises life time ECL on trade debts, using the simplified approach. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Trade debts are separately assessed for ECL measurement. The lifetime expected credit losses are estimated using the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Recognition of loss allowance

The Company recognizes an impairment gain or loss in the statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 120 days past due in making a contractual payment.

Write-off

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.

3.14.2 Financial Liabilities

Classification, initial recognition and subsequent measurement

The Company classifies its financial liabilities in the following categories:

- at fair value through profit or loss; and
- other financial liabilities

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in the case of other financial liabilities, also include directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification, as follows:

a) Fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as being at fair value through profit or loss. The Company has not designated any financial liability upon recognition as being at fair value through profit or loss.

b) Amortised cost

After initial recognition, other financial liabilities which are interest bearing are subsequently measured at amortized cost, using the effective interest rate method. Gain and losses are recognized in the statement of profit or loss, when the liabilities are derecognized as well as through effective interest rate amortization process.

De-recognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When 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 de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

3.14.3 Off-setting of financial assets and financial liabilities.

A financial asset and a financial liability is offset and the net amount is reported in the financial statements if the company has legally enforceable right to set-off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

3.15 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a. In the principal market for the asset or liability; or
- b. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market is accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- a. Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- b. Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- c. Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Chief Financial Officer determines the policies and procedures for both recurring fair value measurement and for non-recurring measurement. External valuers may be involved for valuation of significant assets and significant liabilities. For the purpose of fair value disclosures, the Company determines classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

3.16 Contingent liabilities

Contingent liabilities are disclosed when there is 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; or 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.

3.17 Taxation

Current Tax

Provision for current taxation is based on taxable income for the year at the current rates of taxation after taking into account tax credits and tax rebates available, if any.

Deferred Tax

Deferred tax is recognized using the liability method, on all temporary differences at the balance sheet date calculated at the prevailing rates, between the tax bases of assets and liabilities and their carrying costs for the purposes of financial reporting. Deferred tax liabilities are recognized for all taxable temporary differences to the extent that such differences will reverse in the due future and taxable income will be available for deducting temporary differences.

The carrying amount of deferred tax asset is reviewed on the balance sheet date and is reduced to the extent that it is no longer probable that the sufficient taxable profit will be available to allow in all or part of it for the deferred tax asset.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the assets is realized or the liability is settled based on the tax rates that have been enacted currently or subsequently at the balance sheet date.

Unrecognized deferred income tax assets are reassessed at each balance sheet date and are recognized to the extent that it becomes probable future taxable profits will allow deferred tax asset to be recovered.

3.18 Research and development cost

Research expense is recognized in profit or loss account in the year of expense and development cost is capitalized in the year when meets the development criteria.

3.19 Staff retirement benefits

The Company operates approved un-funded gratuity scheme for its workers who have completed the minimum qualifying period of service as defined under the respective scheme. Provision is made annually to cover obligations under the scheme on the basis of actuarial valuation and is charged to statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

The Company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

Calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contribution to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if, any excluding interest), are recognized immediately in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plan is recognized in statement of profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in statement of profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

3.20 Lease liability

The lease liability was measured upon initial recognition at the present value of the future lease payments over the lease term, discounted with the specific incremental borrowing rate.

Subsequently lease liabilities are measured at amortized cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in the rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

3.21 Off setting:

Financial assets and liabilities are offset and the amount is reported in the financial statements only when there is 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 to settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

3.22 Earning per share:

The company presents basic and diluted earning per share (EPS) for its ordinary shares. Basis EPS is calculated by dividing the profit or loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects for all dilutive potential ordinary shares.

3.23 Foreign currency transactions

Foreign currency transactions are recorded at the official exchange rate applicable at the transaction date. Monetary assets and liabilities are translated into rupees using official exchange rates applicable at the statement of financial position date. All gains and losses on settlement and transaction at year-end are recognized in the income statement.

3.24 Government grant

Government grants are transfers of resources to an entity by a government entity in return for compliance with certain past or future conditions related to the entity's operating activities - e.g. a government subsidy. The definition of "government" refers to governments, government agencies and similar bodies, whether local, national or international.

The Company recognizes government grants when there is reasonable assurance that grants will be received and the Company will be able to comply with conditions associated with grants.

Government grants are recognized at fair value, as deferred income, when there is reasonable assurance that the grants will be received and the Company will be able to comply with the conditions associated with the grants.

Grants that compensate the Company for expenses incurred, are recognized on a systematic basis in the income for the year in which the related expenses are recognized. Grants that compensate for the cost of an asset are recognized in income on a systematic basis over the expected useful life of the related asset.

A loan is initially recognized and subsequently measured in accordance with IFRS 9. IFRS 9 requires loans at below-market rates to be initially measured at their fair value - e.g. the present value of the expected future cash flows discounted at a market-related interest rate. The benefit that is the government grant is measured as the difference between the fair value of the loan on initial recognition and the amount received, which is accounted for according to the nature of the grant.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

3.25 Dividend to ordinary shareholders

Dividend to ordinary shareholders is recognized as a deduction from accumulated profit in the statement of changes in equity and as a liability in the Company's financial statements in the year in which the dividends are approved by the Board of Directors or the Company's shareholders as the case may be.

3.26 Share capital

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, if any.

3.27 Ijarah

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

3.28 Investment in associates

The Company's interest in equity-accounted investees represents interest in associates. Associates are those entities in which the Company has significant influence, but not control or joint control, over the financial and operating policies. Interests in associates are accounted for using the equity method. These are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, the financial statements include the Company's share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence ceases.

3.29 Operating segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company that makes strategic decisions.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
4 SHARES CAPITAL			
117,692,000 ordinary shares (2023: 117,692,000) of fully paid in cash		1,176,920,000	1,176,920,000
110,769,200 ordinary shares (2023: 110,769,200) of Rs. 10 each issued as fully paid bonus shares		1,107,692,000	1,107,692,000
		2,284,612,000	2,284,612,000

4.1 The Company has one class of ordinary shares which carry no rights to fixed income. The holders of shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the meeting of the Company. All shares rank equally with regard to the Company's residual assets.

5 SHARE PREMIUM

Share Premium Reserve can be utilized by the Company only for the purposes specified in Section 81 of the Companies Act, 2017.

6 REVALUATION SURPLUS ON LAND

6.1 The latest revaluation of freehold land has been carried out as at December 01, 2020 by Independent Valuers on the basis of their professional assessment of present market value, based on enquiries made about the cost of land of similar nature, size and location. The Forced Sale Value of Land is Rs. 891.80 Million.

7 LONG TERM FINANCING - SECURED			
Long term loan from Pak Brunei Investment Company	7.1	-	21,875,000
Term finance against purchase of machinery from Bank Al-Habib Limited		-	9,570,716
Finance of Machinery in SBP (TERF) from Bank Al-Habib Limited		12,859,000	32,971,394
		12,859,000	64,417,110
Current Portion shown under current liabilities	14	(12,859,000)	(55,876,047)
		-	8,541,062

7.1 The Company obtained long term loan from Bank Al-Habib Limited for import of plant and machinery, which is secured against the same plant and machinery. The rate of markup is 5% per annum which includes 4% BAML share and 1% SBP share. These loans are for four years and are repayable in fifteen equal quarterly instalments under SBP TERF scheme including three month grace period from the date of disbursement and markup to be recoverable on quarterly basis.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
8 DEFERRED LIABILITIES			
Staff retirement benefits - gratuity	8.1	82,620,673	50,341,311
Deferred Taxation	8.2	124,089,480	94,242,879
		206,710,153	144,584,190
8.1 Staff retirement benefits - gratuity			
8.1.1 Net liability recognized in the statement of financial position			
Present value of defined benefit obligations		82,620,673	50,341,311
8.1.2	As disclosed in note 3.19, the Company operates approved un-funded gratuity scheme for its workers who have completed the minimum qualifying period of service as defined under the respective scheme. Provision is made annually to cover obligations under the scheme on the basis of actuarial valuation and is charged to statement of profit or loss. Latest actuarial valuation was carried out as at June 30, 2024.		
8.1.3 Movement in the net liability recognized in the statement of financial position			
Net liability as at 1st July		50,341,311	31,942,412
Expense recognized in the income statement		29,639,062	21,476,748
Benefits paid during the year		(1,055,955)	(687,156)
Payables to ex-employees shown under current liabilities		-	(570,000)
Remeasurement changes chargeable to other comprehensive income		3,696,255	(1,820,693)
Net liability as at 30th June		82,620,673	50,341,311
8.1.4 Movement in the present value of defined benefit obligation is as follows:			
Present value of defined benefit obligation as at 1st July		50,341,311	31,942,412
Current service cost		19,265,400	14,181,165
Past Service Cost		2,528,062	3,068,215
Interest cost on defined benefit obligation		7,845,600	4,227,368
Benefits due but not paid (payables)		-	(570,000)
Benefit paid		(1,055,955)	(687,156)
Remeasurement of obligation		3,696,255	(1,820,693)
Present value of defined benefit obligation as at 30th June		82,620,673	50,341,311

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
8.15	Amount Chargeable to Statement of Profit or Loss		
	Service Cost	19,265,400	14,181,165
	Past service cost	2,528,062	3,068,215
	Interest cost on defined benefit obligation	7,845,600	4,227,368
		29,639,062	21,476,748
8.16	Amount recognized in other comprehensive income are:		
	Actuarial loss / (gain) due to experience adjustments	3,696,255	(1,820,693)
8.17	Key actuarial assumptions used:		
	Financial assumptions		
	Discount rate used for Interest Cost in P&L Charge	15.75%	13.50%
	Discount rate used for year end obligation	14.00%	15.75%
	Demographic Assumptions		
	Mortality Rates	SLIC 2001-2005	SLIC 2001-2005

8.18 Sensitivity analysis for actuarial assumptions:

The sensitivity of the defined benefit obligation to changes in the weighted principle assumption is:

	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	+ - by 100 bps	74,005,899	93,240,149
Salary increase	+ - by 100 bps	93,399,660	73,702,778

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

		June 30, 2025
8.1.9	Estimated Expenses to be Charged to P&L in FY 2023	
	Current service cost	21,812,249
	Interest cost on defined benefit obligation	10,797,766
	Amount chargeable to P&L	32,610,015
8.1.10	Expected Benefit Payments for the Next 10 Years and Beyond	
	FY 2025	10,987,544
	FY 2026	12,483,911
	FY 2027	13,749,631
	FY 2028	14,841,515
	FY 2029	15,784,871
	FY 2030	16,648,490
	FY 2031	17,413,200
	FY 2032	18,011,205
	FY 2033	18,619,731
	FY 2034	19,099,731
	FY 2035 onwards	9,207,814,201
	The average duration of the defined benefit obligation is	12 Years

		Note	June 30, 2024 Rupees	June 30, 2023 Rupees
8.2	Deferred Taxation			
	Opening deferred tax liability		94,242,878	82,304,170
	<i>Deferred tax charged / (reversal) to profit or loss</i>			
	Accelerated tax depreciation		40,248,407	46,295,929
	Staff retirement benefits - gratuity		(11,147,412)	(9,802,186)
	Lease Liability		(617,418)	(556,767)
	Allowance for expected credit loss		(1,862,928)	-
	Investment in Shares		4,667,492	(24,708,338)
			31,288,141	11,228,638
	<i>Deferred tax reversal to other comprehensive income</i>			
	Employees' retirement benefits		(1,441,539)	710,070
			124,089,480	94,242,878

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
8.21	Deferred taxation liability		
	- accelerated tax depreciation	179,252,577	139,004,171
	- Staff retirement benefits - gratuity	(32,222,062)	(19,633,111)
	- Lease Liability	441,867	1,059,284
	- Allowance for expected credit loss	(1,862,928)	-
	- Investment in Shares	(21,519,974)	(26,187,466)
		124,089,480	94,242,879
9	DEFERRED GRANT		
	As at 01 July	3,625,811	46,671,792
	Derecognition of Grant	-	(38,067,524)
	Amortization	(3,043,317)	(4,978,457)
		582,494	3,625,811
	Current portion	(582,494)	(3,043,317)
	As at 30 June	-	582,493

10 LEASE LIABILITIES

The amount of future minimum lease payments along with their present value and the period during which they fall due are as under:

Not later than one year	5,695,549	6,750,609
Later than one year but not later than five years	-	4,651,301
	5,695,549	11,401,910
Less: Finance charge	(272,012)	(1,369,064)
	5,423,537	10,032,846
Less: Current maturity of long term obligation	(5,423,537)	(5,666,435)
	-	4,366,411
Payable within one year	5,423,537	5,666,435
Payable after one year	-	4,366,411
	5,423,537	10,032,846

10.1 The Company entered into lease agreements with financial institutions to acquire vehicles. The liabilities under the lease agreements are payable in equal monthly instalments and are subject to finance charges at the rate 6 months KIBOR + 2.5% per annum (June 30, 2023: 6 months KIBOR + 2.5% per annum). The lease liabilities are secured against security deposits, post dated cheques and also secured against financed vehicles.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
11 CREDITORS, ACCRUED AND OTHER LIABILITIES			
Trade creditors	111	3,183,626,168	1,938,471,667
Accrued expenses	11.2	43,625,941	17,806,985
Worker's Profit Participation Fund	11.3	68,780,302	54,091,160
Worker's Welfare Fund	11.4	72,443,773	46,819,739
Sales Tax Payable		13,208,223	26,345,740
Other Liabilities		181,828,854	81,635,152
		3,563,513,261	2,165,170,443
11.1	This includes secured foreign creditors amounting Rs. 2,929.5 million (2023: Rs. 1,778.61 million) against import of raw material.		
11.2	This includes an amount of Rs. Nil (2023: Rs. 0.570 million) in respect of gratuity payable to outgoing employees. This also includes payable to directors amounting to Rs. 2.835 million (2023: Rs. 2.34 million).		
11.3 Worker's Profit Participation Fund			
Balance as at July 01		54,091,160	57,711,711
Expense recognised during the year	29	68,780,302	51,802,413
		122,871,462	109,514,124
Less: Payments during the year		(54,091,160)	(55,422,964)
Balance as at June 30		68,780,302	54,091,160
11.4 Worker's Welfare Fund			
Balance as at July 01		46,819,739	29,497,467
Expense recognised during the year	29	25,624,034	17,322,272
		72,443,773	46,819,739
Less: Payments during the year		-	-
Balance as at June 30		72,443,773	46,819,739
12 DUE TO RELATED PARTIES		12,200,000	12,200,000
Director's Loan	12.1	43,420,000	107,420,000
Loan from Associated Company		-	190,060,434
		43,420,000	297,480,434
12.1	This represents interest-free loan and is payable on demand.		

