

Estd.  1860

**MURREE BREWERY CO.LTD.**  
ISO 9001, 14001, HACCP & OHSAS CERTIFIED COMPANY

**150**  
*Murree Brewery*  
1860 2010  
**YEARS**

December 04, 2023

**The General Manager**  
**Pakistan Stock Exchange Limited**  
Stock Exchange Building,  
Stock Exchange Road,  
Karachi.

**Subject: Annual Audited Accounts for the year ended June 30, 2023.**


Dear Sir,

This is with reference to email received from SECP to place a clear and readable copy of the Annual Audited Accounts for the year ended June 30, 2023 of the Company on PSX Website.

In this regard, we are again uploading the Annual Accounts of the Company in clear and readable form for the review of stakeholders.

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Sincerely Yours,  
for **Murree Brewery Company Limited**

  
**Ch. Waqar A. Kahloon**  
Company Secretary



Encl. As Above

**MURREE BREWERY CO.LTD.**

National Park Road. P.O. Box # 13, Rawalpindi Pakistan.  
Phone: (92-51) 5567041-7. Fax: (92-51) 5584420, 5529084, 5567188.  
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www.murreebrewery.com



# MURREE BREWERY COMPANY LIMITED



ISO 9001, 14001, 45001 & HACCP Certified Company

## ANNUAL REPORT 2023



**Annual Report. 2023**

*Murree Brewery Company Limited*



**Estd. 1860**

**THE BOMBAY PRESIDENCY  
THE UNITED PROVINCES  
THE PUNJAB, ETC.**

Their History, People, Commerce, and Natural Resources

COMPILED BY  
**SOMERSET PLAYNE, F.R.G.S.**

ASSISTED BY J. W. BOND

EDITED BY ARNOLD WRIGHT



**THE FOREIGN AND COLONIAL COMPILING AND PUBLISHING CO.**  
30-32 LUDGATE HILL, LONDON, E.C.

1917-1920

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Murree Brewery Company Limited

THE PUNJAB

offices, factory, godowns, and other buildings, which form an imposing structure on the grand trunk road leading from Peshawar direct to Calcutta, and they have a floor space of about 50,000 square feet in extent. The property was erected at a cost of more than Rs. 1,00,000. Within the compound is a mosque to which Mahomedan employees retire for prayer.

The head office is under the superintendence of Mian Mohamed Hussein, and the firm have agencies in nearly every part of India; the principal one being at Delhi, where the management is in the hands of Mian Dost Mohamed; those at Cawnpore and Lucknow are controlled by Mian Fazal Eliahi, and others at Multan, Sialkot, and Hyderabad (Sind) are worked by various commission agents.

Wet-salted skins, dealt with at the first three of the towns just named are, on receipt at the factories, assorted according to quality in "primes" and "seconds," and differentiated by measurement and weight into "extra heavy," "heavy," "mediums," and "light" parcels. Consignments of these are made up in Delhi and Cawnpore for despatch to Calcutta, Bombay, or Karachi, where they are shipped to the United States of America.

Dry salted goat and sheep skins from all branches, as well as others purchased in the market at Amritsar, are stored in godowns at headquarters for selection, assortment, and packing, and after being subsequently pressed in bales, they are forwarded for shipment to European countries or the United States of America. Sheepskins and pelts are also exported to the above-named countries, while England is the destination for wool.

The firm is represented in America by Messrs. J. H. Rossbach and Brothers, whose agent in Amritsar—Mr. Peter A. Schmedding—enters into and completes all contracts with them, and the annual quantity of skins which change hands in this manner is now about 40,00,000 in number. All packages for overseas are marked with the letters "R. B."

Messrs. Mohamed Hussein Allahibux possess a substantial sum of money as capital for the carrying on of their vast business, and all financial matters are entrusted to the National Bank of India, Ltd.

About two hundred hands are employed daily at each of the factories, but these are exclusive of a large and competent clerical staff, business assistants, and commission agents at Amritsar and the various branches.

Apart from his strenuous commercial life, the chief partner—Mian Mohamed Hussein—takes a keen interest in the general welfare of his fellow Mahomedans, and in the town of Amritsar itself he is extremely popular among all sections of the community. It is one of the tenets of the Mahomedan religion that during the month of Rajjab its wealthy adherents should give alms to the poor to the extent of 2½ per cent. upon the value of their possessions, and Mian Mohamed Hussein, in compliance with this injunction, regards it as a sacred obligation resting upon him to visit every Mahomedan man and woman in Amritsar, to whom he presents money and clothing according to their several necessities.

Further than this, he grants scholarships to sons of poor parents with the object of enabling them to prosecute their studies in religious and other subjects, and of encouraging advanced students to proceed to the taking of University degrees.



THE MURREE BREWERY COMPANY, LTD.

This company was established in the year 1860 with the object of supplying British troops in Northern India with good beer at a reasonable price, the imported article in those days being very costly, and long contracts given to the company by Government were periodically renewed up to 1907, when they ceased, and open competition had to be faced.

A third of the present buildings—known as the Ghora Gali Brewery—were then in existence, and consisted of two sets of maltings (75 quarters), brew-house, fermenting tuns, cellars, offices, and the assistant brewer's quarters, but as trade increased further accommodation was secured by the erection of other structures higher up the side of the hill, upon which the premises are erected. The site is about six miles distant along the main road from Murree. Finally, a new set of maltings was built in 1876, the capacity being 100 quarters at a time. The barley malted here is usually obtained from the North-West Frontier Province, and also occasionally from the Rewari district.

The "upper maltings" consist of three floors. On the top of these is the steeping tank, and in the two upper storeys there is sufficient space to "grow" 200 quarters of barley. On the third floor is the kiln on which the malted grain is dried and cured, as well as a

room for screening and storing the finished malt. Steps lead one down to the hop-store and mill-room, where there is a very fine grinding machine, by Messrs. Worssam & Co., and close at hand is the brew-house, with its two twenty-quarter mash tuns and two boiling coppers. By the side of the coppers are two boilers by Babcock and Wilcox, and a compound engine by Messrs. Marshall & Sons & Co., Ltd., in addition to a dynamo, which supplies the brewery and maltings with electric light.

A long flight of stone steps gives access to various store rooms and the refrigerating and fermenting chambers, the latter having six vats with a capacity of 100 hogsheads each. At the foot of the steps is a large yard, and on either side are huge cellars with vats of 100 hogsheads capacity, glass enamelled steel tanks of 150 hogsheads capacity, and many wooden vessels of varying sizes, the total storage being about 3,000 hogsheads. To the left of the yard, and above the cellars, are the old maltings and kilns, and to the left of these is the cooperage, in which all the casks are repaired, cleaned, and finally sterilized by steam. To the right of the yard, and above the cellar, are spacious offices occupied by the manager and secretary and his head office staff.

In the front of, and facing the main building, are a printing office, a bottling and "pasteurizing" room, and a godown, underneath which is another cellar, and lower down the hillside, and below the main road, are extensive quarters for the Indian staff.

On the hillside above the main buildings are separate quarters for the head office clerks, a large barley store, a very fine two-storeyed house for the manager and secretary, and others for the managing brewer, chief accountant, and assistant secretary.

The water supply, obtained from natural springs nearer the summit of the hill, runs into masonry reservoirs, from which it is laid on to every part of the maltings and brewery. The water is exceptionally pure, and eminently suitable for brewing the best quality of ales and stout.

A fine metalled road leads up from the main thoroughfare to the upper maltings at the top of the buildings, in which all raw materials are stored, and thus the processes of malting and brewing proceed upon a system of natural gravitation, until the finished beer is received into cellars



Murree Brewery Company Limited

THE BOMBAY PRESIDENCY, UNITED PROVINCES, PUNJAB, ETC.

at the base, to be stored there until matured.

The company manufacture and supply to British troops and the general public: "East India Pale Ale," "Light Champagne Ale," and "XXX Stout" in bottles, and "draught beers" in casks and jars holding from one gallon up to fifty-four gallons.

For the convenience of canteens, and for quick consumption, the company have for many years past filtered most of their draught ales, thus enabling customers to consume the contents of casks and jars to the last drop, but owing to the difficulty of obtaining materials for this process during the late war this practice has not been regularly followed. At the time when Government contracts ceased the company found it necessary to appoint distributing agents, and Messrs. Jamasjee & Sons, Ltd., who were selected for the position, now sell their beers and stout in practically every town between Peshawar and Karachi.

Naturally the company were compelled to fight against severe competition, but they have always held the largest share of the trade in Northern India, notwithstanding the fact that everything (with the exception of barley and labour) such as hops, casks, machinery, and phant, and a thousand and one articles for the various departments, has to be imported from Europe. The railway freight, too, on such goods is an important item on a line so far from a seaport, and in addition there is the cost of transport along 32 miles of a hill road between the railway terminus and the brewery.

The company purchase the best hops procurable, either in England or California.

The capital of the company was originally fixed at Rs. 12,00,000, but during the nineties of last century it was increased to Rs. 18,00,000.

THE RAWALPINDI BREWERY

The very great progress made by the Murree Brewery Company, Ltd., after formation in the year 1860, and the unprecedented demand for their famous ales and stout over a greatly increasing area of Northern India, led the directors to erect a branch brewery at Rawalpindi about thirty years later. The buildings, which are in the form of a quadrangle, are enclosed by a high wall, and comprise the mill-room and brew-house, with coolers and refrigerators on the top floor,

all of which are on the northern side; offices and store rooms on the south side; fermenting rooms, with six vats each, having a capacity of 100 hogsheads, are situated on the eastern side; and the bottle-washing, bottling, "pasteurizing," and packing rooms are on the west; while below the whole structure are huge cellars containing storage vaults capable of holding 3,000 hogsheads. At one end of the bottom floor is the kiln from which the prepared malt is transferred by means of an elevator to the top floor, where there are malt stores, screening rooms, and a steeping cistern. Barley, hops, and other ingredients are raised by steam power to the top-floor; the second, third, and fourth floors, made of slate, are used for "growing" the barley; and the fine maltings have a capacity of 100 quarters of grain. On the eastern side of the outer yard are the cooperage and engineering workshops, together with the boilers and the dynamo-room, the whole building being lighted with electricity. A plentiful supply of excellent water is obtained from two wells on the estate, but in view of an emergency arising a connection has been laid between the brewery and the reservoirs, which meet the requirements of the cantonments and the civil station of Rawalpindi.

The company have their own railway siding, and thus the facilities for unloading raw materials and for despatching their products direct from the premises are exceptionally good.

The storekeeper's house is near to the gate of entrance, and a large number of storerooms have been erected within the wall, while on the outside of the latter are a palatial residence and fine grounds for the use of the manager and secretary. Bungalows have been provided for the managing brewer, his assistant, the distiller, and the engineer; and suitable quarters have been arranged for the Indian staff, who are from 250 to 300 in number during the winter months.

Owing to the high temperature of the water during the summer months, brewing and malting operations are only possible from the beginning of October to the end of March.

The company have garage accommodation for their motor lorries, which run between Rawalpindi and Ghora Gali, the principal brewery near Murree.

THE RAWALPINDI DISTILLERY

About twenty years ago the directors

of the Murree Brewery Company, Ltd., whose breweries are situated at Ghora Gali, near Murree, Quetta, and Rawalpindi, realized that, in addition to the necessity for a larger supply of "country" spirits, there was a more clearly expressed demand for pure malt whisky, which could be placed on the market at a lower figure than the price charged for the imported article. They therefore opened a distillery, on the eastern side of, but communicating with, the premises of the brewery at Rawalpindi, which comprises a fermenting-room, "still" house, boilers, spirit stores, godowns, and machine and other rooms, the whole block forming a square with a spacious yard in the centre. The plant includes two pot-stills, continuous stills of the Blair-Campbell and MacClean and Coffey types, and the distillery is capable of turning out 3,50,000 L.P. gallons of spirit in each year.

All ingredients used in manufacture are of the best quality procurable, *gar* and molasses being required for "country" spirit, and the purest barley malt for whisky; while excellent water is obtained from the company's wells on the premises. The distillery is worked throughout the year, employment being found for about fifty men.

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*Murree Brewery Company Limited*

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*Murree Brewery Company Limited*



**VISION STATEMENT**

Our office is in the market

**MISSION STATEMENT**

We the people of Murree Brewery Co. Ltd. make our personal commitment to first understand our customers' requirement then to meet and exceed their expectations, by performing the correct tasks on time and every time through:

- C**ontinuous improvement
- A**lignment of our missions and goals
- R**esponsibility and respect of our jobs and each other
- E**ducate one another

**Annual Report 2023**  
*Murree Brewery Company Limited*

**ESTABLISHED 1860**

**CORPORATE INFORMATION**

**BOARD OF DIRECTORS**

Chairman-Non Executive Director  
CEO/Director-Executive Director  
Non-Executive Director  
Non-Executive Director  
Independent Director  
Independent Director  
Independent Director

Ch. Mueen Afzal  
Mr. Isphanyar M. Bhandara  
Mr. Aamir Hussain Shirazi  
Mrs. Goshi M. Bhandara  
Prof. Khalid Aziz Mirza  
Mr. Shahbaz Haider Agha  
Mr. Pervaiz Akhtar

**PRINCIPAL OFFICERS**

Company Secretary  
Chief Financial Officer  
Head of Internal Audit  
General Manager (Brewery Division)  
Business Manager (Murree Glass)  
Plant Manager ( // // )  
General Manager (Tops)  
Factory Manager (Murree Sparkletts)  
Manager Compliance & Reporting

Ch. Waqar A. Kahloon  
Mr. Muhammad Khurshid  
Mr. Zaka Ullah Malik  
Mr. Fakher-e-Mahmood  
Mr. Arshad Zaheer  
Mr. Zaka ud Din  
Mr. Talat Yaqoob Awan  
Mr. Fayyaz Ahmad  
Mr. Muhammad Soban ur Rauf

**AUDIT & RISK  
MANAGEMENT COMMITTEE**

Mr. Shahbaz Haider Agha (Chairman)  
Ch. Mueen Afzal (Member)  
Prof. Khalid Aziz Mirza (Member)

**HUMAN RESOURCE & REMUNERATION  
AND NOMINATION COMMITTEE**

Prof. Khalid Aziz Mirza (Chairman)  
Ch. Mueen Afzal (Member)  
Mr. Aamir Hussain Shirazi (Member)  
Mr. Isphanyar M. Bhandara (Member)  
Mr. Pervaiz Akhtar (Member)

**AUDITORS**

M/s KPMG Taseer Hadi & Co.  
Chartered Accountants.  
6<sup>th</sup> Floor, State Life Bldg,  
Jinnah Avenue, Islamabad.

**PRINCIPAL BANKERS**

Askari Commercial Bank Ltd, Islamabad  
Standard Chartered Bank, Islamabad  
National Bank of Pakistan, Rawalpindi / Hattar  
Bank Alfalah Ltd, Rawalpindi  
The Bank of Khyber, Hattar  
Allied Bank Ltd, Rwp/Lhr/Gujranw/F.Abad/Multan  
Sahiwal/Murree/Sargodha  
United Bank Limited, Islamabad.  
Bank Al-Habib Limited, Lahore



*Murree Brewery Company Limited*

**ESTABLISHED 1860**  
**CORPORATE INFORMATION**

**REGISTERED OFFICE**

Murree Brewery Company Limited  
3-National Park Road, Rawalpindi  
Tel: 051-5567041-47, Fax: 051-5584420  
E-mail: [murree.brewery@murreebrewery.com](mailto:murree.brewery@murreebrewery.com)  
[murbr@cyber.net.pk](mailto:murbr@cyber.net.pk)  
Website: [www.murreebrewery.com](http://www.murreebrewery.com)

**FACTORIES**

- (1) **Murree Brewery Company Limited**  
3-National Park Road, Rawalpindi  
Tel: 051-5567041-47, Fax: 051-5584420
- (2) **Tops Food & Beverages**
  - (a) 3-National Park Road, Rawalpindi  
Tel: 051-5567041-47, Fax: 051-5565461
  - (b) Plot No. 14/1, Phase III, Industrial Estate,  
Hattar, District Haripur (K.P.K)  
Tel: 0995-617013, 617493, 617494
- (3) **Murree Sparkletts**
  - (a) Plot No. 10/2, Phase III, Industrial Estate,  
Hattar, District Haripur (K.P.K)
  - (b) 121/3, Industrial Estate, Kot Lakhpat,  
Lahore.
- (4) **Murree Glass**  
Plot No. 24, Phase III, Industrial Estate,  
Hattar, District Haripur (K.P.K)  
Tel: 0995-617233, 0995-617188