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
13	SHORT TERM BORROWINGS-SECURED		
	13.1		
	From banking companies - secured		
	Running Finances	13.1	1,393,095,588
			1,470,571,476
13.1	Running Finance facilities aggregate sanction limit of Rs. 1,487.5 million (2023: 1,387 million) and other working facilities has been obtained form different banks to meet the working capital requirements and carries markup ranging from 1 month and 3 months KIBOR + 0.5% to 1 month and 3 months KIBOR + 1.5% and is secured against first pari passu charge and deposits.		
14	CURRENT PORTION OF LONG TERM FINANCING-SECURED		
	Current portion of long term finances	7	12,859,000
	Current portion of deferred grant	9	582,494
	Current portion of lease liabilities	10	5,423,537
			18,865,031
			64,585,799
15	CONTINGENCIES AND COMMITMENTS		
15.1	Contingencies		
15.1.1	The company has filed an appeal against an order issued by the Federal Board of Revenue (FBR) under section 161/205 for the tax year 2018, amounting to Rs. 151,772,626 and the appeal is pending with the Appellate Tribunal. Based on the opinion of the company's tax advisor, the management believes that the appeal is likely to result in the nullification of the FBR order. Consequently, no provision has been made for the amount assessed.		
15.2	Commitments		
15.2.1	Letters of credit issued by various banks on behalf of the Company in ordinary course of the business (outstanding at year end)		2,929,557,768
			1,778,608,703
15.2.1	The Company has given bank guarantees of Rs. 111.816 million (2023: Rs. 61.810 million) to a utility company and other institutions against tenders.		
15.2.2	Commitments under Ijarah Agreements		
	The future aggregate payments under Ijarah arrangements are as follows:		
	Not later than one year		11,060,592
	Later than one year but not later than five years		18,914,655
			29,975,247
			43,240,063

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
16	PROPERTY PLANT & EQUIPMENT		
Operating assets		3,399,650,337	3,051,888,220
16.1	Operating Fixed Assets	3,393,093,808	3,039,139,260
	Right of Use Assets	6,556,529	12,748,960
	Capital Work-in-Progress	152,599,615	70,386,258
		3,552,249,952	3,122,274,478

16.1 Operating Fixed Assets

DESCRIPTION	COST / REVALUED AMOUNT			As At June 30, 2024	RATE %	DEPRECIATION			As At June 30, 2024	WDV As At June 30, 2024
	As At June 30, 2023	Addition/ (deletion)	Revaluation Surplus			As At June 30, 2023	For the year	Transfer during the year		
-----Rupees-----										
Owned Asset:										
Freehold Land	1,864,987,225	-	-	1,864,987,225	0	-	-	-	-	1,864,987,225
Building on Freehold Land	485,033,444	176,523,790	-	661,557,234	10%	123,266,318	38,249,583	-	161,515,900	500,041,334
Plant & Machinery	1,129,381,984	285,973,268	-	1,415,355,252	10%	350,548,344	89,471,220	-	440,019,564	975,335,687
Vehicles	18,587,322	1,901,850	21,560,200	42,049,372	20%	14,105,460	1,205,657	17,917,561	33,228,678	8,820,694
Office Equipment	26,884,214	12,667,818	-	39,552,032	15%	11,230,470	3,550,827	-	14,781,297	24,770,735
Books	181,500	-	-	181,500	10%	60,017	12,148	-	72,165	109,335
Furniture & Fixtures	14,143,901	7,678,144	-	21,822,045	15%	3,517,889	2,254,748	-	5,772,637	16,049,408
Computer	5,229,268	1,237,770	-	6,467,038	30%	2,561,101	926,546	-	3,487,647	2,979,390
	3,544,428,858	485,982,640	21,560,200	4,051,971,697		505,289,598	135,670,731	17,917,561	658,877,889	3,393,093,808
Right of Used Assets:										
Vehicle	35,556,200	-	(21,560,200)		20%	22,807,240	2,549,792	(17,917,561)	7,439,471	6,556,529
	35,556,200	-	-			22,807,240	2,549,792		25,357,032	6,556,529
As at June 30, 2024	3,579,985,058	485,982,640	-	4,065,967,697		528,096,838	138,220,523		684,234,921	3,399,650,337
As at June 30, 2023	2,681,572,207	898,412,851	-	3,579,985,058		437,509,625	90,587,213		528,096,838	3,051,888,220

16.2	Allocation of Depreciation	Cost of Sales	Administrative Expense	Selling Expense	Total
	Depreciation for the year 2024	117,880,822	13,257,947	7,081,753	138,220,523

Had there been no revaluation carrying amount of Land would be Rupees 339,885,475.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

Dep charged for the year

	Value	CGS 75	Admin 15	Selling 15	
Land	-	-			
Building	38,249,583	26,774,707.76	5,737,437	5,737,437	38,249,583
Plant & Machinery	89,471,220	89,471,220	-	-	89,471,220
Vehicles	1,205,657	602,829	301,414	301,414	1,205,657
Office Equipment	3,550,827		3,550,827	-	3,550,827
Leased vehicle	2,549,792	1,019,917	764,938	764,938	2,549,792
computer	926,546	-	648,582.46	277,963.91	926,546
Furniture	2,254,748		2,254,748		2,254,748
Books	12,148	12,148			12,148
	138,220,523	117,880,822	13,257,947	7,081,753	138,220,523

16.3 Had there been no revaluation carrying amount of Land would be Rupees 339,885,475.

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

Location / Address	Usage of immovable property	Total Area (In Kanals)	Appro. Covered Area (In sq. ft.)
3.5 KM, Head Balloki Road, Phool Nagar, Kasur	Production Unit	369.5	579,405
71-E, Hali Road, Lahore	Corporate office will be constructed	4	N/A
588-Q Block, Johar Town, Lahore	Head Office	1	15,050
Opposite DHA Phase XI, Lahore	Hospital will be constructed	12	N/A
Opposite DHA Phase XI, Lahore	Medical, Educational, Research and Teaching University will be constructed	48.3	N/A
Near New Airport Islamabad	Botanical Garden will be established	99.1	N/A

	June 30, 2024 Rupees	June 30, 2023 Rupees
16.5 Allocation of Depreciation		
Opening Balance	70,386,258	14,329,827
Additions	241,253,833	501,150,164
Transfers	(159,040,476)	(445,093,733)
Closing	152,599,615	70,386,258

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees	
17	LONG TERM ADVANCE			
	Long term advance	254,540,900	254,540,900	
171	This represents advance for purchase of shares of associated company - Yaqeen Developers Limited. The maximum aggregate balance due from the associated company with reference to any month-end was Rs. 254.541 million (2023: Rs. 254.541). The entire balance is unsecured but considered good.			
18	STOCK IN TRADE			
	Raw material	1,242,586,556	1,178,950,452	
	Packing Material	213,545,447	54,138,325	
	Stock in transit	301,603,680	336,961,352	
	Work in process	40,154,678	17,235,429	
	Finished goods	1,405,483,939	1,021,698,017	
		3,203,374,300	2,608,983,575	
19	TRADE DEBTS- UNSECURED			
	Unsecured but considered good	2,164,836,145	1,882,148,741	
	Allowance for expected credit loss	(4,776,739)	-	
		2,160,059,406	1,882,148,741	
191	Allowance for expected credit loss			
	Balance at beginning of the year	-	-	
	Charge for the year	4,776,739	-	
	Balance at end of the year	4,776,739	-	
20	ADVANCES DEPOSITS, PREPAYMENTS & OTHER RECEIVABLES			
	Advance income tax	201	511,986,684	389,662,775
	Advance against import		-	2,422,372
	Short Term Deposits		24,055,641	10,787,051
	Mark up Receivable from Yaqeen Developers Limited (Related Party)		158,677,563	96,294,943
	Advances to Suppliers		63,135,981	17,641,297
	Advance to employees- unsecured		6,425,478	4,827,654
	Other Advances and Prepayments- unsecured		8,929,211	1,422,278
	Due from related party	202	44,585,244	-
			817,795,801	523,058,370

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
20.1	Advance income tax		
	Opening balance	389,662,775	320,774,042
	Tax deducted during the year	461,131,102	367,917,229
	Tax adjusted for the year	(338,807,193)	(299,028,497)
		511,986,684	389,662,775

20.2 This represents balance receivable from the associated company - Citi Technologies (Private) Limited. The maximum aggregate balance due from the associated company with reference to any month-end was Rs. 44.976 million (2023: Nil). The entire balance is unsecured but considered good.

21 SHORT TERM INVESTMENTS

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
At amortized Cost			
-Term deposits receipts (TDRs)	21.1	865,850,673	1,036,923,902
-Accrued profit thereon		7,049,476	25,625,541
Investment in Shares- Quoted (Listed Companies)	21.2	324,583,028	320,000,000
At fair value through profit or loss			
Investment in Shares- Unquoted (LSE Financial Services Limited)	21.3	108,807,400	132,355,384
		1,306,290,577	1,514,904,826

21.1 These carry mark up ranging from 18.5% to 20.5%.

21.2 This represents deposit account in a Banking Company which is fixed for three months and roll over and carries mark up of 20.5%/annum.

21.3 Quoted - Investments

The Company holds investments in ordinary shares of listed companies . The face value of the shares is Rs. 10 per share unless otherwise stated. Details are as follows:

2024 Number of shares	2023 Number of shares	Name of investee company	2024 Rupees	2023 Rupees
-	1,000,000	Bank alfalah limited	-	30,440,000
21,420,000	21,420,000	The bank of punjab	104,315,400	74,327,400
100,000	100,000	Engro polymer & chemicals limited	4,492,000	4,225,000
-	204,097	Mcb bank limited	-	23,362,984
			108,807,400	132,355,384

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
22 CASH AND BANK BALANCE			
Cash in hand		26,505	183,762
Cash at banks:			
Current Accounts		59,946,088	40,097,064
Saving Accounts	22.1	27,927,337	14,327,334
		87,873,425	54,424,398
		87,899,930	54,608,160

22.1 The Rate of Return on Saving Accounts is Ranging from 17.50%% to 20.10% (2023: 16.50%% to 19.10%).

23 SALES - NET			
Sales-Net		12,522,288,535	12,520,353,007
Sales Discount		(137,791,002)	(123,370,486)
		12,384,497,533	12,396,982,521
Sales Tax		24,741,209	-
		12,409,238,742	12,396,982,521

23.1 Revenue has been recognized at a point in time for local sales made during the year.

24 COST OF SALES			
Raw material consumed	24.1	9,975,084,829	10,493,829,987
Salaries, Wages & Other benefits	24.2	320,436,371	274,547,716
Gas Bill		-	483,962
Electricity		183,833,211	141,699,844
Wood/corn cube		230,115,018	233,926,392
Packing Material Consumed		319,157,684	282,651,577
Fuel and Power		5,718,815	8,426,220
Repair & maintenance		34,378,295	30,432,296
Depreciation		117,880,822	76,468,923
Other Production Expenses		43,143,753	35,713,666
		11,229,748,798	11,578,180,583
Work in Process:			
Opening Work in Process		17,235,429	6,344,234
Closing Work in Process		(40,154,678)	(17,235,429)
		(22,919,249)	(10,891,195)
Cost of goods manufactured		11,206,829,548	11,567,289,388
Finished goods:			
Opening finished goods		1,021,698,017	344,278,173
Closing finished goods		(1,405,483,939)	(1,021,698,017)
		(383,785,922)	(677,419,844)
		10,823,043,626	10,889,869,543

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
24.1	Raw material consumed		
	Opening Stock	1,178,950,452	1,124,968,493
	Raw Material Purchases	10,038,720,934	10,547,811,945
	Closing stock	(1,242,586,556)	(1,178,950,452)
		9,975,084,829	10,493,829,987