**DISTRIBUTION OFFICES**

- (i) Tops Food & Beverages  
121/3, Industrial Estate, Kot Lakhpat,  
Lahore. (Tel: 042-5117501)
- (ii) Aziz Chowk Pindi Bypass,  
Galla Sonica Industry, G.T.Road,  
Gujranwala (Tel: 055-3891571)
- (iii) Mansoor Abad  
Near Sant Sing Railway Gate  
Jumra Road, Faisalabad  
Tel: (041-8522182 & 2420580)
- (iv) 164/B, Near Winter Time,  
Small Industries Estate, Sahiwal  
Mobile: 0335-5611125
- (v) Ratti Gali, Ayubia Road, Murree  
Mob: 0335-5111047

- (vi) Plot No. 28-B Small  
Industrial Estate Opp.  
Siddique Kantawala Main  
Lahore Road, Sargodha  
Mob: 0335-5611103

**SHARE REGISTRAR**

CDC Share Registrar Services Limited  
CDC House 99-B, Block 'B' SMCHS, Main  
Shahra-e-Faisal Karachi-74400,  
Tel: +(92-21)111-111-500  
Fax: +(92-21)034326053, Email: [info@cdcsrsl.com](mailto:info@cdcsrsl.com)

**LEGAL ADVISORS**

- (i) Hamid Law Associates,  
409-410, Alfalah Building,  
Shahrah-e-Quaid-e-Azam  
Lahore. Tel: 042-6301801
- (ii) Mr. Umer Abdullah (Advocate)  
Chaudhary Law Associates  
Advocate High Court  
Flats No. 5 & 6, 1<sup>st</sup> Floor, MICCOP Center,  
1, Mozang Road, Lahore.  
Cell # 0300-8430877, 0345-8412222
- (iii) Mr. Muhammad Ilyas Sheikh  
House No. 37, Street No. 02, Mohalla  
Phase 5, Bahria Town, Islamabad.

**TAX ADVISORS**

- (i) Naseem Zafar Associates  
10-Commercial Building,  
Shahrah-e-Quaid-e-Azam, Lahore.  
Tel: 042-37314315-16
- (ii) Sheikh Law Associates  
G 313-316, Imran Mansion,  
Gordon College Road, Rawalpindi,  
Ph: 051-5770500 Website: [www.sla.net.pk](http://www.sla.net.pk)
- (iii) M/s KPMG Taseer Hadi & Co.  
Chartered Accountants,  
6<sup>th</sup> Floor, State Life Bldg,  
Jinnah Avenue, Islamabad.

**CORPORATE ADVISOR**

RS Corporate Advisory  
First Floor, Plot No. 62, Central Commercial  
Area (CCA), Block-T, Phase -2, Defence  
Housing Authority, Lahore Cantt-Pakistan.  
Tel: +92 42 357 47 904  
Website: [www.rscorporate.com](http://www.rscorporate.com)

**Annual Report 2023**

*Murree Brewery Company Limited*  
*Board of Directors*



**Ch. Mueen Afzal**  
**Chairman – Non Executive Director**

Ch. Mueen Afzal after getting his MA Degree from Oxford University joined the Civil Service of Pakistan in 1964, finally retiring from Government Service in 2002. While in service, he held several important positions which included Finance Secretary in Balochistan (1981-84), Finance Secretary in the Punjab (1984-86), Economic Minister in the Pakistan Embassy in Washington, D. C, USA (1987-90). Later, he was Health Secretary, Government of Pakistan (1995-96), Finance Secretary in Islamabad (1996-1998) and Secretary General, Finance & Economic affairs from 1999-2002.

He was awarded Hilal-e-Imtiaz for distinguished public service in 2003 by the Government of Pakistan.

After his retirement from the civil service, he held a number of appointments in the corporate sector. At present, he is Chairman of the Board of Murree Brewery Company Ltd, and member of Audit and Risk Management Committee as well as HR & Remuneration and Nomination Committee. He was Chairman of the Board of Pakistan Tobacco Company as well as the Chairman of Akzo Nobel Pakistan.

He is a founder director of the Pakistan Centre of Philanthropy and on the Board of Beaconhouse National University. Currently, he is the Chairman of the Langlands Endowment Trust, which raises charitable funds for the Langlands school & college, located in Chitral.



**Annual Report 2023**  
*Murree Brewery Company Limited*  
*Board of Directors*



**Mr. Isphanyar M. Bhandara**  
**CEO/Director - Executive Director**

Mr. Isphanyar M. Bhandara started his family business, Murree Brewery Co. Ltd. Rawalpindi, one of the oldest public limited companies of the sub-continent in 1997.

Joined Board of Directors of the company in 1998. Before this he has significant exposure to fields operation including production, project development, development planning, conceptual engineering and operation supports in the brewery and its other divisions.

In June, 2005 became Executive Director till 2008. In June, 2008 was appointed as Chief Executive Officer of the Murree Brewery Group of Companies on the demise of his father.

The Company has also other divisions manufacturing food products, fruit juices, mineral water, non-alcoholic products and glass containers. The traditional activities of the Company are brewing and distilling of fine liquors and beers. With the passage of time the company has increased the product lines and capacity as well.

- Holds a Master Degree in Business & Administration.
- Ex-Member of the National Assembly of Pakistan on seat reserved for Minorities (2013-2018).
- Currently President of Rawalpindi Parsi Anjuman.
- Representing and helping following Minority communities of Pakistan Parsi, Sikhs, Baha'is, Buddhists, Kalash and doing other social and welfare activities.
- Attended various LUMS workshops on business.
- Completed Directors' Training Program from Pakistan Institute of Corporate Governance.

**Annual Report 2023**  
*Murree Brewery Company Limited*  
*Board of Directors*



**Mr. Aamir Hussain Shirazi**  
**Non-Executive Director**

Mr. Aamir Hussain Shirazi graduated in Economics from USA and completed his OPM from Harvard Business School. He has over 30 years of rich experience to his credit. He was the Chief Executive of Atlas Honda Limited for over ten years before becoming President of the Atlas Group in July 2000.

- He has also been associated with the following institutions:
- Member Board of Directors, Lahore Stock Exchange
- Member Board of Governors, LUMS, Lahore
- Member Board of Governors, Aitchison College, Lahore
- Member Board of Directors, Engineering Development Board
- Member Syndicate, University of Engineering & Technology, Lahore

Mr. Shirazi has been the Honorary Consul General of Japan, Lahore since 2002.

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**Annual Report 2023**  
*Murree Brewery Company Limited*  
*Board of Directors*



**Mrs. Goshi M. Bhandara**  
**Non-Executive Director**

Due to untimely death of Mr. M. P. Bhandara in June, 2008, Mrs. Goshi M Bhandara was invited to join MBC Board against casual vacancy. Since then she is on the Board. She is also member of Audit and Risk Management Committee.

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**Mr. Shahbaz Haider Agha**  
**Independent Director**

He got his bachelor's degree in finance from Indiana University, USA and an executive MBA degree from NCB&E, Lahore. He has 24 years' experience of Insurance Industry in Pakistan. Currently he is working as CEO with Hellenic Sun Insurance Brokers (Pvt.) Ltd. He served as director on the board of Capital Investment Bank Ltd. in 2015-16. He also served as director on the Board of Samba Bank Ltd. since 2015-16. He is an Honorary Consul General of Greece in Lahore since 2007.

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**Annual Report 2023**

*Murree Brewery Company Limited*

*Board of Directors*



**Prof. Khalid Aziz Mirza**  
**Independent Director**

Mr. Mirza is a Masters of Commerce (M.Com) from University of Punjab, Lahore, and has also been awarded an honorary doctorate degree by the Institute of Business Management, Karachi. He has about 53 years of work experience.

Mr. Mirza served for about seven years in various positions in Investment Corporation of Pakistan (ICP), and then for over 6 years in the Credit & Finance Corporation, a merchant bank in London. Subsequently, for about two decades, he remained on the professional investment staff of the International Finance Corporation (IFC) (Member, World Bank Group). Besides this, he has also served as the founding Chairman of Securities & Exchange Commission of Pakistan (three years); Sector Manager for Financial Sector Development, East Asia & Pacific Region, The World Bank, Washington DC, USA (about four years); Chairman and Chief Executive, Monopoly Control Authority (one year); founding Chairman and Chief Executive Competition Commission of Pakistan (three years); and Member, Competition Appellate Tribunal (about eight months). Mr. Mirza joined the Lahore University of Management Sciences (LUMS) in 2010 and is at present Professor of Practice. Mr. Mirza is also an Independent Director and Chairman of the Board of both Orix Leasing Pakistan Limited as well as the Board of AwwalModaraba, and an Independent Director on the Boards of Silkbank and Murree Brewery Company Limited. Recently, he was appointed Chairman, Securities and Exchange Policy Board.

Significant among his regular consultancy assignments are Finance Consultant, WAPDA and Evaluator, Investment Evaluation Unit, The World Bank Group.





**Mr. Pervaiz Akhtar**

**Independent Director**

Mr. Akhtar graduated in 1976 from University of Punjab with majors in Economics. He later attended an MBA program at School of Business and Commerce Islamabad and secured distinction in Business Policy & Strategy and Human Resource Management. He completed his professional training with Klynveld Peat Marwick Goerdeler (KPMG) and passed Institute of Chartered Accountants of Pakistan (Inter) examination in 1981. In 1989 Mr. Akhtar was awarded a USAID scholarship and he completed Petroleum Management Program at Arthur D. Little Inc Boston, U.S.A.

Mr. Akhtar is responsible for METRO's Corporate Affairs since 2007 including Public Policy, ESG and Regulatory Affairs. Being part of the senior management team, he has contributed towards successfully establishing the METRO Pakistan's business in Pakistan. Prior to joining METRO, he served as General Manager Corporate Affairs for a Dutch Multinational Company (SHV Energy) for over 9 years. Mr. Akhtar has a versatile experience of more than 40 years of working with local and multinational companies in Pakistan. During this period, he served in senior management positions in the field of Finance, Human Resources, Procurement and Corporate Affairs. Mr. Akhtar is a Certified Director from the Pakistan Institute of Corporate Governance. He is also the current President of German-Pakistan Chamber of Pakistan. He has been an independent Director on the Board of Directors of LOTTE Chemical Pakistan Limited for three terms spanning over 9 years and has served as Chairman of the Audit Committee and Chairman of HR & Remuneration Committee.

**Outside interests:**

- Director Corporate Affairs METRO Pakistan (Pvt) Ltd
- Director Star Farm Pakistan (Pvt) Limited (METRO Group Company)
- Director CABI-SFPK Joint Venture
- Director CORE
- President German-Pakistan Chamber of Commerce & Industry & Member Executive Committee

**Annual Report 2023**  
*Murree Brewery Company Limited*  
*Principal Officers*



**Ch. Waqar A. Kahloon**  
Company Secretary



**Zaka Ullah Malik**  
Head of Internal Audit



**Muhammad Khurshid**  
Chief Financial Officer



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*Murree Brewery Company Limited*

**NOTICE OF 156<sup>TH</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the 156<sup>th</sup> Annual General Meeting of the Company (AGM) will be held at its Registered Office, 3-National Park Road, Rawalpindi on Friday, October 20, 2023, at 9:30 a.m. to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Annual Audited Financial Statements of the Company together with the Directors' and Auditor's Reports for the year ended June 30, 2023, and Chairman's Review Report.
2. To approve the payment of final cash dividend of 50% i.e. Rs. 5/- per share of Rs. 10/- each, as recommended by the Board of Directors. This is in addition to the interim dividend of 50% i.e. Rs. 5/- per share already declared and paid to the shareholders, thus, making a total cash dividend of 100% i.e. Rs. 10/- per share for the year ended June 30, 2023.
3. To appoint Auditors of the Company and to fix their remuneration. The members are hereby notified that the Audit & Risk Management Committee and Board of Directors have recommended the appointment of retiring Auditors, M/s KPMG Taseer Hadi & Co. Chartered Accountants, as auditors of the Company for the year ending June 30, 2024.

**BY ORDER OF THE BOARD**

Rawalpindi  
September 26, 2023

  
**Ch. Waqar A. Kahloon**  
Company Secretary

**NOTES:**

**AVAILABILITY OF AUDITED FINANCIAL STATEMENTS ON COMPANY'S WEBSITE:**

The audited financial statements of the Company for the year ended June 30, 2023 along with Directors' & Auditor's Report, Chairman's Review Report, Notice of AGM and other related materials have been made available on the Company's website, which can be downloaded/ viewed from the following QR code and weblink:



**<https://murreebrewery.com/financials/>**

**CLOSURE OF SHARE TRANSFER BOOKS:**

The share transfer books of the Company will remain closed and no transfer of shares will be accepted for registration from October 14, 2023, to October 20, 2023, (both days inclusive). Transfers received in order at "CDC Share Registrar Services Limited, CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahrah-e-Faisal, Karachi" at the close of business (5 p.m.) on October 13, 2023, will be treated in time for the purpose of entitlement of cash dividend and to attend, speak and vote at the AGM.

**RIGHT TO APPOINT PROXY:**

A member is entitled to appoint a proxy in his/her place to attend and vote instead of him/her. The instrument appointing a proxy, duly stamped and signed, and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of the power of attorney or authority must be deposited at the Registered Office of the Company, 3-National Park Road, Rawalpindi not later than 48 hours (excluding non-working days) before the time of the meeting. A proxy must be a member of the Company.

**FOR ATTENDING THE MEETING:**

- i. In case of individuals, the account holders or sub-account holders and/or the persons whose securities are in group account and their registration details are uploaded as per the regulations, shall authenticate their identity by showing their original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.

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- ii. In case of corporate entities, the Board of Directors' resolution/power of attorney with specimen signature of the nominees shall be produced (unless it has been provided earlier) at the time of the meeting.

**FOR APPOINTING PROXIES:**

- i. A member may appoint any member of the Company (u/s 137(1)(d) of the Companies Act, 2017) as a proxy to attend and vote on his / her behalf. Proxies in order to be effective must be received at the Registered Office of the Company duly stamped and signed not less than 48 hours before the meeting.
- ii. In case of individuals, the account holders or sub-account holders and/or the persons whose securities are in group account and their registration details are uploaded as per the regulations, shall submit the proxy form as per the above requirements.
- iii. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- iv. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- v. The proxies shall produce their original CNIC or original passport at the time of meeting.
- vi. In case of corporate entities, the Board of Directors' resolution/power of attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

**DEDUCTION OF RATES OF INCOME TAX FOR ACTIVE TAX PAYER AND NON-ACTIVE TAX PAYER:**

Under the provisions of Section 150 of Income Tax Ordinance, 2001 rates of withholding income tax on dividend will be as follows:

1.	Rate of tax deduction for shareholders appearing in the Active Tax Payers list	15%
2.	Rate of tax deduction for shareholders not appearing in the Active Tax Payers list	30%

In case of joint account, each holder is to be treated individually as either active or non-active tax payer and tax will be deducted on the basis of shareholding of each joint holder as may be notified by the shareholder, in writing as follows, to our Share Registrar, otherwise, each joint holder shall be assumed to have an equal number of shares.

Folio / CDS Account No.	Total Shares	Principal Shareholder		Joint Shareholder	
		Name & CNIC No.	Shareholding proportion (No. of Shares)	Name & CNIC No.	Shareholding proportion (No. of Shares)

The CNIC number / NTN detail is now mandatory and is required for checking the tax status as per the Active Taxpayers List (ATL) issued by the Federal Board of Revenue (FBR) from time to time.

**EXEMPTION FROM DEDUCTION OF INCOME TAX / ZAKAT:**

Members seeking exemption from deduction of income tax or are eligible for deduction at a reduced rate, are requested to submit a valid tax exemption certificate or necessary documentary evidence as the case may be. Members desiring non-deduction of zakat are also requested to submit a valid declaration for non-deduction of zakat.



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**PARTICIPATION IN THE AGM THROUGH VIDEO-LINK:**

The Company has arranged the facility for attending the meeting video link. To attend the meeting through video link, the members and their proxies are requested to register themselves by providing the following information along with valid copy of CNIC / passport with the subject **“Registration for Murree Brewery Company Limited AGM”** through email at [general.meetings@murreebrewery.com](mailto:general.meetings@murreebrewery.com) on or before October 17, 2023:

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

The members who are registered after the necessary verification shall be provided a video link by the Company on the same email address that are provided to the Company. The Login facility will remain open from start of the meeting till its proceedings are concluded.

The shareholders who wish to send their comments/ suggestions on the agenda of the AGM can email the Company at [general.meetings@murreebrewery.com](mailto:general.meetings@murreebrewery.com) or WhatsApp at 0331-5880900. The Company shall ensure that comments/ suggestions of the shareholders will be read out at the meeting and the responses will be made part of the minutes of the meeting.

**CHANGE OF ADDRESS:**

Members are requested to promptly notify any change of address to the Company’s Share Registrar “CDC Share Registrar Services Limited, CDC House, 99-B, Block ‘B’, S.M.C.H.S., Main Shahrah-e-Faisal, Karachi”.