24.2 This includes Rs. 19.5 million (2023: Rs. 15.14 million), in respect of employee benefits - gratuity scheme.

25 ADMINISTRATION EXPENSES

	Salaries, Wages & benefits	25.1	121,492,992	90,270,894
	Electricity bill		3,716,450	2,006,537
	Communication		483,007	1,215,268
	Printing & stationery expense		1,615,933	2,985,124
	Gardening expense		557,500	1,653,356
	Depreciation		13,257,947	9,227,218
	Water & sanitation		81,850	25,670
	Uniforms expense		2,361,989	2,820,497
	Legal and Professional Charges		769,406	2,300,500
	Auditor's remuneraton	25.2	2,150,000	1,100,000
	General Repair & Maintenance		919,768	9,594,559
	Vehicle Running & Maintenance		6,187,805	8,787,553
	Travelling and Conveyance		1,750,167	1,499,146
	Fee and Subscription		8,829,997	12,489,123
	Insurance Expenses		2,792,710	1,778,784
	Charity and Donation	25.3	6,900,321	4,804,053
	Entertainment Expense		19,795,152	18,284,910
	Postage and courier		589,968	464,542
	Miscellaneous Expenses		9,887,698	17,105,838
			204,140,660	188,413,572

25.1 This includes Rs. 7.4 million (2023: Rs. 4.67 million), in respect of employee benefits - gratuity scheme.

25.2	Auditor's remuneraton:			
	Statutory audit fee		1,800,000	1,000,000
	Other Services/Certifications		350,000	100,000
			2,150,000	1,100,000

25.3 None of the directors or their spouses have any interest in the donee. No donation exceeding Rs. 1 million has been paid to a single party during the year.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
26			
MARKETING AND DISTRIBUTION EXPENSES			
Salaries & benefits	26.1	42,712,516	37,206,224
Delivery/courier expense		66,977,277	60,413,907
Communication Expenses		2,733,414	2,387,261
Marketing, Promotional & Selling Expenses		41,540,365	38,302,545
Miscellaneous expense		15,367,877	8,020,601
Depreciation		7,081,753	4,891,071
		176,413,202	151,221,609
26.1	This includes Rs. 2.67 million (2023: Rs. 1.67 million), approximately, in respect of employee benefits - gratuity scheme.		
27			
FINANCIAL CHARGES			
Bank Charges		4,477,118	6,705,912
Exchange loss - net		-	245,683,893
Mark up on Short Term Financing		278,077,480	100,141,974
Ijara Rentals (Operating Lease)		13,946,064	13,636,183
Markup on Finance Lease		1,103,666	1,612,565
Markup on Long Term Financing		2,302,062	18,453,051
		299,906,390	386,233,578
28			
OTHER INCOME			
Income from financial assets			
Bank Profits on Saving Accounts		1,791,059	3,954,970
Profits on Term Deposit Receipts (TDRs)		294,535,408	205,031,473
Dividend Income		21,974,600	9,580,137
Exchange gain - net		65,522,455	-
Realised gain on investment in shares		11,136,524	-
Un-Realised gain on investment in shares		29,281,380	-
Markup on Investment in Yaqeen Developers Limited (Related Party)		62,382,619	50,520,005
Income from non-financial assets			
Amortisation of Grant Income		3,043,317	4,978,457
Gain on extinguishment of Term Finance under RFCC		-	18,156,373
		489,667,362	292,221,415

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees
29 OTHER EXPENSES			
Worker's Profit Participation Fund		68,780,302	51,802,413
Worker's Welfare Fund		25,624,034	17,322,272
Loss on Investment in Shares- net		-	37,417,368
Allowance for expected credit loss		4,776,739	-
Central Research Fund	29.1	15,019,443	9,669,236
		114,200,518	116,211,289

29.1 This includes prior year charge amounting to Rs. 1.065 million.

30 TAXATION - INCOME TAX AND FINAL TAXES			
Final taxes	30.1	3,296,190	1,534,364
Income tax			
Current year tax expense		467,535,260	337,784,297
Prior year reversal		(54,381,729)	(51,277,315)
Deferred tax		31,288,140	11,228,638
		444,441,671	297,735,620
		447,737,861	299,269,984

30.1 This represents final tax paid under section 150 of the Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21/IAS 37.

30.2	Reconciliation of current tax charged as per tax laws for the year, with current tax recognised in the statement of profit or loss, is as follows:		
	Current tax liability for the year as per applicable tax laws	470,831,450	339,318,661
	Portion of current tax liability as per tax laws, representing income tax under IAS 12	(467,535,260)	(337,784,297)
	Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37	(3,296,190)	(1,534,364)
		-	-

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

	Note	June 30, 2024 Rupees	June 30, 2023 Rupees	
30.3	Relationship between tax expense and accounting profit			
	Accounting profit before income tax	1,281,201,708	957,254,344	
	Corporate tax rate with super tax impact	39%	39%	
	Tax on accounting profit at 39%	499,668,666	373,329,194	
	Prior year tax reversal	(54,381,729)	(51,277,315)	
	Tax effect of:			
	- amounts not deductible for tax purposes	107,267,412	86,657,161	
	- amounts deductible for tax purposes but not taken to the statement of profit or loss	(139,400,818)	(122,202,058)	
	- income subject to final tax regime	3,296,190	1,534,364	
	- deferred tax adjustment	31,288,140	11,228,638	
		447,737,861	299,269,984	
		35%	31%	
31	EARNING PER SHARE- BASIC			
	Net profit after taxation	Rupees	833,463,847	657,984,360
	Weighted Average No. of Shares Outstanding at the year end	Number	228,461,200	228,461,200
	Earning Per Share-Basic	Rupees	3.65	2.88
	EARNING PER SHARE- DILUTIVE			
	Net profit after taxation	Rupees	833,463,847	657,984,360
	Weighted Average No. of Shares Outstanding at the year end	Number	228,461,200	228,461,200
	Earning Per Share-Basic	Rupees	3.65	2.88

32 FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

Risk management framework

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

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

32.1 Credit risk

	Agency	Rating		
		Short Term	Short Term	Long Term
Bank Al-Habib Limited	PACRA	A1+	A-1+	AAA
The Bank of Khyber	PACRA	A1	A-1	A+
Askari Bank Limited	PACRA	A1+	A-1+	AA+
Meezan Bank Limited	VIS	A-1+	A-1+	AAA
Allied Bank Limited	PACRA	A-1+	A-1+	AAA
Bank Alfalah Limited	PACRA	A1+	A-1+	AAA
Faysal Bank Limited	PACRA	A1+	A-1+	AA
Faysal Bank Limited	PACRA	A-1+	A-1+	AAA
Habib Bank Limited	VIS	A1+	A-1+	AAA
National Bank of Pakistan	PACRA	A1+	A-1+	AA+
Bank of Punjab	PACRA	A1+	A-1+	AAA
Standard Chartered Bank	PACRA	A1+	A-1+	AAA
United Bank Limited	VIS	A-1+	A-1+	AA+

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. To manage credit risk the Company maintains procedures covering the application for credit approvals, granting and renewal of counterparty limits and monitoring of exposures against these limits. As part of these processes the financial viability of all counterparties is regularly monitored and assessed.

32.1.1 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as at the end of the reporting period was as follows:

	June 30, 2024 Rupees	June 30, 2023 Rupees
Long term Security Deposits	20,217,776	23,645,564
Trade Debts- Unsecured	2,160,059,406	1,882,148,741
Short Term Investments	1,306,290,577	1,514,904,826
Bank Balances	87,899,930	54,608,160

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

32.1.2 Concentration of credit risk

The Company identifies concentrations of credit risk by reference to type of counter party. Maximum exposure to credit risk by type of counterparty is as follows:

	June 30, 2024 Rupees	June 30, 2023 Rupees
Customers	2,160,059,406	1,882,148,741
Banking companies	87,899,930	54,608,160

32.1.3 Credit quality and impairment

Credit quality of financial assets is assessed by reference to external credit ratings, where available, or to historical information about counterparty default rates. All counterparties, with the exception of customers, have external credit ratings determined by various credit rating agencies. Credit quality of customers is assessed by reference to historical defaults rates and present ages.

32.1.3(a) Counterparties with external credit ratings

These include banking companies and financial institutions, which are counterparties are bank balances and short term investments. These counterparties have reasonably high credit ratings as determined by various credit rating agencies. Due to long standing business relationships with these counterparties and considering their strong financial standing, management does not expect non-performance by these counterparties on their obligations to the Company. Following are the credit ratings of counterparties with external credit ratings:

	Carrying Amount Rupees	Contractual Cash Flows Rupees	Less than 1 year Rupees	More than 1 year Rupees
Non-derivative financial liabilities At June 30, 2024				
Long Term Loans	12,859,000	12,859,000	-	-
Staff retirement benefits - gratuity	82,620,673	82,620,673	-	82,620,673
Lease Liabilities	5,423,537	5,423,537	5,423,537	-
Creditors, Accrued and other liabilities	3,563,513,261	3,563,513,261	-	3,563,513,261
Director's Loan	43,420,000	43,420,000	-	43,420,000
Short Term Borrowings-Secured	1,393,095,588	1,393,095,588	-	1,393,095,588
Accrued mark up	71,473,816	71,473,816	-	-
Dividend payable	1,389,901	1,389,901	-	-
At June 30, 2023				
Long Term Loans	64,417,110	83,330,765	70,228,127	13,102,638
Staff retirement benefits - gratuity	50,341,311	50,341,311	-	50,341,311
Lease Liabilities	10,032,846	11,401,910	6,040,936	5,360,974
Trade and other payables	2,165,170,443	2,165,170,443	-	2,165,170,443
Due to Related Parties	297,480,434	297,480,434	-	297,480,434
Short Term Borrowings-Secured	1,470,571,476	1,470,571,476	-	1,470,571,476
Accrued Mark Up	61,558,378	61,558,378	-	-
Unclaimed Dividend	461,696	461,696	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

32.1.3(b) Counterparties without external credit ratings

These include customers which are counter parties to trade debts. The Company is exposed to credit risk in respect of trade debts. The analysis of ages of trade debts of the Company as at the reporting date is as follows:

	June 30, 2024 Rupees	June 30, 2023 Rupees
Past due 1 - 30 Days	1,106,885,571	1,201,009,254
Past due 31 - 60 Days	487,633,360	597,967,333
Past due 61 - 90 Days	570,317,213	83,172,153
Past due 61 - 90 Days	2,164,836,144	1,882,148,741

32.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner unfavorable to the Company. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and availability of adequate funds through committed credit facilities. The Company finances its operations through equity, borrowings and working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk. The management aims to maintain flexibility in funding by keeping regular committed credit lines.

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner unfavorable to the Company. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and availability of adequate funds through committed credit facilities. The Company finances its operations through equity, borrowings and working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk. The management aims to maintain flexibility in funding by keeping regular committed credit lines.

32.2.1 Exposure to liquidity risk

33.2.1(a) Contractual maturities of financial liabilities, including estimated interest payments

The following are the remaining contractual maturities at the reporting date. The amounts are grossed and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

32.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing return.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

32.3.1 Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which advances, sales and purchases and bank balances are denominated and the respective functional currency of the Company. The functional currency of the Company is Pak Rupee. The liability is mainly denominated in US Dollars.

At June 30, 2024, if the Pakistan Rupee had weakened / strengthened by 5% against the US Dollar with all other variables held constant, profit before tax for the year would have been lower / higher by as follows:

	Effect on profit before taxation	
	June 30, 2024 Rupees	June 30, 2023 Rupees
Increase in Dollar Rate	(146,477,888)	(88,930,435)
Decrease in Dollar Rate	146,477,888	88,930,435

32.3.2 Interest rate risk

Interest rate risk is the risk that fair values or future cash flows of a financial instrument will fluctuate because of changes in interest rates. Sensitivity to interest rate risk arises from mismatch of financial assets and financial liabilities that mature or re-price in a given period.

32.3.2(a) Mark-up bearing financial instruments

The effective interest / mark-up rates for interest / mark-up bearing financial instruments are mentioned in relevant notes to the financial statements. The Company's interest / mark-up bearing financial instruments as at the reporting date are as follows:

	Financial liability	
	June 30, 2024 Rupees	June 30, 2023 Rupees
Fixed rate instruments	12,859,000	32,971,394
Variable rate instruments	1,398,519,125	1,512,050,038

	Financial Assets	
	June 30, 2024 Rupees	June 30, 2023 Rupees
Fixed rate instruments	1,190,433,701	1,356,923,902
Variable rate instruments	27,927,337	14,327,334

32.3.2(b) Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit by amounts shown below. The analysis assumes that all other variables, in particular foreign exchange rates, remain constant.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

	Effect on profit before taxation	
	June 30, 2024 Rupees	June 30, 2023 Rupees
Increase of 100 basis points	(13,705,918)	(14,977,227)
Decrease of 100 basis points	13,705,918	14,977,227

32.3.2(c) Interest rate risk management

The Company manages these mismatches through risk management strategies where significant changes in gap position can be adjusted. The Company's borrowings are based on variable rate pricing that is mostly dependent on Karachi Inter Bank Offer Rate ("KIBOR") as indicated in respective notes.

32.3.3 Price risk

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

A 5% increase / decrease in share prices of listed companies at the reporting date would have increased / decreased the Company's unrealized gain on investments at fair value through profit and loss as follows:

	Effect on profit before taxation	
	June 30, 2024 Rupees	June 30, 2023 Rupees
Increase in Prices	5,440,370	6,617,769
Decrease in Prices	(5,440,370)	(6,617,769)

33 CAPITAL MANAGEMENT

The Board's policy is to maintain an efficient capital base so as to maintain investor, creditor and market confidence and to sustain the future development of its business. The Board of Directors monitors the return on capital employed, which the Company defines as operating income divided by total capital employed. The Board of Directors also monitors the level of dividends to ordinary shareholders.

The Company's objectives when managing capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders.

The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may, for example, adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

There were no changes in the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements.

34 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique.

As at year end, the net fair value of all financial assets and financial liabilities are estimated to approximate their carrying values.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. The fair values of all other financial assets and liabilities are not considered to be significantly different from their carrying values.

The Company classifies the financial instruments measured in the statement of financial position at fair value in accordance with the following fair value measurement hierarchy:

Level 1	Quoted market prices
Level 2	Valuation techniques (market observable)
Level 3	Valuation techniques (non market observable)

	Level 1	Level 2	Level 3	Total
June 2024				
Assets				
At fair value through profit or loss - Short Term Investment				
Investment in Shares- Quoted (Listed Companies)	108,807,400	-	-	108,807,400
June 2023				
Assets				
At fair value through profit or loss - Short Term Investment				
Investment in Shares- Quoted (Listed Companies)	132,355,384	-	-	132,355,384

34.1 Fair Value of Land

Valuation of the freehold land owned by the Company was valued by independent valuers to determine the fair value of the land as at December 01, 2020. The revaluation surplus was credited to other comprehensive income and is shown as 'surplus on revaluation of freehold land.

Fair value of land has been determined using level 2 fair values under following valuation technique.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

Level 2 fair value of land has been derived using the sales comparison approach. Sales prices of comparable land in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot and a slight change in the estimated price per square foot of the land would result in a significant increase in the fair value of the freehold land.

There has been no change to the valuation technique during the year.

	June 30, 2024 Rupees	June 30, 2023 Rupees
35 FINANCIAL INSTRUMENTS BY CATEGORIES		
Financial asset as at amortized cost		
Long term Security Deposits	20,217,776	23,645,564
Trade Debts	2,160,059,406	1,882,148,741
Trade Deposits and Other Receivables	24,055,641	11,068,391
Short Term Investment in TDR's	872,900,149	1,062,549,443
Deposit Account	324,583,028	320,000,000
Cash and Bank Balances	87,899,930	54,608,160
Financial assets - at FVTPL		
Short Term Investments in Shares- Quoted	108,807,400	132,355,384
Financial liabilities at amortized cost		
Long Term Financing - Secured	12,859,000	64,417,110
Lease Liabilities	5,423,537	10,032,846
Trade and other payables	3,229,483,553	1,978,687,112
Due to Related Parties	43,420,000	297,480,434
Short Term Borrowings	1,393,095,588	1,470,571,476

35.1 Fair values of financial assets and liabilities

Carrying values of all financial assets and liabilities reflected in these financial statements approximate to their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

36 TRANSACTION WITH RELATED PARTIES

The related parties of the Company comprise associated companies, directors and key management personnel. The Company in the normal course of business carried out transactions with these related parties. Remuneration and benefits to key management personnel are disclosed in Note 37. Balances of related parties are shown in the relevant notes. Transactions with related parties during the year other than those which have been specifically disclosed elsewhere in these financial statements, are as follows:

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

Nature / name of related party and basis of relationship	% of Shareholding	Nature of Transactions	June 30, 2024	June 30, 2023
			Rupees	Rupees
Associated Companies				
Citi Technologies (Pvt.) Ltd. (Common Directorship)	-	Funds Received	-	190,060,434
		Funds Paid-Net	234,946,678	-
		Payments on behalf of the Company	301,000	-
Yaqeen Developers Ltd. (Common Directorship)	-	Markup Income	62,382,619	50,520,005
Directors				
Mr. Rizwan Ahmad (Directorship / CEO)	19.5%	Loan obtained	-	95,220,000
		Loan repaid	64,000,000	-

37 REMUNERATION OF CHIEF EXECUTIVES, DIRECTORS AND EXECUTIVES

	2024			
	Chief Executive	Directors	Executives	Total
Managerial remuneration	13,900,000	20,126,560	51,070,169	85,096,729
Bonuses	1,263,636	1,677,213	-	2,940,849
Meeting Fees	-	740,000	-	740,000
	15,163,636	22,543,773	51,070,169	88,777,578
No. of persons	1	6	23	30
	2023			
	Chief Executive	Director	Executives	Total
Managerial remuneration	13,200,000	14,900,000	36,791,948	64,891,948
Bonuses	1,100,000	1,075,000	2,523,112	4,698,112
Bonuses	-	890,000	-	890,000
	14,300,000	16,865,000	39,315,060	70,480,060
No. of persons	1	6	18	25

37.1 The Chief executive, directors and executive have not been provided any other perquisites and benefits.

37.2 An executive is defined as an employee, other than the chief executive and directors, whose basic salary exceeds Rs. 1.2 million in a financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

38 OPERATING SEGMENT

For management purposes, the activities of the Company are organised into one operating segment. The Company operates in the said reportable operating segment based on the nature of the products, risks and returns, organisational and management structure and internal financial reporting systems. Accordingly, the figures reported in these financial statements are related to the Company's only reportable segment.

38.1 Revenue from sale of API and Formulation items represent 83% and 17% (2023: 90% and 10%) of the Company's total revenue respectively.

38.2 During the year, sales to local customers amounted to 12,384 million, while export sales amounted to 24.7 million.

39 NUMBER OF EMPLOYEES

Total Average number of employees during the year and as at the year end are as follows:-

	Note	June 30, 2024	June 30, 2023
Number of employees as at the year-end	39.1	615	594
Average number of employees during the year		626	601

39.1 This includes 96 (2023: 193) temporary employees.

40 PLANT CAPACITY AND ACTUAL PRODUCTION

The capacity and production of the Company's plant is indeterminable as it is a multi-product plant involving varying processes of manufacture.

41 UTILIZATION OF PROCEEDS FROM INITIAL PUBLIC OFFERING

The principal purpose of the issue was to increase the capacity in both segment of Active Pharmaceutical Ingredients (API) and Formulation and to set up a state of the art, 200 bed hospital facility in Lahore.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2024

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

Description	Funds Required (Rupees)	Allocation (%)	Actual Expenditure (Rupees)	Excess/ (Less) Incurred (Rupees)
API Segment				
Civil Works	150,000,000	7%	150,000,000	-
Procurement of Plant and Machinery	405,194,500	20%	405,194,500	-
	555,194,500	27.28%	555,194,500	-
Formulation Segment				
Civil Works	250,000,000	12%	250,000,000	-
Procurement of Plant and Machinery	307,630,000	15%	307,630,000	-
	557,630,000	27.40%	557,630,000	-
Hospital Facility				
Civil Work of Hospital Building (incl. Electrical and Mechanical work)	668,000,000	33%	-	(668,000,000)
Procurement of Plant and Machinery	254,551,500	13%	-	(254,551,500)
	922,551,500	45.33%	-	(922,551,500)
Utilization of Excess Proceeds				
Repayment of Borrowings	54,197,497	19%	54,197,497	-
Working Capital	108,902,639	37%	108,902,639	-
IPO Expenses	127,667,864	44%	127,667,864	-
	290,768,000	100%	290,768,000	-

- The project delay of Hospital is primarily stems from the complexities and challenges associated with various procedural activities. These activities encompass a range of administrative, regulatory and bureaucratic processes that are essential for the successful planning, approval and execution of a hospital project.

42 CORRESPONDING FIGURES

Corresponding figures have been re-arranged or reclassified, wherever necessary, to reflect more appropriate presentation of events and transactions for the purpose of comparison in accordance with the accounting and reporting standards as applicable in Pakistan. However, there has been no material reclassification to report.

43 EVENTS AFTER THE REPORTING PERIOD

The Board of Directors of the Company have proposed a final dividend for the year ended June 30, 2024 of Rs. **3.25** (2023: Rs. 2.5) per share at their meeting held on October 01, 2024, for approval of members in Annual general meeting to be held on October 28, 2024.

44 DATE OF AUTHORIZATION FOR ISSUE

The financial statements have been authorized for issue on October 01, 2024 by the board of directors of the company.



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

PATTERN OF SHAREHOLDING

As At June 30, 2024

No. of Shareholders	Shareholding		Total Shares held
	From	To	
841	1	100	38,436
1040	101	500	385,662
1858	501	1000	1,328,701
3291	1001	5000	7,529,524
720	5001	10000	5,408,807
291	10001	15000	3,636,182
143	15001	20000	2,569,172
104	20001	25000	2,433,269
78	25001	30000	2,198,327
38	30001	35000	1,248,804
23	35001	40000	886,011
20	40001	45000	857,952
37	45001	50000	1,833,109
16	50001	55000	852,747
23	55001	60000	1,341,894
9	60001	65000	571,855
13	65001	70000	882,298
15	70001	75000	1,110,537
6	75001	80000	469,300
8	80001	85000	667,124
4	85001	90000	352,915
2	90001	95000	180,449
12	95001	100000	1,194,640
5	100001	105000	520,000
10	105001	110000	1,094,600
5	110001	115000	569,200
1	115001	120000	117,000
1	120001	125000	124,147
2	125001	130000	255,800
1	130001	135000	134,500
1	135001	140000	140,000
1	140001	145000	145,000
5	145001	150000	744,630
1	150001	155000	155,000
3	155001	160000	472,500
2	170001	175000	346,000
1	180001	185000	183,250
1	185001	190000	189,093
1	190001	195000	194,266
2	195001	200000	400,000
1	200001	205000	205,000
1	205001	210000	207,000
1	220001	225000	225,000
1	225001	230000	225,750

PATTERN OF SHAREHOLDING

As At June 30, 2024

No. of Shareholders	Shareholding		Total Shares held
	From	To	
2	235001	240000	475,900
3	245001	250000	750,000
2	255001	260000	513,625
1	260001	265000	265,000
1	265001	270000	270,000
1	280001	285000	284,805
1	285001	290000	285,130
2	295001	300000	600,000
1	305001	310000	310,000
1	355001	360000	359,646
1	445001	450000	450,000
1	480001	485000	483,750
3	495001	500000	1,500,000
1	535001	540000	537,290
1	545001	550000	550,000
1	575001	580000	577,500
1	585001	590000	590,000
2	590001	595000	1,190,000
1	595001	600000	600,000
1	625001	630000	630,000
1	835001	840000	840,000
1	895001	900000	900,000
1	945001	950000	950,000
1	995001	1000000	1,000,000
1	1010001	1015000	1,012,686
1	1110001	1115000	1,111,520
1	1130001	1135000	1,133,555
1	1305001	1310000	1,309,023
1	1515001	1520000	1,520,000
1	1995001	2000000	2,000,000
1	2195001	2200000	2,200,000
1	2445001	2450000	2,450,000
1	3270001	3275000	3,273,500
1	4410001	4415000	4,412,833
3	14845001	14850000	44,550,000
1	44545001	44550000	44,550,000
1	59395001	59400000	59,399,986
8686			228,461,200