**PAYMENT OF CASH DIVIDEND THROUGH ELECTRONIC MODE:**

Section 242 of the Act requires that the listed companies shall pay cash dividend only through electronic mode directly into the bank account designated by the shareholders. SECP vide its notification S.R.O.1145 (I)/2017 has also issued the Companies (Distribution of Dividends) Regulations, 2017 whereby every shareholder shall be responsible to provide valid information pertaining to its designated bank account to disburse any dividend payable in cash only through electronic mode directly into the bank account designated by the entitled shareholders.

In this regard, the Company has already communicated through its letters addressed to the shareholders individually along with newspapers publications requesting to provide the International Bank Accounts Number (“IBAN”) designated by the shareholders to receive the cash dividends electronically. Hence, shareholders are requested to fill the required fields of the Company’s letter available on website of the Company: [www.murreebrewery.com](http://www.murreebrewery.com) and send the same to the Share Registrar and Transfer Agent of the Company. In case of shares held as book-entry securities, the said information would be required to be provided to Central Depository System (“CDS”), through CDS Participants.

**UNCLAIMED DIVIDEND AND SHARE CERTIFICATES:**

The Company has uploaded an updated list of shareholders on its website (<https://www.murreebrewery.com>) whose dividends or share certificates are available with the Company which have remained unclaimed or unpaid for a period of three years from the date these have become due and payable.

Therefore, shareholders, who have not collected their dividend or shares certificates so far, are requested to contact Company’s Share Registrar “CDC Share Registrar Services Limited, CDC House, 99-B, Block ‘B’, S.M.C.H.S., Main Shahrah-e-Faisal, Karachi to claim dividend or share certificates.

Note: In case of any contradiction between English and Urdu text, English text should be recognized as correct.

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## CHAIRMAN'S REVIEW

I am pleased to present the review for the year ended June 30, 2023, highlighting the Company's performance and the role of the Board of Directors in guiding the management to carry out its responsibility for the benefit of all its shareholders.


The Board recognizes that well-defined governance practices are critical in strengthening corporate responsibility and is dedicated to achieving excellence in corporate governance practices to conserve and sustain stakeholders' value. All Directors, including the Independent Directors, actively contributed to the Board's decision-making processes.

The Board carried out its annual self-evaluation in line with best practices of corporate governance and found its performance to be satisfactory. The focus remained on business opportunities, risk management and providing oversight to the management. The Board's performance is reflected in the Annual Report for the financial year ended June 30, 2023.

The Board has outsourced the Company's internal audit function to M/s BDO Ebrahim & Co., Chartered Accountants. Internal audit reports are presented to the Board's Audit & Risk Management Committee on a quarterly basis, and the Internal Control Processes as well as potential risks to the Company are regularly reviewed.

The Board meets frequently to adequately discharge its responsibilities. The Board has diligently performed its duties and responsibilities and has effectively guided the Company in all its strategic affairs. The Board was essential in reviewing the management performance and focusing on significant risk areas. All the present directors are either duly certified or exempted. The Company is fully compliant with the training requirements of management and staff, as prescribed by the Regulator.

On behalf of the Board, I wish to acknowledge all our employee's contributions to the Company's success. I also wish to thank our shareholders, customers, suppliers, bankers, business partners, and other stakeholders for their confidence and support. The Board looks forward to next year with greater confidence in meeting the challenges ahead.



**Ch. Mueen Afzal**  
Chairman

Rawalpindi  
September 15, 2023

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**DIRECTORS' REPORT**  
**For the year ended June 30, 2023**

The Board of Directors takes pleasure in presenting the Annual Report on the performance and progress of Murree Brewery Company Limited (“the Company”) together with the Annual Audited Financial Statements for the year ended June 30, 2023.

**BUSINESS REVIEW OF THE COMPANY**

The Company has completed 163 years of continuous operations and is one of the oldest companies quoted on the Pakistan Stock Exchange.

The Company continues with its policies to add value to shareholders, to invest in its employees and processes and to improve quality of its products.

**FINANCIAL PERFORMANCE**

**i. Overall Financial Overview & Highlights**

		<b>Rs. in million</b>				
Sales revenue (Net)	Increased by	22%	from	15,234	to	18,591
Gross Profit	Decreased by	1 %	from	3,540	to	3,505
Profit before Taxation	Decreased by	3 %	from	2,193	to	2,125
Profit after Taxation	Decreased by	1.6 %	from	1,294	to	1,274
Earnings per share	Decreased by	1.6 %	from	Rs.46.78	to	Rs. 46.04

The profit after tax of the Company slightly decreased under challenging operating conditions which is a testimony to the dedication and commitment of the management.

**ii. Divisional Operating Results**

The results of our divisions were:

**a. Liquor Division**

	<b>2023</b>	<b>%</b>	<b>2022</b>	<b>%</b>
	<b>Rs. in million</b>		<b>Rs. in million</b>	
Sales exclusive of applicable taxes	14,684		11,639	
Cost of sales	(12,457)	(84.8)	(9,171)	(78.8)
Gross profit	2,226	15.2	2,468	21.2
Operating profit	1,241	8.5	1,630	14.0



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**b. Glass Division**

	<b>2023</b> Rs. in million	%	<b>2022</b> Rs. in million	%
Sales exclusive of applicable taxes	2,284		1,965	
Cost of sales	(1,479)	(64.8)	(1,450)	(73.8)
Gross profit	805	35.2	514	26.2
Operating profit	754	33	427	21.7
Glass Containers sales	26,650	Metric Tons	31,077	MetricTons

**c. Tops Division**

	<b>2023</b> Rs. in million	%	<b>2022</b> Rs. in million	%
Sales exclusive of applicable taxes	4,460		4,150	
Cost of sales	(3,988)	(89.4)	(3,593)	(86.6)
Gross profit	472	10.6	557	13.4
Operating (Loss)	(290)	(6.5)	(63)	(1.5)

**IMPORTANT ISSUES:**

**i. Tax on water consumption for commercial use:**

The Supreme Court of Pakistan announced taxation of the beverage industry @ Re. 1 per liter, which was later on reduced by Re. 0.25 per liter as per provincial legislation relating to the Punjab and KPK. A review petition filed by the beverage industry continues to be subjudice before the honorable Supreme Court of Pakistan. Tops & Murree Sparkletts (Hatter) in line with the industry practice, have so far paid Rs. 3.5 million @ Re. 0.25 per liter to the KPK Government.

**ii. Super Tax:**

For FY 2022-23, super tax amount was Rs. 247 million.

For FY 2021-22, the Company filed a writ petition against the Super Tax amounting to Rs. 227.4 million. The Islamabad High Court decided the case in favour of MBCL. The FBR filed an intra-court appeal in Islamabad High Court against the decision. As per Supreme Court direction, the Murree Brewery paid 50% of super tax liability amounting to Rs. 113.7 million to FBR.

**FINAL DIVIDEND**

The Board of Directors of the Company has recommended a final cash dividend of Rs. 5 per share for the year ended June 30, 2023, bringing the full year payout to Rs.10 per share (100%-previous year 350%). This shall be subject to the approval of Shareholders at their meeting scheduled on October 20, 2023.

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**RISK AND UNCERTAINTIES**

The Company's main risks in the short term are the payment/demand of Late Payment Surcharge (LPS) for rate differential of Sui Gas bills amounting to Rs. 130 million. The matter of LPS on tariff was pending adjudication with OGRA. The Company has paid Rs. 29.4 million as LPS out of Rs. 130 million demanded by SNGPL. OGRA disposed off the case on 18 November 2022, and directed the petitioners to pay the principal amount of tariff differential for continuation of gas supply on regular basis till the final disposal of the appeals related to Late Payment Surcharge on tariff differential by the Supreme Court of Pakistan. The Company has paid principal amount in full as per decision of OGRA, while Late Payment Surcharge has not been paid as related appeals in Supreme Court of Pakistan are pending adjudication. This issue concerns the entire industry which uses Sui Gas.

**PATTERN OF SHAREHOLDING**

The total number of Company's shareholders as at June 30, 2023, was 1268 against 1,226 on June 30, 2022. The pattern of shareholding as on June 30, 2023, and its disclosure is annexed.

**EARNINGS PER SHARE**

Earnings per share for the year ended June 30, 2023, is Rs. 46.04 as against Rs. 46.78 of preceding year.

**INTERNAL AUDIT AND CONTROL**

The internal audit function has been outsourced to M/s BDO Ebrahim & Co., Chartered Accountants, a renowned firm and Head of Internal Audit has been appointed to coordinate with them. He reports to the Audit & Risk Management Committee.