DETAILS OF PATTERN OF SHAREHOLDINGS

As At June 30, 2024

S. No.	Categories Shareholders	Shares Held	% Age
1	Directors, CEO, Their Spouses And Minor Childern	119,041,092	52.11
	MR. NADEEM AMJAD - DIRECTOR	59,399,986	
	MR. RIZWAN AHMAD - DIRECTOR / CEO	44,790,000	
	DR. ZAMEER UL HASSAN - DIRECTOR OPERATIONS	3	
	MR. MUHAMMAD NAEEM - DIRECTOR	14,850,000	
	MS. SAIRA ASLAM - DIRECTOR	3	
	MR. ABDUL JALEEL SHAIKH - DIRECTOR	550	
	MR. USMAN HASSAN - DIRECTOR	550	
2	Modaraba and Mutual Funds	16,216,744	7.10
	CDC - TRUSTEE MCB PAKISTAN STOCK MARKET FUND	4,412,833	
	CDC - TRUSTEE ATLAS STOCK MARKET FUND	3,273,500	
	CDC - TRUSTEE ALHAMRA ISLAMIC STOCK FUND	2,450,000	
	CDC - TRUSTEE ATLAS ISLAMIC STOCK FUND	1,309,023	
	CDC - TRUSTEE NBP STOCK FUND	1,012,686	
	CDC-TRUSTEE ALHAMRA ISLAMIC ASSET ALLOCATION FUND	840,000	
	CDC - TRUSTEE UBL STOCK ADVANTAGE FUND	537,290	
	CDC - TRUSTEE ABL STOCK FUND	500,000	
	MCBFSL - TRUSTEE ABL ISLAMIC STOCK FUND	310,000	
	CDC - TRUSTEE MCB PAKISTAN ASSET ALLOCATION FUND	270,000	
	CDC - TRUSTEE NBP FINANCIAL SECTOR INCOME FUND - MT	225,750	
	CDC - TRUSTEE PAKISTAN CAPITAL MARKET FUND	171,000	
	CDC - TRUSTEE APF-EQUITY SUB FUND	150,000	
	CDC - TRUSTEE APIF - EQUITY SUB FUND	145,000	
	CDC - TRUSTEE PAK-QATAR ISLAMIC STOCK FUND	124,147	
	CDC - TRUSTEE NBP ISLAMIC STOCK FUND	90,347	
	CDC - TRUSTEE NBP ISLAMIC SARMAYA IZAFI FUND	73,316	
	CDC - TRUSTEE ATLAS ISLAMIC DEDICATED STOCK FUND	70,000	
	CDC - TRUSTEE AWT ISLAMIC STOCK FUND	56,000	
	CDC - TRUSTEE AWT STOCK FUND	43,000	
	CDC - TRUSTEE ABL ISLAMIC PENSION FUND - EQUITY SUB FUND	30,000	
	CDC - TRUSTEE ABL PENSION FUND - EQUITY SUB FUND	30,000	
	MCBFSL TRUSTEE ABL ISLAMIC DEDICATED STOCK FUND	30,000	
	CDC - TRUSTEE NBP BALANCED FUND	28,097	
	CDC - TRUSTEE NBP SARMAYA IZAFI FUND	22,404	
	CDC - TRUSTEE ALFALAH CONSUMER INDEX EXCHANGE TRADED FUND	11,370	
	CDC - TRUSTEE ALFALAH GHP ISLAMIC DEDICATED EQUITY FUND	617	
	CDC - TRUSTEE AL-AMEEN SHARIAH STOCK FUND	364	
3	Insurance Companies and Takaful	1,185,940	0.52
	JUBILEE GENERAL INSURANCE COMPANY LIMITED	950,000	
	UNITED INSURANCE COMPANY OF PAKISTAN LIMITED	147,400	
	DAWOOD FAMILY TAKAFUL LIMITED	68,085	
	ADAMJEE LIFE ASSURANCE COMPANY LIMITED	11,540	
	DAWOOD FAMILY TAKAFUL LIMITED	8,915	

DETAILS OF PATTERN OF SHAREHOLDINGS

S. No.	Categories Shareholders	Shares Held	% Age
4	Banks Development Financial Institutions, Non Banking Financial Institutions	1,600,000	0.70
	EFG HERMES UAE L.L.C	1,000,000	
	SAMBA BANK LIMITED	600,000	
5	Joint Stock Companies	7,858,868	3.44
	INTERMARKET SECURITIES LIMITED	1,520,000	
	NCC - PRE SETTLEMENT DELIVERY ACCOUNT	1,133,555	
	MOHAMMAD MUNIR MOHAMMAD AHMED KHANANI SECURITIES LTD. - MF	1,111,520	
	MRA SECURITIES LIMITED	630,000	
	WESTBURY (PRIVATE) LTD	595,000	
	TOPLINE SECURITIES LIMITED - MF	595,000	
	TRADING ENTERPRISES (PVT) LTD	577,500	
	INSIGHT SECURITIES (PVT.) LTD	285,130	
	MOHAMMAD MUNIR MOHAMMAD AHMED KHANANI SECURITIES LIMITED	284,805	
	BULK MANAGEMENT PAKISTAN (PVT.) LTD.	265,000	
	ZAHID LATIF KHAN SECURITIES (PVT) LTD.	189,093	
	M. A. OILS (PVT.) LIMITED	115,000	
	INTERMARKET SECURITIES LIMITED - MF	107,000	
	ADAM SECURITIES LIMITED	97,500	
	SIZA (PVT.) LIMITED	50,000	
	ISPI Corporation (Private) Limited	32,000	
	B.R.R. GUARDIAN LIMITED	28,950	
	NETWORTH SECURITIES LTD	25,000	
	MRA SECURITIES LIMITED - MF	24,000	
	JS GLOBAL CAPITAL LIMITED - MF	22,000	
	PASHA SECURITIES (PVT.) LIMITED	22,000	
	DARSON SECURITIES (PRIVATE) LIMITED	17,500	
	ROCK WELL ENTERPRISES (PRIVATE) LIMITED	15,000	
	BAWANY SECURITIES (PRIVATE) LIMITED	15,000	
	MANAGEMENT AND EDUCATIONAL SERVICES (PRIVATE) LIMITED	14,000	
	NINI SECURITIES (PRIVATE) LIMITED	13,028	
	EDULJEE DINSHAW HOLDING COMPANY (PVT) LTD	10,500	
	GPH SECURITIES (PRIVATE) LIMITED	10,000	
	GALAXY CAPITAL SECURITIES (PRIVATE) LIMITED	6,500	
	ASDA SECURITIES (PVT.) LTD.	5,500	
	DIYANAH ISLAMIC FINANCIAL SERVICES (PVT.) LIMITED	5,000	
	BABAR (PRIVATE) LIMITED	5,000	
	DAWOOD EQUITIES LTD.	5,000	
	SPINZER EQUITIES (PRIVATE) LIMITED	5,000	
	KHYBER INTERNATIONAL PAK (PVT) LTD	5,000	
	ALTAZ ADAM SECURITIES (PVT) LTD.	4,500	
	A B M SECURITIES (PVT.) LIMITED	2,200	
	MULTILINE SECURITIES LIMITED	2,000	
	PUNJAB CAPITAL SECURITIES (PRIVATE) LIMITED - MT	2,000	
	Z. A GHAFFAR SECURITIES (PRIVATE) LIMITED	1,500	
	DARSON SECURITIES (PRIVATE) LIMITED - MF	1,500	
	YASIR MAHMOOD SECURITIES (PVT.) LIMITED	1,450	
	TECHNOLOGY LINKS (PVT.) LIMITED	1,000	
	MAAN SECURITIES (PRIVATE) LIMITED - MT	375	
	JS GLOBAL CAPITAL LIMITED-MM-ALFALAH-ETF	262	

DETAILS OF PATTERN OF SHAREHOLDINGS

S. No.	Categories Shareholders	Shares Held	% Age
6	Others	1,284,230	0.56
	CDC - TRUSTEE PAKISTAN PENSION FUND - EQUITY SUB FUND	590,000	
	CDC-TRUSTEE ALHAMRA ISLAMIC PENSION FUND - EQUITY SUB FUND	359,646	
	CDC - TRUSTEE NAFA PENSION FUND EQUITY SUB-FUND ACCOUNT	64,037	
	CDC - TRUSTEE NAFA ISLAMIC PENSION FUND EQUITY ACCOUNT	51,541	
	Chevron Pakistan Lubricants (Pvt.) Ltd. EPF	48,443	
	TRUSTEES OF FRIENDS EDUCATIONAL AND MEDICAL TRUST	32,000	
	CDC - TRUSTEE AGIPF EQUITY SUB-FUND	30,500	
	CDC - TRUSTEE AGPF EQUITY SUB-FUND	29,000	
	CDC - TRUSTEE FAYSAL PENSION FUND-EQUITY SUB FUND	16,000	
	TRUSTEE-ANPL MANAGEMENT STAFF GRATUITY FUND	11,400	
	HAMID ADAMJEE TRUST	10,000	
	PROVIDENT FUND TRUST-HUSEIN SUGAR MILLS LIMITED	9,000	
	TRUSTEE-ANPL MAN STAFF DEFINED CONTRIBUTIO SUPERANNUATION FD	9,000	
	TRUSTEES HOMMIE&JAMSHED NUSSERWANJEE C.T	7,150	
	TRUSTEE-ANPL MANAGEMENT STAFF PROVIDENT FUND	6,800	
	TRUSTEE-ANPL MANAGEMENT STAFF PENSION FUND	6,000	
	TRUSTEES OF UBL FUND MNGRS LTD AND ASSOCIATED COYS E.G.FUND	3,700	
	GETZ PHARMA (PRIVATE) LIMITED EMPLOYEES PROVIDENT FUND	13	
	General Public	81,274,326	35.57
	Total	228,461,200	100.00
Shareholders Holding Ten Percent Or More In The Company			
	MR. NADEEM AMJAD - DIRECTOR	59,399,986	26.00
	MR. RIZWAN AHMAD - DIRECTOR / CEO	44,790,000	19.61

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given to the members that the Annual General Meeting of Citi Pharma Limited will be held on October 28, 2024, Monday, at 11:00 AM at 588- Q Block, M.A Johar Town, Lahore as well as through Video Conference facility to transact the following businesses:

Ordinary Business

1. To confirm the minutes of last Annual General Meeting (AGM) held on October 27, 2023.
2. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2024 together with Directors' and Auditors' Report thereon, can be accessed and downloaded from the following link and QR enabled code:

Weblink

<http://www.citipharma.com.pk>

QR Code



3. To appoint statutory auditors of the Company for the year ending on June 30, 2025 and fix their remuneration. The Board of Directors upon recommendations of Audit Committee has recommended M /s Aslam Malik & Co. Chartered Accountant, being eligible for re-appointment and have offered themselves for re-appointment at a fee to be mutually agreed and reimbursements of out-of-pocket expenses at actuals.
4. To approve payment of final cash dividend of Rs. 3.25 per share i.e. 32.5% for the year ended June 30, 2024, as recommended by the Board of Directors.

Special Business

5. To approve the relocation of the proposed hospital site within the city from its current address at 71-E/1, Hali Road, Gulberg III, Lahore, to a new site adjacent to Khayabane Zafar/DHA Rahbar, Lahore. Furthermore, to consider and pass the following resolution as a special resolution, with or without any amendments or modifications as deemed necessary:

"RESOLVED that the consent and approval of the members of Citi Pharma Limited be and is hereby granted for the relocation of the hospital within the city, from its current site at 71-E/1, Hali Road, Gulberg III, Lahore, to the new location adjacent to Khayabane Zafar / DHA Rahbar, Lahore.

FURTHER RESOLVED THAT the Managing Director & CEO and / or the Company Secretary be and are hereby singly or jointly authorized to do all necessary acts, deeds and things in connection therewith and ancillary thereto as may be required or expedient to give effect to the spirit and intent of the above resolution."

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

By the Order of the Board

Ghulam Dastgeer
Company Secretary

October 7, 2024
Lahore

NOTICE OF ANNUAL GENERAL MEETING

Notes

1. Closure of Share Transfer Books

The Share Transfer books of the Company will remain closed from October 21, 2024 to October 28, 2024 (both days inclusive). Transfers received in order at the office of Company's Share Registrar, M/s F.D Registrar Services (Pvt.) Limited, 17th Floor, Saima Trade Tower-A, I.I Chundrigar Road, Karachi at the close of business on October 20, 2024 will be treated in time for the purpose of above entitlement to the transferees and for the purposes of attending the Annual General Meeting (AGM).

2. Participation in the AGM Proceeds via video conferencing facility:

- a) A member entitled to attend and vote at this meeting may appoint any other member as his/her proxy to attend and vote. A proxy form is enclosed.
- b) The instrument appointing a proxy and the power of attorney or other authority under which it is signed or a notarized/attested copy of power of attorney must be deposited at the Head Office of the Company situated at 588 Q Block, Johar Town, Lahore at least 48 hours before the time of the AGM i.e., latest by Saturday, October 26, 2024 at 11:00 am
- c) Shareholders interested in attending the AGM through Zoom application, a video-link facility, are hereby requested to get themselves registered with the Company at least two (2) - days before the time of AGM i.e., by Saturday, October 26, 2024, 11:00 a.m. by sending an email with subject: "Registration for CPHL AGM" at the given email address corporate@citipharma.com.pk or WhatsApp No. 0312-8569507 along with a valid scanned copy of their CNIC.

Registration to Attend Annual General Meeting through Videos Conferencing Facility

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

Video-link for the meeting will be sent to members at their provided email addresses enabling them to attend the meeting on the given date and time.

Login facility will be opened thirty (30) minutes before the meeting time to enable the participants to join the meeting after the identification process. Shareholders will be able to login and participate in the AGM proceedings through their devices after completing all the formalities required for the identification and verification of the shareholders.

3. Guidelines for CDC Account Holders

TCDC Account Holders will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan.

A. For attending the meeting

- i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the CDC Regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.
- ii) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

B. For appointing proxies

- i. In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form accordingly.

- ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC number shall be mentioned on the form.
- iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv) The Proxy shall produce his/her original CNIC or original passport at the time of the meeting.
- v) In case of a corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

4. Notification for change in address

Members holding shares in physical form are requested to promptly notify Share Registrar of the Company of any change in their addresses. Shareholders maintaining their shares in electronic form should get their address updated with their participant or CDC Investor Account Services.

5. Submission of copy of CNIC/NTN (Mandatory)

Individual members who have not yet submitted photocopy of their valid CNIC to the Company/Share Registrar, are once again requested to send their CNIC (copy) at the earliest directly to the Company's Share Registrar, M/s F.D Registrar Services (Pvt.) Limited, 17th Floor, Saima Trade Tower-A, I.I Chundrigar Road, Karachi. Corporate Entities are requested to provide their National Tax Number (NTN). Please also give Folio Number with the copy of CNIC/NTN details.