**COMPANY'S RISK FRAMEWORK AND INTERNAL CONTROL SYSTEM**

The Company envisions that risk management is a core component of the management of the Company and, therefore, has developed a risk management program which comprises of a series of processes, structures and guidelines that assist the Company to identify, assess, monitor and manage its risks.

Further, the Company has clearly defined the responsibility and authority of management to oversee and manage the risk management program in light of day-to-day needs of the Company.

The Company has constituted a Risk Management Committee in order to promote effective risk management and internal control systems and processes. The Committee provides regular reports to the Board on the effectiveness of the risk management program in identifying and addressing material business risks.

**COMPOSITION OF THE BOARD**

The Company conforms to the regulatory requirements on the composition and qualification of the Board of Directors. As of June 30, 2023, the total number of directors was eight (08). Category wise composition of the Board was:

a.	Male	:	Six
b.	Female	:	Two

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<b>Category</b>	<b>Names</b>
a) Independent Directors	Prof. Khalid Aziz Mirza Mr. Shahbaz Haider Agha Mr. Pervaiz Akhtar Ms. Jahanara Sajjad Ahmad
b) Non-Executive Directors	Ch. Mueen Afzal Mr. Aamir Hussain Shirazi Mrs. Goshi M. Bhandara
c) Executive Director	Mr. Isphanyar M. Bhandara
d) Female Directors	Mrs. Goshi M. Bhandara Ms. Jahanara Sajjad Ahmad

#### **COMMITTEES OF THE BOARD**

**i. Audit & Risk Management Committee:**

The Audit & Risk Management Committee performed its functions under the Listed Companies (Code of Corporate Governance) Regulations, 2019 (“the Regulations”) and comprises of three independent directors and two non-executive directors as under:

Mr. Shahbaz Haider Agha	-	(Chairman)
Ch. Mueen Afzal	-	(Member)
Prof. Khalid Aziz Mirza	-	(Member)
Mrs. Goshi M. Bhandara	-	(Member)
Ms. Jahanara Sajjad Ahmad	-	(Member)

The Chairman of Audit & Risk Management Committee was an independent Director.

**ii. HR & Remuneration and Nomination Committee:**

The HR & Remuneration and Nomination Committee was constituted under the Regulations, and comprised of two independent directors, an executive director and two non-executive directors. The details of which are mentioned below:

Prof. Khalid Aziz Mirza	-	(Chairman)
Ch. Mueen Afzal	-	(Member)
Mr. Aamir Hussain Shirazi	-	(Member)
Mr. Isphanyar M. Bhandara	-	(Member)
Mr. Pervaiz Akhtar	-	(Member)

The Chairman of HR & Remuneration and Nomination Committee was also an independent Director.

#### **STATEMENT ON CORPORATE AND FINANCIAL REPORTING FRAMEWORK**

The Directors state that:



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- a. The financial statements for the year ended June 30, 2023, prepared by the management of the Company fairly present its state of affairs, the result of operations, cash flows and changes in equity.
- b. Proper books of accounts of the Company have been maintained.
- c. Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- d. International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of the financial statements.
- e. The system of internal control is sound in design and has been effectively implemented.
- f. There are no significant doubts about the Company's ability to continue as a going concern.
- g. There are no statutory payments on account of taxes, levies and charges outstanding as on June 30, 2023, except as disclosed in the financial statements.
- h. There has been no material departure from the best practices of Corporate Governance as detailed in the listing regulations.
- i. Key operating and financial data of the last six years in summarized form are annexed.
- j. The value of the Provident Fund and Pension Fund (un-audited) investment at June 30, 2023, was Rs. 178.97 million (Audited 2022:Rs. 159.24 million) and Rs. 87.52 million (Audited 2022:Rs. 78.94 million) respectively.
- k. During the year 2022-23, five (05) Board meetings, four (04) Audit & Risk Management Committee meetings and three (03) HR & Remuneration and Nomination Committee meetings were held.

Attendance of members of the Board and its Committees are as under:

NAME OF DIRECTOR	BOARD OF DIRECTORS	AUDIT & RISK MANAGEMENT COMMITTEE	HR & REMUNERATION AND NOMINATION COMMITTEE
Ch. Mueen Afzal	5/5	4/4	3/3
Mr. Isphanyar M. Bhandara	4/5	02 (by invitation)	2/3
Mr. Aamir Hussain Shirazi	5/5	-	2/3
Mrs. Goshi M. Bhandara	0/5	0/4	-
Prof. Khalid Aziz Mirza	5/5	4/4	3/3
Mr. Shahbaz Haider Agha	5/5	4/4	-
Mr. Pervaiz Akhtar	3/5	-	3/3
Ms. Jahanara Sajjad Ahmad	4/5	3/4	-

Leave of absence was granted to the members who could not attend meeting(s).

#### **ELECTIONS OF DIRECTORS**

Elections of directors were held in the Extraordinary General Meeting of the Company on July 24, 2023, and seven directors were unanimously elected unopposed for the next term of three years effecting from July 27, 2023.

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**DIRECTORS TRAINING PROGRAM**

As at June 30, 2023, six out of eight directors are certified directors whereas the remaining two directors are exempted. Hence, the Company is fully compliant with the Regulation No. 19(1) of the Regulations.

**BOARD PERFORMANCE EVALUATION**

The Company conducted internally a Board Performance Evaluation in the financial year 2022-23. This indicated that the Board broadly achieved the Company's objectives during the year.

**POLICY ON DIRECTORS' & OFFICERS' REMUNERATION**

As per the requirements of the Regulations, there is a formal and transparent procedure in place for fixing the remuneration packages of individual directors. No director is involved in deciding his / her own remuneration.

The Board reviews the fee of the Executive, Non-Executive and Independent Directors for attending the Board and committees meetings, which are subsequently presented to shareholders in the Annual General Meeting for approval. Remuneration to Chief Executive Officer and Directors are disclosed in note # 42 to the financial statements for the year ended June 30, 2023.

The remunerations of Board's Officers have been approved by the HR & Remuneration Committee.

**RELATED PARTY TRANSACTIONS**

In accordance with the Section 208 of the Companies Act, 2017, and Companies (Related Party Transactions and Maintenance of Related Records) Regulations, 2018, the Board of Directors has approved the related party transactions upon the recommendations of the Audit Committee in accordance with the policy approved by the Board.

**TRADING OF SHARES**

During the year under review, trades in the shares of the Company were carried out by Major Shareholders which was communicated to the Regulators in due course. Besides this, no Director, Executive or their spouses and minor children carried out trade in the shares of the Company.

**CHANGES TO THE MANAGEMENT**

During the year under review, appointment of new Chief Financial Officer was made with the approval of the Board. The Board is confident that the new team will continue to perform for the growth of the Company.

**CORPORATE BRIEFING SESSION**

The Company held the Corporate Briefing Session at its registered office on October 25, 2022, wherein the management of the Company enlightened the participants about the Company's operation, financial performance and future prospects. The session was attended by investors and other stakeholders, followed by an interactive question-and-answer session.



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**CONTRIBUTION TO NATIONAL EXCHEQUER**

During the year under review, the Company contributed a sum of Rs. 6,692 million (previous year Rs. 4,847 million) to the Government exchequer on account of duties and taxes.

**STATEMENT OF COMPLIANCE**

The Company has fully complied with the requirements of the Regulations. A statement to this effect is annexed with this report.

**CORPORATE SOCIAL RESPONSIBILITY**

The Company fully meets its obligation as a social corporate citizen. The Company always takes constructive interest in social matters which may not be directly related to the business, and makes donations to charitable institutions, hospitals and trusts. During the year 2022-23, the Company has donated Rs. 3.1 million to various welfare & charitable organizations.

**COMMUNITY INVESTMENT & WELFARE SCHEMES**

The Company continues to make available the use of its property to Association for Special Persons (DARAKHSHAN). Presently 75 disabled women are getting training in this vocational school for helping destitute handicapped women to be self-reliant, computer literate and contributing members of society. This property has been provided free of charge by the Company with furniture and fittings and the Company bears the cost of utilities and maintenance.

**WELFARE SPENDING FOR UNDER-PRIVILEGED CLASS**

The Company continues to operate and support a Social Security Dispensary on its premises. This caters the needs of workers and their families.

**CORPORATE PHILANTHROPY**

The Company continues to give donations to institutions in accordance with its policies for corporate philanthropy.