6. Payment of Cash Dividend Electronically (Mandatory)

In accordance with the provisions of Section 242 of the Companies Act, 2017 and Regulation no. 4 of the Companies (Distribution of Dividends) Regulations, 2017, it is mandatory for a listed company to pay cash dividend to its shareholders only through electronic mode directly into bank account designated by the entitled shareholders.

In order to receive dividend directly into their bank account, shareholders are requested to fill in "E-Dividend Mandate Form" available on Company's website (<http://www.citipharma.com.pk>) and send it duly signed along with a copy of CNIC to the Company's Share Registrar, M/s F.D Registrar Services (Pvt.) Limited, 17th Floor, Saima Trade Tower-A, I.I Chundrigar Road, Karachi, in case of physical shares.

In case shares are held in CDC then "E-Dividend Mandate Form" must be submitted directly to shareholder's broker/participant/CDC Investor Account Services.

Please note that as per Section 243 of the Companies Act, 2017 and Regulation No. 6 of the Companies (Distribution of Dividends) Regulations, 2017, listed companies are entitled to withhold payment of dividend, if necessary, information is not provided by the shareholders.

7. Withholding Tax on Dividend Income

The rates of deduction of income tax from dividend payments under the Income Tax Ordinance, 2001 are as follows:

- i) Rate of tax deduction for persons appearing in Active Taxpayer List (ATL) | 15%
- ii) Rate of tax deduction for persons not appearing in Active Taxpayer List 30%

In this regard, all shareholders who hold shares with Joint Shareholder(s) are requested to provide shareholding proportions of and Joint Shareholder(s) in respect of shares held by them to our Share Registrar, in writing as follows:

Folio/CDC Account #	Total Shares	Principal Shareholder		Joint Shareholder	
		Name and CNIC #	Shareholding Proportion (No. of Shares)	Name and CNIC #	Shareholding Proportion (No. of Shares)

Note: The required information must reach the Company's Share Registrar by Sunday, October 20, 2024; otherwise, it will be assumed that the shares are equally held by Principal Shareholder and Joint Shareholder(s).

To enable the Company to make tax deductions on the amount of cash dividend @15% instead of 30%, shareholders are requested to please check and ensure Filer status from Active Taxpayer List ("ATL") available at FBR website <http://www.fbr.gov.pk/> as well as ensure that their CNIC/Passport number has been recorded by the Participant/Investor Account Services or by Share Registrar (in case of physical shareholding). Corporate entities (non-individual shareholders) should ensure that their names and National Tax Numbers (NTN) are available in ATL at FBR website and recorded by respective Participant/Investor Account Services or in case of physical shareholding by Company's Share Registrar.

Withholding tax exemption from dividend income, shall only be allowed if a copy of valid tax exemption certificate is made available to the Company's Share Registrar by Sunday, October 20, 2024.

8. Availability of Annual Audited Financial Statements on the Company's website

In accordance with the provisions of Section 223(7) of the Companies Act, 2017, the audited financial statements of the Company for the year ended June 30, 2024, are available on the Company's website (<http://www.citipharma.com.pk>).

9. Transmission of Financial Statements to the Members through e-mail

In terms of the approval of the members of the Company in their Annual General meeting held on October 27, 2023 and pursuant to the SECP's Notification No. 389(I)/2023 dated March 21, 2023, the annual report of the Company containing audited financial statements of the Company for the year ended June 30, 2024 along with Auditors and Directors Report thereon, the Chairperson's Review and notice of AGM etc. have been placed on the website of the Company which can be downloaded from the following link and / or QR code:

Weblink
<http://www.citipharma.com.pk>

QR Code



The shareholders who wish to receive hard copy of the Annual Report may send their request to the Company Secretary / Share Registrar, the Standard Request Form available on the website of the company and the will supply hard copy of the Annual Report to the Shareholders on demand, free of cost, within one week of such demand.

10. Conversion of Physical Shares into Book Entry Form

As per section 72 of the Companies Act, 2017 every listed Company is required to replace its physical shares with book-entry form. Therefore, the shareholders having physical shares are requested to convert the shares into book entry.

Polling on Special Business:

The members are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018 ("the Regulations") amended through Notification vide SRO 2192(1)/2022 dated December 05, 2022, issued by the Securities and Exchange Commission of Pakistan ("SECP"), SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members on all businesses classified as special business.

Accordingly, members of Citi Pharma Limited will be allowed to exercise their right to vote through electronic voting facility or voting by post for the special business in its forthcoming Annual General Meeting to be held on Monday, October 28, 2024, at 11:00 am, in accordance with the requirements and subject to the conditions contained in the aforesaid Regulations.

For the convenience of the shareholders, ballot paper is available on the Company's website at www.citipharma.com.pk.

Procedure for E-Voting:

- I. Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business on October 18, 2024.
- II. The web address, login details, and password, will be communicated to members via email. The security codes will be communicated to members through SMS from the web portal of CDC Share Registrar Services Limited (being the e-voting service provider).
- III. Identity of the Members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.
- IV. E-Voting lines will start from October 24, 2024, 09:00 a.m. and shall close on October 27, 2024 at 5:00 p.m. Members can cast their votes any time during this period. Once the vote on a resolution is cast by a Member, he / she shall not be allowed to change it subsequently.

PROCEDURE FOR VOTING THROUGH POSTAL BALLOT:

The shareholders shall ensure that duly filled and signed ballot papers along with copy of valid Computerized National Identity Card (CNIC)/ copy of passport (non-resident) should reach the Chairman of the meeting through post on the Company's registered address, 588- Q Block, M.A Johar Town, Lahore or by email corporate@citipharma.com. pk, one (1) day before the day of poll i.e. October 27, 2024 during working hours. The signature on the ballot paper shall match with the signature on CNIC.

CITI PHARMA LIMITED
POSTAL BALLOT PAPER

for voting through post for the Special Business at the Annual General Meeting to be held on Monday, October 28, 2024, at 11:00 a.m. at 588- Q Block, M.A Johar Town, Lahore .

Website: www.citipharma.com.pk.

Folio / CDS Account Number		
Name of Shareholder / Proxy Holder		
Registered Address		
Number of shares Held		
CNIC/Passport No. (in case of foreigner) (copy to be attached)		
Additional information and enclosures (in case of representative of body corporate, corporation, and federal Government)		
Name of Authorized Signatory		
CNIC/Passport No. (in case of foreigner) of Authorized Signatory (copy to be attached)		
Resolution For Agenda Item No. 5		
To approve the relocation of the hospital within the city from its current address at 71-E/1, Hali Road, Gulberg III, Lahore, to a new site adjacent to Khayabane Zafar/DHA Rahbar, Lahore. Furthermore, to consider and pass the following resolution as an ordinary resolution, with or without any amendments or modifications as deemed necessary: "RESOLVED that the consent and approval of the members of Citi Pharma Limited be and is hereby granted for the relocation of the hospital within the city, from its current site at 71-E/1, Hali Road, Gulberg III, Lahore, to the new location adjacent to Khayabane Zafar / DHA Rahbar, Lahore. FURTHER RESOLVED THAT the Managing Director & CEO and / or the Company Secretary be and are hereby singly or jointly authorized to do all necessary acts, deeds and things in connection therewith and ancillary thereto as may be required or expedient to give effect to the spirit and intent of the above resolution."		
Instructions For Poll		
1. Please indicate your vote by ticking (√) the relevant box.		
2. In case if both the boxes are marked as (√), you poll shall be treated as "Rejected".		
I/we hereby exercise my/our vote in respect of the above resolution through ballot by conveying my/our assent or dissent to the resolution by placing tick (√) mark in the appropriate box below;		
Resolution	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
Resolution For Agenda Item No. 5		
1. Dully filled ballot paper should be sent to the Chairman at 588- Q Block, M.A Johar Town, Lahore or e-mail at corporate@citipharma.com.pk		
2. Copy of CNIC/ Passport (in case of foreigner) should be enclosed with the postal ballot form.		
3. Ballot paper should reach the Chairman within business hours by or before October 27, 2024. Any postal Ballot received after this date, will not be considered for voting.		
4. Signature on ballot paper should match with signature on CNIC/ Passport. (In case of foreigner).		
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written poll paper will be rejected.		
6. In case of a representative of a body corporate, corporation or Federal Government, the Ballot Paper Form must be accompanied by a copy of the CNIC of an authorized person, an attested copy of Board Resolution, / Power of Attorney, / Authorization Letter etc., in accordance with Section(s) 138 or 139 of the Companies Act, 2017 as applicable. In the case of foreign body corporate etc., all documents must be attested by the Counsel General of Pakistan having jurisdiction over the member.		
7. Ballot Paper form has also been placed on the website of the Company at: www.citipharma.com.pk . Members may download the Ballot paper from the website or use an original/photocopy published in newspapers.		
<hr style="width: 80%; margin: 0 auto;"/> Shareholder / Proxy holder Signature/Authorized Signatory (In case of corporate entity, please affix company stamp)		Date

اطلاع سالانہ اجلاس عام

اطلاع سالانہ اجلاس عام سٹی فارما لمیٹڈ سٹی فارما لمیٹڈ سٹی فارما لمیٹڈ سٹی فارما لمیٹڈ
بذریعہ ہذا ارکان کو مطلع کیا جاتا ہے کہ سٹی فارما لمیٹڈ کا سالانہ اجلاس عام 28 اکتوبر 2024 بروز پیر صبح 11:00 بجے بمقام 588-Q بلاک M.A جوہر ٹاؤن، لاہور پروڈیو کانسٹریکشن کی سہولت کے ذریعے درج ذیل امور کی انجام دہی کے لیے منعقد ہوگا:
عام امور:

1- 27 اکتوبر 2023 کو منعقدہ گزشتہ سالانہ اجلاس عام (AGM) کی کارروائی کی توثیق کرنا۔

2- 30 جون 2024 کو ختم ہونے والے سال کے لیے کمپنی کے نظر ثانی شدہ مالیاتی گوشواروں معدان پر ڈائریکٹرز اور آڈیٹرز کی رپورٹ کی وصولی، غور و خوض اور منظور کرنا۔

QR Code <http://www.citipharma.com.pk>



3- 30 جون 2025 کو ختم ہونے والے سال کے لیے کمپنی کے قانونی آڈیٹرز کی تقرری اور ان کا معاوضہ تعیین کرنا۔ آڈٹ کمپنی کی سفارشات پر بورڈ آف ڈائریکٹرز نے میسرز اسلم ملک اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس کو اہل ہونے کی بنیاد پر دوبارہ تقرری کی سفارش کی ہے اور انہوں نے باہمی رضامندی سے فیس اور اصل جیب خرچ پر خود کو دوبارہ تقرری کے لئے پیش کیا ہے۔

4- حتمی نقد منافع منقسمہ بشرح 32.5% یعنی 3.25 روپے فی عام شیئر 30 جون 2024 کو ختم ہونے والے سال کے لیے ادا کرنے کی منظوری جیسا کہ بورڈ آف ڈائریکٹرز نے سفارش کیا۔
خصوصی امور:

5- تجویز کردہ ہسپتال کوشہر کے اندر اس کے موجودہ پتہ، 71-E/1، حالی، روڈ، گلبرگ III، لاہور سے خیابان ظفر، DHA، رہبر، لاہور سے ماحقہ ایک نئی جگہ پر منتقل کرنے کی منظوری دینا۔ مزید برآں، مندرجہ ذیل قرارداد کو ایک خصوصی قرارداد کے طور پر غور کرنے اور پاس کرنے کے لیے، بغیر کسی ترمیم یا ترمیم کے ساتھ، جیسا کہ ضروری سمجھا جاتا ہے۔ قرارداد پابا ہے کہ سٹی فارما لمیٹڈ کے ممبران کی منظوری کے ساتھ شہر کے اندر ہسپتال کی منتقلی کرنے کی منظوری دی جائے گی۔ اس کی موجودہ جگہ، 71-E/1، حالی، روڈ، گلبرگ III، لاہور سے نئی جگہ خیابان ظفر، DHA، رہبر سے ماحقہ، لاہور پر ہوگی۔

مزید قرارداد پابا ہے کہ کمپنی کے مینجنگ ڈائریکٹر اور سی ای او/یا کمپنی سیکرٹری تمام کاموں، اعمال اور چیزوں کو کرنے، تمام قانونی تقاضے، ضروری اقدامات اٹھانے یا کرنے کا سبب بننے اور ضروری دستاویزات فائل کرنے جو کہ اس قرارداد کو نافذ کرنے کے مقاصد کے لیے ضروری یا اتفاتی ہوں کے مجاز ہیں۔

صاحب صدر کی اجازت سے کوئی دیگر امور سرانجام دینا۔

حسب الحکم بورڈ

(غلام بگتیر)

کمپنی سیکرٹری

7 اکتوبر 2024

لاہور

نوٹ:

1- کتابوں کی بندش: کمپنی کی منتقلی حصص کی کتابیں، برائے 30 جون 2024 تختہ سال اور سالانہ اجلاس عام کی شرکت اور ووٹنگ کے استحقاق کیلئے 21-10-2024 تا 28-10-2024 (بشمول ہر دو ایام) بند رہیں گی۔ مادی منتقلیاں/CDS ٹرانزیکشنز/IDs، درست کمپنی کے شیئر رجسٹرار، میسرز، ایف ڈی رجسٹرار سروسز (پرائیوٹ) لمیٹڈ 17 ویں منزل، صائمہ ٹریڈ ٹاور، اے، ائی ائی چند بگ روڈ، کراچی میں 20 اکتوبر 2024 کو کاروبار کے اختتام پر وصول ہونیوالی اجلاس میں شرکت کے لیے بروقت تصور ہوگی۔