**ENVIRONMENT, QUALITY, HEALTH & SAFETY MANAGEMENT SYSTEM**

The Company and its management are strongly committed to achieving sustainable Environmental & Quality Management. The Company supports sustainable development and promotes greater environmental responsibilities and has achieved Certification of ISO 9001:2015, 45001:2018, 14001:2015. The Company continues to test emissions and effluents through laboratories certified by Punjab Environment Protection Agency. The central lab of the Company has been accredited by Pakistan National Accreditation Council (PNAC) on ISO 17025:2017.

**OCCUPATIONAL HEALTH AND SAFETY**

The Company is strongly committed to conducting its business in ways that provide all personnel with a safe and healthy work environment. It has developed an HSE management system that ensures worker safety. The Company's systematic approach is to manage Occupational Safety & Health under well-defined standards and requirements.



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The Company has integrated safe working practices by developing a rigorous set of operational controls to manage all aspects of risk in its operations. Full implementation of these controls ensures that the Company is providing a safe work place for its all employees.

**ENERGY CONSERVATION**

In order to utilize the natural resources in an effective and efficient manner, the Company has installed Variable Frequency Drives (VFDs) which has resulted in electricity savings. The Company has also switched electrical equipment/machines to energy efficient devices. Further, the Company has lowered the amount of electricity consumed by replacing GI sheets with fiber sky sheets in its halls which allows natural sunlight to come across in the working areas.

**ENVIRONMENTAL PROTECTION MEASURES**

The Company has adopted 3R's of solid waste management (Reduce, Recover & Recycle) so that the Company can manage our natural resources more efficiently and to dispose of toxic waste material in a satisfactory manner. In this regard, the Company installed a Waste Water Treatment Plant which is designed for treating the Company waste-water for its reuse or safe disposal to the environment. Resultantly, the Company has reduced its waste-water wastage from 45.6% to 0%.

The Company has also framed environmental protection policy which promotes tree plantation, pollution prevention, environment awareness sessions & trainings, water conservation and various other steps to protect human health and environment. Further, the Company has arranged events related to World Environment Day, Dengue Awareness Campaign, Smog Awareness Seminar.

**CONSUMER PROTECTION MEASURES**

The Company has adopted and implemented various safety parameters for the production and supply of its products as per applicable laws. These parameters are not only related to the safety of its workers but are also linked with the safety of its consumer. The Company, in order to promote best quality of its product, has labeled the awareness sticker on its product to break the bottles after consumption in order to avoid bogus fillings or reuse of the bottles.

**EMPLOYMENT OF SPECIAL PERSONS**

The Company promotes equal employment opportunities for all kind of persons without any discrimination and disabilities. Currently 20 workers/staff with different disabilities are employed in the Company which is more than the quota fixed by the government authorities.

**BUSINESS ETHICS AND ANTI-CORRUPTION MEASURES**

The Company conducts its business with integrity and in accordance with high standards of ethical behavior and in compliance with laws/regulations that governs the operations of the Company. In this regard, the Company has prepared and implemented the Code of Conduct which covers business ethics, transparency, fairness, professionalism, conflict of interest, workplace harassment, equal opportunity environment, etc.

Further, the Company has also prepared and approved the Whistle blowing Policy to encourage individuals to reveal and report any kind of matters which, in their opinion, may cause potential

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financial or reputational loss to the Company. This policy also degrades wrong doing, fraud, bribery, discrimination, black mailing, stealing and other activities in order to minimize the chances of corruption. However, as per policy Company will not entertain anonymous complaints/letters.

**STATUTORY AUDITORS**

The Audit of the Company for the financial year ended June 30, 2023, has been concluded and the Auditors have issued their Audit Reports on the Company's financial statements and Review Report on the Statement of Compliance with the Regulations. The Auditors M/s. KPMG Taseer Hadi & Co. shall retire at the conclusion of the Annual General Meeting, and being eligible have offered themselves for re-appointment for the financial year 2023-24. The Board proposes their appointment as Auditors for the financial year ending June 30, 2024, on the recommendation of the Audit and Risk Management Committee. This shall be subject to the approval of the shareholders at the Annual General Meeting on October 20, 2023.

**OUTLOOK**

Business environment of the Country has become very challenging because of massive currency devaluation, spiraling inflation, high interest rates and new super tax rates. However, the Company remains committed to providing high quality products to its consumers and to improve shareholders values.

The coming months present unprecedented challenges and uncertainties with continuing political instability, exchange rate volatility and high inflation. In view of the unpredictable economic environment, the Company's management remains alert in their endeavor to continue to bring the best possible value to their shareholders.

**APPRECIATION**

We express our pleasure for the continued dedication and efforts of the employees of the Company. Our thanks are also extended to our customers, suppliers, bankers, advisors, shareholders and various government departments for their continuous support.

**ON BEHALF OF THE BOARD**



**Isphanyar M. Bhandara**  
Chief Executive Officer



**Pervaiz Akhtar**  
Director

Rawalpindi  
September 15, 2023

Note: In case of any contradiction between English and Urdu text, English text should be recognized as correct.

**SIX YEARS AT A GLANCE**

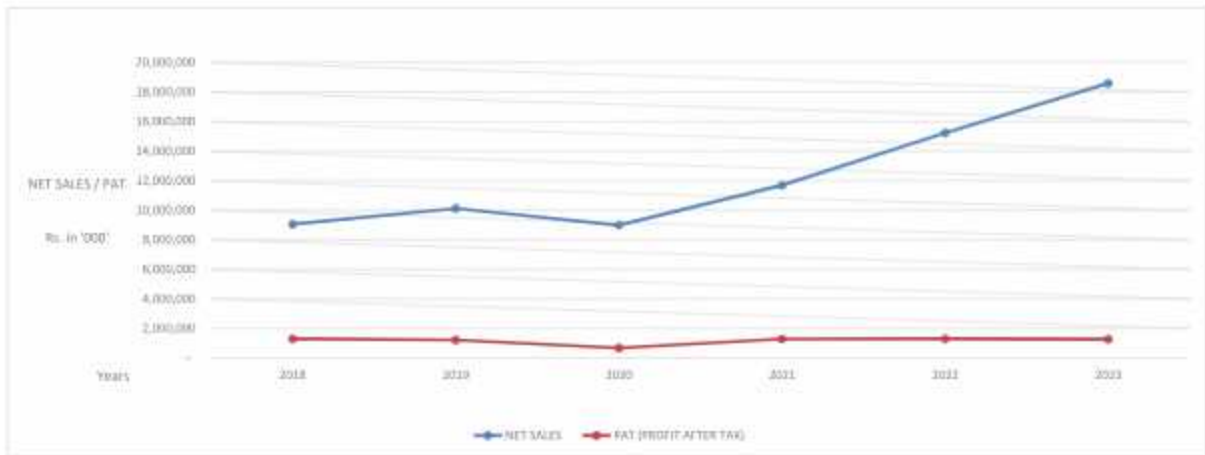
**Annual Report 2023**

S. #	PARTICULARS	RS. "MILLION"					
		2023	2022	2021	2020	2019	2018
1	PAID UP CAPITAL	276.6	276.6	276.6	276.6	276.6	230.5
2	RESERVE & SURPLUS	13,026.6	11,875.5	11,506.2	9,985.7	10,025.9	9,467.0
3	FIXED ASSETS (LESS DEPRECIATION)	7,074.3	6,663.3	6,355.1	5,157.2	5,396.0	4,846.2
4	NET SALES	18,591.2	15,234.3	11,687.3	8,996.9	10,121.3	9,058.6
5	COST OF SALES	15,087.1	11,694.0	8,710.3	6,695.4	7,236.0	6,189.4
6	GROSS PROFIT	3,504.1	3,540.3	2,977.0	2,301.5	2,885.3	2,869.3
7	PROFIT BEFORE TAX	2,124.7	2,193.4	1,667.9	1,038.0	1,662.8	1,827.8
8	CASH DIVIDEND %	100.0	350.0	300.0	250.0	300.0	300.0
9	STOCK DIVIDEND %	-	-	-	-	-	20%
10	RETURN ON EQUITY %	9.6%	10.6%	12.0%	6.8%	12.2%	13.7%
11	BREAK-UP VALUE OF SHARE OF RS 10. EACH	482.0	440.4	415.9	361.0	362.4	410.7
12	EARNINGS PER SHARE (E.P.S)	46.0	46.8	46.7	24.6	44.2	46.9
13	P/E RATIO	6.3	8.7	12.7	27.3	16.9	18.3