2- ویڈیو کانفرنسنگ کی سہولت کے ذریعے (AGM) سالانہ عام اجلاس کی کارروائیوں میں شرکت:

(a) سالانہ عام اجلاس میں شرکت، تقریر اور ووٹ دینے کا اہل رکن کسی دوسرے رکن کو اپنی طرف سے شرکت، تقریر اور ووٹ دینے کے لیے اپنا پراکسی مقرر کرنے کا اہل ہے۔

(b) پراکسی اور پاور آف اٹارنی یا دیگر اتھارٹی کا تقرر کرنے والا آلہ جو کہ زبردستی ہو یا پورا یا اتھارٹی کی ایک نوٹرائزڈ مصدقہ کاپی اجلاس کے وقت سے کم از کم 48 گھنٹے پہلے، 26 اکتوبر 2024ء بروز ہفتہ کو صبح 11:00 بجے تک کمپنی کے ہیڈ آفس واقع Q-بلاک M.A جوہر ٹاؤن، لاہور میں جمع کرائی جانی چاہیے۔ پراکسی کا فارم منسلک ہے۔

(c) ذوم اپیکیشن، ویڈیو کانفرنسنگ کی سہولت کے ذریعے AGM میں شرکت کی دلچسپی رکھنے والے شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ AGM سے کم از کم دو (2) دن پہلے 26 اکتوبر 2024ء بروز ہفتہ صبح 11:00 بجے مندرجہ ذیل معلومات کو بعنوان "سٹی فارما لمیٹڈ، سالانہ اجلاس عام کے لیے رجسٹریشن" کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) کے دونوں اطراف

اطلاع سالانہ اجلاس عام

کی موثر کاپی کے ہمراہ corporate@citipharma.com.pk پر ای میل یا واٹس ایپ 0312- 8569507 کریں۔ ویڈیولنک اور لاگ ان کی اسناد صرف ان ممبروں کے ساتھ شیئر کی جائیں گی۔

شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ مندرجہ ذیل معلومات فراہم کریں۔

مکمل نام	CNIC نمبر	فولیو/ CDC اکاؤنٹ نمبر	ای میل ایڈریس	سیل نمبر	حصص کی تعداد

میٹنگ کا ویڈیولنک ممبران کو ان کے فراہم کردہ ای میل ایڈریس پر بھیجا جائے گا تاکہ وہ دی گئی تاریخ اور وقت پر اجلاس میں شرکت کر سکیں۔ لاگ ان کی سہولت میٹنگ کے وقت سے (30) منٹ پہلے شروع کر دی جائے گی تاکہ شرکاء کو شناخت کے عمل کے بعد میٹنگ میں شامل ہونے کے قابل بنایا جائے۔ شیئر ہولڈرز کی شناخت اور تصدیق کے لیے درکار تمام رہی کاروائیوں کو مکمل کرنے کے بعد اپنے آلات کے ذریعے لاگ ان اور AGM کی کاروائی کے حصہ لے سکیں۔

3-CDC شیئر ہولڈرز کے لیے رہنما اصول:

CDC شیئر ہولڈرز سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی طرف سے بیان کردہ درج ذیل رہنما اصولوں پر عمل کرنا ہوگا۔

اجلاس میں شرکت کیلئے:

- (a) بصورت افراد، اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور/یا شخص جن کی سیکورٹیز گروپ اکاؤنٹ میں ہیں اور انکی رجسٹریشن تفصیلات قواعد کے مطابق اپ لوڈ ہیں، کو اجلاس میں شرکت کے وقت اپنے اصل کمپیوٹر انٹرنیٹ کمیونٹی بورڈ آف ڈائریکٹرز قرار داد/مختار نامہ مع مزودہ کے نمونہ دستخط اجلاس کے وقت مہیا کرنا ہوئے۔ (اگر پہلے مہیا نہیں کئے گئے)۔
- (b) بصورت کارپوریٹ اینٹی بورڈ آف ڈائریکٹرز قرار داد/مختار نامہ مع مزودہ کے نمونہ دستخط اجلاس کے وقت مہیا کرنا ہوئے۔ (اگر پہلے مہیا نہیں کئے گئے)۔
- B- پراسی تفری کیلئے:

- a- بصورت افراد، اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور/یا شخص جن کی سیکورٹیز گروپ اکاؤنٹ میں ہیں اور انکی رجسٹریشن تفصیلات قواعد کے مطابق اپ لوڈ ہیں، کو بالا ریکورڈ منٹ کے مطابق پراسی فارم جمع کرنا ہوگا۔
- (b) پراسی فارم، دو افراد جن کے نام، پتے اور CNIC نمبرز فارم پر مذکور ہونگے، کے گواہی شدہ ہونے چاہئیں۔
- (c) بینیفیشل اونرز اور پراسی کے CNIC یا پاسپورٹ کی مصدقہ نقول پراسی فارم کے ہمراہ جمع کرنا ہوگی۔
- (d) پراسی، اجلاس کے وقت اپنا اصل CNIC یا اصل پاسپورٹ مہیا کرے گا۔
- کارپوریٹ اینٹی بورڈ آف ڈائریکٹرز قرار داد/مختار نامہ مع نمونہ دستخط، کمپنی کو پراسی فارم کے ہمراہ جمع کرنا ہوئے۔ (اگر پہلے مہیا نہیں کئے گئے)۔

4- پتہ میں تبدیلی کی اطلاع:

فزیکل شیئر ہولڈنگ رکھنے والے ممبران سے درخواست کی جاتی ہے کہ ایڈریس کی تبدیلی، اگر کوئی ہو تو فوری طور پر اپنا CDC Investor Account Services کو اپڈیٹ مطلع کریں۔

5-CNIC/NTN کی کاپی جمع کرنا مینڈیٹری:

انفرادی ممبران سے درخواست کی جاتی ہے کہ وہ اپنے CNIC کی کاپی ہمارے رجسٹرار سروسز (پرائیویٹ) لمیٹڈ 17 ویں منزل، صائمہ ٹریڈ ٹاور، A، ائی آئی چند بگ روڈ، کراچی پر کارآمد CNIC کی کاپی ارسال کریں کارپوریٹ اداروں سے درخواست ہے کہ وہ اپنے CNIC، NTN اور فولیو نمبر کا حوالہ بھی دیں۔

6- نقد منافع منقسمہ کی مینڈیٹری:

کمپنیز ایکٹ، 2017 کی دفعہ 242 کے تحت لسٹڈ کمپنیز کے نقد ادا ہونے والے کسی بھی منافع کو صرف الیکٹرانک ماڈ کے ذریعہ سے حصص یافتگان کے نامزد کردہ بینک اکاؤنٹ میں ادا کیا جائے گا۔ تمام حصص یافتگان فزیکل شیئر کی صورت میں جنہوں نے اپنے IBAN فراہم نہیں کیے ان سے ایک بار پھر درخواست کی جاتی ہے کہ وہ اپنے بینک مینڈیٹ کی تفصیلات فراہم کر دیں جو کہ کمپنی کی ویب سائٹ

(http://www.citipharma.com.pk) پر دستیاب ہے اور اس کو دستخط شدہ بمعہ CNIC کمپنی کے شیئر رجسٹرار، میسرز، ایف ڈی رجسٹرار سروسز (پرائیوٹ) لمیٹڈ 17 ویں منزل صائمہ ٹریڈ ٹاور، A، ائی ائی چند بگ روڈ، کراچی کو فراہم کریں۔ وہ حصص یافتگان جو اپنے حصص سنٹرل ڈیپازٹری کمپنی آف پاکستان سی ڈی سی میں رکھتے ہیں انہیں مشورہ دیا جاتا ہے کہ وہ متعلقہ CDC کے شرکا کو بینک مینڈیٹ کی تفصیلات فراہم کر دیں جس کا اوپر بتایا گیا ہے۔

براہ کرم نوٹ کر لیں کہ کمپنی ایکٹ 2017 کے سیکشن 243 اوکینیٹ (ڈسٹریبیوشن آف ڈیویڈنڈ) ریگولیشنز 2017 کے ریگولیشن نمبر 6 کے مطابق لسٹڈ کمپنیاں ڈیویڈنڈ روکنے کی حقدار ہیں، اگر شیئر ہولڈرز ضروری معلومات فراہم نہیں کرتا تو۔

7- ڈیویڈنڈ پروڈ ہولڈنگ ٹیکس کی ڈیکلریشن:

انکم ٹیکس آرڈیننس 2001 کے تحت انکم ٹیکس کی ڈیکلریشن کی شرحوں پر درج ذیل کے مطابق نظر ثانی کی گئی ہے:

1- فعال ٹیکس دہندہ کی فرسٹ ATL میں ظاہر ہونے والے افراد کے لیے فائلرز 15% 2- فعال ٹیکس دہندہ کی فرسٹ ATL میں ظاہر نہ ہونے والے افراد کے لیے نان فائلرز 30% اس سلسلے میں تمام شیئر ہولڈرز جو جوینٹ شیئر ہولڈرز کے ساتھ شیئر رکھتے ہیں ان سے درخواست کی جاتی ہے کہ وہ اپنے شیئرز کے حوالے سے جوینٹ شیئر ہولڈر کا تناسب ہمارے شیئر رجسٹرار کو تحریری طور پر فراہم کریں۔

Joint Shareholder		Principal Shareholder		Total Shares	Folio/CDC Account #
Name and CNIC #	Shareholding Proportion (No.of Shares)	Shareholding Proportion (No.of Shares)	Name and CNIC #		

نوٹ:

مطلوبہ معلومات بروز اتوار 20 اکتوبر 2024 تک کمپنی کے شیئر رجسٹرار کو پہنچائیں، بصورت دیگر یہ فرض کیا جائے گا کہ حصص پرنسپل شیئر ہولڈر اور جوینٹ شیئر ہولڈر کے شیئر برابر ہیں۔ کمپنی کو 30% کی بجائے 15% کیش ڈیویڈنڈ کی رقم پر ٹیکس کوٹنی کرنے کے قابل بنانے کے لیے شیئر ہولڈرز سے درخواست کی جاتی ہے کہ FBR کی ویب سائٹ <http://www.fbr.gov.pk> پر ATL لسٹ سے چیک کریں اور یقینی بنائیں۔ اس کے ساتھ ساتھ اس بات کو بھی یقینی بنائیں کہ ان کا CNIC/ Passport نمبر حصہ لینے والے اسرما یا کاراکاؤنٹ سروسز یا شیئر رجسٹرار کے ذریعے ریکارڈ کیا گیا ہے (فیزیکل شیئر ہولڈنگ کی صورت میں) (کارپوریٹ انفرادی شیئر ہولڈرز) اس بات کو یقینی بنانا چاہیے کہ ان کے نام اور NTN یا کمپنی کے شیئر رجسٹرار کے ذریعے فیزیکل شیئر ہولڈنگ کی صورت میں موجود ہیں، FBR کی ویب سائٹ <http://www.fbr.gov.pk> پر ATL میں دستیاب ہے اور متعلقہ شرکت کنندہ / انوسٹوکاراؤنٹ سروس کے ذریعے ریکارڈ کیے گئے ہیں یا کمپنی کے شیئر رجسٹرار کے ذریعے فیزیکل شیئر ہولڈنگ کی صورت میں ڈیویڈنڈ آمدنی سے دودھ ہولڈنگ ٹیکس اسٹینڈی کی اجازت صرف اس صورت میں دی جائے گی جب کمپنی کے شیئر رجسٹرار کو بروز اتوار 20 اکتوبر 2024 تک درست ٹیکس اسٹینڈی کے سرٹیفکیٹ کا پی دستیاب کر دی جائے گی۔

8- کمپنی کی ویب سائٹ پر سالانہ آڈٹ مالیاتی گوشواروں کی دستیابی:

کمپنی ایکٹ، 2017 کی دفعہ (7) 223 کے تحت 30 جون 2024 کو ختم ہونے والے سال کیلئے آڈٹ شدہ فنانشل سٹیٹمنٹس کے ساتھ چیئر مین کی جائزہ رپورٹ، ڈائریکٹران اور آڈیٹران کی رپورٹس کمپنی کی ویب سائٹ یعنی، (http://www.citipharma.com.pk) پر دستیاب ہے۔

9- سالانہ نظر ثانی شدہ مالیاتی گوشواروں کی ترسیل CD کی ذریعے:

127 اکتوبر 2023 کو منعقدہ سالانہ اجلاس عام میں کمپنی کے ممبران کی منظوری کے لحاظ سے اور SECP کے نوٹیفیکیشن نمبر 389(I)/2023 مورخہ 21 مارچ 2023 کے مطابق کمپنی کے سالانہ رپورٹ جس میں آڈٹ کیا گیا 30 جون 2024 کو ختم ہونے والے سال کے لیے کمپنی کے مالیاتی گوشواروں کے ساتھ اس پر آڈیٹرز اور ڈائریکٹرز کی رپورٹ، چیئر مین کا جائزہ اور AGM کا نوٹس کمپنی کی ویب سائٹ پر موجود ہے جسے درج ذیل لنک QR کوڈ سے ڈاؤن لوڈ کیا جاسکتا ہے



جو شیئر ہولڈرز سالانہ رپورٹ کی ہارڈ کاپی حاصل کرنا چاہتے ہیں وہ اپنی درخواست کمپنی سیکرٹری/شیئر رجسٹرار کو بھیج سکتے ہیں، معیاری درخواست فارم کمپنی کی ویب سائٹ پر موجود ہے اور مطالبے شیئر ہولڈرز کو سالانہ رپورٹ کی ہارڈ کاپی ہفتے کے اندر فراہم کرے گا۔

10۔ فزیکل شیئرز کی بک انٹری کی شکل میں تبدیلی:

کمپنیز ایکٹ 2017ء کے سیکشن 72 کے تحت، تمام موجودہ کمپنیوں کیلئے لازم ہے کہ وہ اپنے فزیکل شیئرز کو بک انٹری کی شکل میں تبدیل کیا جاسکے۔ لہذا، فزیکل شیئرز رکھنے والے شیئرز ہولڈ سے درخواست کی جاتی ہے کہ وہ اپنے شیئرز کو بک انٹری کی شکل میں تبدیل کریں۔

خصوصی کاروباری قراردادوں پر پوائنٹ:

ممبران کو مطلع کیا جاتا ہے کہ کمپنیز (پوسٹل بیلٹ) ریگولیشنز 2018 (ریگولیشنز) میں ترمیم شدہ نوٹیفیکیشن 2022(1)/SRO 2192 مورخہ 05 دسمبر 2022 کے مطابق جو کہ سیکورٹیز ایکٹیویشن آف پاکستان (SECP) کی طرف سے جاری کیا گیا ہے SECP نے تمام لسٹڈ کمپنیز کو الیکٹرانک ووٹنگ سہولت اور ممبران کو ڈاک کے ذریعے ووٹنگ کے ذریعے اپنا حق راہی استعمال کرنے کا حق فراہم کرنا اور خصوصی کاروبار کے طور پر درجہ بندی کردہ تمام کاروباروں پر ممبران کو ڈاک کے ذریعے ووٹنگ کی اجازت دی جائے گی۔

کہ سٹی فارملیٹیڈ کے ممبران کو خصوصی کاروبار کے طور پر ضروریات کے مطابق اور مندرجہ بالا ضوابط میں شامل شرائط کے مطابق آئندہ پیر 28 اکتوبر 2024ء کو دوپہر 11:00 بجے ہو۔ والے سالانہ اجلاس عام میں الیکٹرانک ووٹنگ سہولت اور ڈاک کے ذریعے ووٹنگ کے ذریعے اپنا حق رائے دہی استعمال کرنے کا حق استعمال کرنے کی اجازت ہوگی۔

شیئر ہولڈرز کی سہولت کے لیے، بیلٹ پیپر کمپنی کی ویب سائٹ www.citipharma.com.pk پر موجود ہے

ای ووٹنگ کا طریقہ:

I. ای ووٹنگ کی سہولت ان ممبران کے ساتھ ای میل کے ذریعے شیئرز کی جائیں گی جن کے درست شناختی کارڈ نمبر، نمبر، نمبر، اور ای میل پتہ کمپنی کے ممبران کے رجسٹر میں 18-10-2024 کے کاروبار کے اختتام تک دستیاب ہونگے۔

II. ویب ایڈریس، لاگ ان کی تفصیلات، اور پاس ورڈ ممبران کو ای میل کے ذریعے مطلع کیا جائے گا سیکورٹی کوڈ سی ڈی سی شیئر رجسٹرار سرورسز لمیٹڈ (ای ووٹنگ سروس فراہم کنندہ ہونے کے ناطے) ویب پورٹل سے ایس ایم ایس کے ذریعے آگاہ کریں گے۔

III. ای ووٹنگ کے ذریعے ووٹ کاسٹ کرنے کا ارادہ رکھنے والے ممبران کی شناخت الیکٹرانک دستخط یا لاگ ان کے لیے توثیق کے ذریعے تصدیق کی جائے گی۔

IV. ممبران 24-10-2024 صبح 9:00 بجے سے 27-10-2024 شام 5:00 بجے تک ووٹ کسی بھی وقت آن لائن ووٹ کاسٹ کر سکتے ہیں، ایک بار جب کسی ممبر کی طرف سے قرارداد پر ووٹ کاسٹ کر دیا گیا تو اس کے بعد اسے تبدیل کرنے کی اجازت نہیں ہوگی۔

پوسٹل بیلٹ کے ذریعے ووٹنگ کا طریقہ کار:

ممبران اس بات کو یقینی بنائیں گے کہ کمپیوٹرائزڈ شناختی کارڈ (سی این آئی سی) کی کاپی کے ساتھ باقاعدہ طور پر پھر اہوا اور دستخط شدہ بیلٹ پیپر کمپنی کے رجسٹرار ایڈریس، چیئر مین، 27-10-2024 کام کے اوقات کے دوران یا اس سے پہلے شام 5:00 بجے تک موصول ہو، بیلٹ پیپر پر دستخط شناختی کارڈ والے دستخط سے ملنے چاہیے۔

یہ پوسٹل بیلٹ پیپر کمپنی کی ویب سائٹ پر موجود ہے یا اس نوٹس سے منسلک اور اخبار کے اشتہار سے بھی لے جاسکتے ہیں۔

براہ مہربانی نوٹ کریں کہ ووٹنگ میں کسی بھی تنازعہ کی صورت میں بشمول ایک سے زیادہ ووٹ کاسٹ کرنے کی صورت میں چیئر مین فیصلہ کرنے کے مجاز ہونگے۔

سٹی فارما لمیٹڈ



ڈاک کے ذریعے ووٹنگ کے لیے بیلٹ پیپر

بروز پیر، 28 اکتوبر 2024 کو دن 11:00 بجے 588- Q Block, M.A Johar Town, Lahore سالانہ اجلاس عام میں ڈاک کے ذریعے ووٹنگ برائے خصوصی امور کے لیے۔

جیٹر مین کا نامزادہ ای میل ایڈریس جس پر صحیح طریقے سے پر شدہ بیلٹ پیپر بھیجا جا سکتا ہے: E.mail: corporate@citipharma.com.pk Website: www.citipharma.com.pk

شیر ہولڈر/مشترکہ شیر ہولڈرز کا نام	
رجسٹرڈ ایڈریس	
فولیو نمبر/سی ڈی سی پارٹیشن/انویسٹری ڈی معرب اکاؤنٹ نمبر	
ملکیتی حصص کی تعداد	
NICOP.CNIC/پاسپورٹ نمبر (بصورت غیر ملکی) (کاپی منسلک ہو)	
اضافی معلومات اور ملحوظات (باڈی کارپوریٹ، کارپوریشن اور وفاقی حکومت کے نمائندہ کی صورت میں)	
مجاز دستخط کنندہ کا نام:	
مجاز دستخط کنندہ کا NICOP.CNIC/پاسپورٹ نمبر (بصورت غیر ملکی) (کاپی منسلک ہو)	

ایجنڈا نمٹ 5

5- تجویز کردہ ہسپتال کو شہر کے اندر اس کے موجودہ پتہ، 71-E/1، حالی، روڈ، گلبرگ III، لاہور سے خیابان ظفر، DHA، رہبر، لاہور سے ملحقہ ایک نئی جگہ پر منتقل کرنے کی منظوری دینا۔ مزید برآں، مندرجہ ذیل قرارداد کو ایک خصوصی قرارداد کے طور پر غور کرنے اور پاس کرنے کے لیے، بغیر کسی ترمیم یا ترمیم کے ساتھ، جیسا کہ ضروری سمجھا جاتا ہے۔

قرارداد پر پابندی ہے کہ سٹی فارما لمیٹڈ کے ممبران کی منظوری کے ساتھ شہر کے اندر ہسپتال کی منتقلی کرنے کی منظوری دی جائے گی۔ اس کی موجودہ جگہ، 71-E/1، حالی، روڈ، گلبرگ III، لاہور سے نئی جگہ خیابان ظفر، DHA رہبر سے ملحقہ، لاہور پر ہوگی۔

مزید قرار پایا ہے کہ کمپنی کے بیجنگ ڈائریکٹرز اور سی ای او/یا کمپنی سیکرٹری تمام کاموں، اعمال اور چیزوں کو کرنے، تمام قانونی تقاضے، ضروری اقدامات اٹھانے یا کرنے کا سبب بننے اور ضروری دستاویزات فائل کرنے جو کہ اس قرارداد کو نافذ کرنے کے مقاصد کے لیے ضروری یا اتفاقی ہوں گے۔

پول کے لیے ہدایات

- 1- براہ کرم متعلقہ باکس پر (✓) نشان لگا کر اپنے ووٹ کی نشان دہی کریں۔
- 2- اگر دونوں خانوں کو (✓) کے بطور نشان لگا گیا تو پول کو مسترد سمجھا جائے گا۔
- میں/ہم مندرجہ بالا خصوصی قراردادوں کے سلسلے میں پول بیلٹ کے ذریعے اپنا/ہمارے ووٹ استعمال کرتے ہیں اور ذیل میں مناسب خانہ میں ٹک (✓) کا نشان لگا کر درج ذیل قراردادوں پر اپنی رضامندی یا اختلاف رائے دیتا ہوں/دیتے ہیں:

نمبر شمار	قراردادوں کی نوعیت اور تفصیل	میں/ہم قراردادوں پر رضامند ہیں (FOR)	میں/ہم قراردادوں پر کے خلاف ہیں (AGAINST)
1-	ایجنڈا نمٹ نمبر 5 کے مطابق خصوصی قرارداد (مذکورہ بالا)		

شیر ہولڈر/پراکسی ہولڈر دستخط/مجاز کنندہ کے دستخط:
(بصورت کارپوریٹ ادارہ، براہ مہربانی کمپنی کی مہر ثبت کریں)
مقام:

تاریخ:

نوٹس:

- 1- صحیح طریقے سے پر شدہ پول بیلٹ جیٹر مین کو پرائی میل بھیجنا چاہیے۔
- 2- NICOP.CNIC/پاسپورٹ کی کاپی (غیر ملکی کی صورت میں) پول بیلٹ فارم کے ساتھ منسلک ہونی چاہیے۔
- 3- پول بیلٹ فارم 27 اکتوبر 2024 تک کام کے اوقات تک جیٹر مین اجلاس تک پہنچ جانے چاہئیں۔ اس تاریخ/وقت کے بعد موصول ہونے والا کوئی بھی پول بیلٹ ووٹنگ کے لیے قبول نہیں کیا جائے گا۔
- 4- پول بیلٹ پر دستخط NICOP.CNIC/پاسپورٹ (غیر ملکی کی صورت میں) کے دستخط سے مائل ہونا چاہئے۔
- 5- نامکمل، بغیر دستخط شدہ، غلط، کاٹ کر لکھا ہوا، پٹھا ہوا، مسخ شدہ، دوبارہ لکھا ہوا بیلٹ پیپر مسترد کر دیا جائے گا۔
- 6- باڈی کارپوریٹ، کارپوریشن یا وفاقی حکومت کے نمائندہ کی صورت میں، قابل اطلاق کمپنیز ایکٹ 2017 کی دفعہ 138 یا 139 کے مطابق بیلٹ پیپر فارم لازماً مجاز فرد کے CNIC کی کاپی، بورڈ کی قرارداد/مختار نام/اتھرائزیشن لیٹر وغیرہ کی مصدقہ کاپی کے ہمراہ ہونا چاہئے۔ غیر ملکی باڈی کارپوریٹ وغیرہ کی صورت میں، تمام دستاویزات رکن کی جوسٹیشن کے پاکستان کے کنسل جنرل سے تصدیق شدہ ہونے چاہئیں۔
- 7- بیلٹ پیپر کمپنی کی ویب سائٹ www.citipharma.com.pk پر موجود ہے۔ ممبران بیلٹ پیپر کمپنی کی ویب سائٹ سے بھی ڈاؤن لوڈ کر سکتے ہیں یا اخبارات سے بھی لے سکتے ہیں۔

PROXY OF FORM

I/We _____ of _____ being a member of Citi Pharma Limited hereby appoint Mr. _____ another member of the company as my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Monday, October 28, 2024, at 11:00 AM at 588-Q Block, M.A Johar Town, Lahore and any adjournment thereof.

Signed _____ day of _____ 2024.

SIGNATURE OF MEMBER

Note

1. A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend and vote his/her behalf. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the meeting.
2. The instrument appointing a proxy should be signed by the member or by his attorney duly authorized in writing. If a member is a corporation, its common seal should be affixed to the instrument.

Second Fold

Affix Revenue
Stamp

Head Office
588-Q Block, M.A., Johar Town, Lahore
Tel: +92-42-35316587

First Fold

Third Fold and Tuck In



588 - Q, Johar Town Lahore

Email: corporate@citipharma.com.pk

Website: www.citipharma.com.pk

Tel: +92-42-35316587