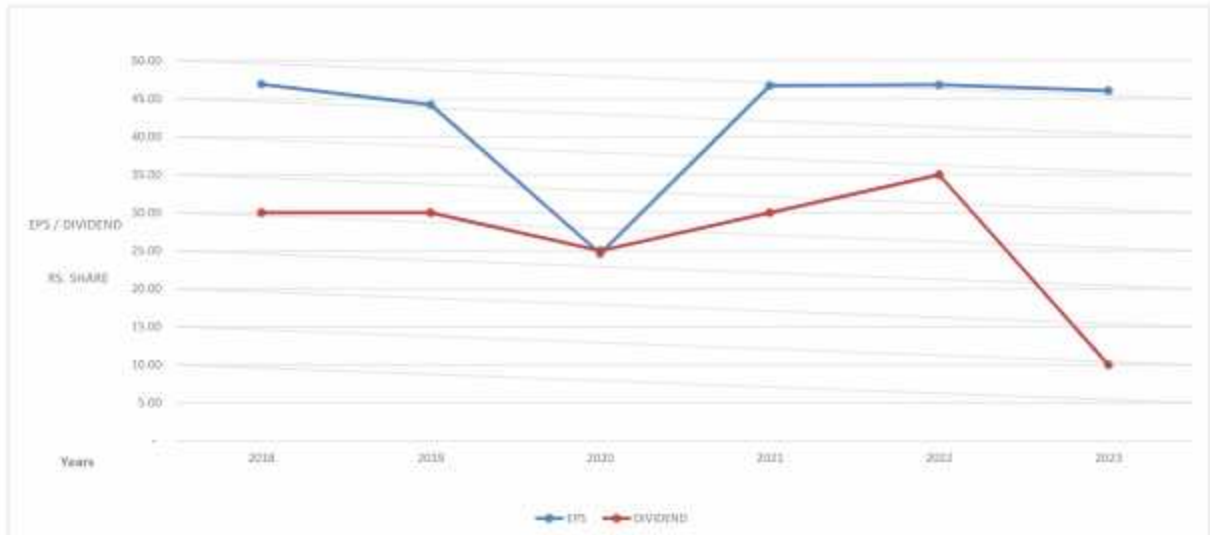


**Annual Report 2023**  
*Murree Brewery Company Limited*

**NET SALES vs PROFIT AFTER TAX COMPARISON**



**EARNINGS PER SHARE vs CASH DIVIDEND COMPARISON**



**STATEMENT OF FINANCIAL POSITION - VERTICAL ANALYSIS**

	2023	2022	2021	2020	2019	2018
	(Rc.'000)	(Rc.'000)	(Rc.'000)	(Rc.'000)	(Rc.'000)	(Rc.'000)
	%	%	%	%	%	%
<b>EQUITY AND LIABILITIES</b>						
<b>EQUITY</b>						
Share Capital	276,636	276,636	276,636	276,636	276,636	230,530
Capital Reserve	30,681	30,681	30,681	30,681	30,681	30,681
Contingency Reserve	-	-	-	-	-	-
General Reserve	-	-	-	-	-	-
Reserve for Bonus Share	8,690,724	7,764,143	7,425,612	6,785,176	6,891,531	6,202,270
Revenue Reserve	4,345,951	4,091,322	3,773,307	2,893,179	2,837,111	2,915,653
Surplus on revaluation of assets	11,333,092	12,132,784	11,259,236	9,985,672	10,023,059	9,467,134
	80.1	80.7	81.9	82.9	85.3	85.3
<b>NON - CURRENT LIABILITIES</b>						
Lease liabilities	4,724	7,036	3,754	27,561	86,866	1,319
Long term loan	-	-	124,789	-	-	-
Deferred grant	-	-	2,859	-	-	-
Employee benefits	301,560	296,669	281,973	261,977	260,286	254,334
Deferred tax liability - net	632,014	547,977	401,352	259,663	221,520	167,456
	91,228	87	814,887	529,401	568,681	423,109
	5.7	5.6	5.8	4.3	4.8	4.8
<b>CURRENT LIABILITIES</b>						
Trade and other payables	1,287,583	1,379,011	1,218,348	1,204,077	893,500	716,148
Contract liabilities	327,373	295,986	262,616	169,642	121,090	109,921
Current portion of lease liabilities	19,964	8,208	22,686	89,839	95,398	6,699
Current portion of long term loan	-	124,348	156,417	-	-	-
Current portion of deferred grant	-	2,859	13,724	-	-	-
Provision for income tax - net	113,268	125,027	76,003	71,845	59,188	31,759
Capital dividend	165,769	96,340	32,579	58,477	-	131,316
Unclaimed dividend	31,075	31,075	1,221,733	1,344,221	1,157,429	1,015,793
	2,576,682	3,006,382	3,213,137	3,042,394	2,372,609	2,000,036
	100	100	100	100	100	100
<b>NON - CURRENT ASSETS</b>						
Property, plant and equipment	7,974,349	6,663,324	6,352,666	5,157,220	5,206,042	4,860,227
Right of use assets	18,288	17,695	25,636	32,359	-	-
Intangible assets	-	263	782	1,301	4,820	2,339
Advance for capital expenditure	113,447	48,208	42,478	30,016	55,465	266,214
Investment property	567,058	513,127	397,896	358,627	325,110	292,349
Long term advances	17,738	12,680	13,948	17,089	13,335	10,894
Long term investment	508,452	511,459	514,466	517,473	431,717	523,500
Long term deposits	44,429	39,482	38,666	35,754	31,731	26,518
Employee benefits	55,665	40,205	30,189	15,334	21,934	2,246
	8,294,235	7,843,439	7,418,517	6,597,390	6,375,180	5,970,269
	50.4	52.0	52.8	53.0	54.2	54.2
<b>CURRENT ASSETS</b>						
Inventory	3,797,237	2,438,351	3,037,621	3,862,119	3,568,204	3,543,755
Trade debts - unsecured	40,236	15,019	31,372	25,296	14,563	26,058
Advances, prepayments, and other receivable	510,265	316,464	286,246	214,181	447,739	336,031
Short term investments	1,426,602	1,976,641	1,993,733	1,237,383	1,237,179	1,243,324
Advance tax	-	-	255,339	372,166	317,882	185,983
Cash and bank balances	2,486,747	3,569,238	2,197,788	1,335,329	1,694,452	1,998,714
	9,257,027	7,255,233	6,624,139	5,532,964	5,376,939	4,915,767
	100	100	100	100	100	100
	10,953,362	15,099,593	14,042,656	12,040,294	11,752,809	10,960,306

Murre Brewery Company Limited

STATEMENT OF PROFIT & LOSS

HORIZONTAL ANALYSIS	2023 Rs.	23 vs 22 %	2022 Rs.	22 vs 21 %	2021 Rs.	21 vs 20 %	2020 Rs.	20 vs 19 %	2019 Rs.	19 vs 18 %	2018 Rs.	18 vs 17 %	2017 Rs.
Sales (Net)	18,991,143		15,244,318	30.3	11,687,280	28.9	8,996,900	31.1	6,812,200	31.3	9,058,872	26.9	1,19,401
Cost of Sales	15,007,084	24.0	11,704,093	34.3	8,738,310	30.1	6,695,444	(17.5)	7,216,071	16.9	6,186,422	31.5	4,97,274
Gross Profit	3,984,059	(7.0)	3,540,225	(7.9)	2,978,970	(8.2)	2,301,456	(3.6)	2,596,129	(8.2)	2,872,450	2.4	1,166,127
Selling and Distribution Expenses	1,198,385	(1.3)	1,165,223	28.3	909,207	4.3	870,114	(19.2)	1,077,170	42.4	796,711	27.1	395,279
Administrative Expense	619,456	19.8	568,056	(9.3)	486,581	(7.4)	397,340	27.9	396,642	(5.3)	417,432	34.9	19,215
Other Expenses	142,330	(9.2)	168,254	(31.0)	218,158	(82.4)	273,618	134.0	116,692	(5.7)	121,212	26.1	96,629
Other Income	115,717	(37.8)	186,346	127.0	81,273	17.0	69,410	(33.2)	107,220	19.1	90,821	52.8	98,090
Impairment loss on intangibles	65	(92.5)	887	(82.7)	5,803	68.8	3,317	(66.8)	441	(84.5)	7,560	-	-
Operating Profit	3,794,380	(7.07)	3,434,281	27.80	1,473,244	100.0	7,17,526	(48.89)	1,801,374	(15.36)	1,875,596	30.00	1,19,370
Finance Cost	16,235	(47.3)	39,689	(37.6)	28,512	5.2	28,064	44.6	17,093	(35.3)	30,134	20.6	16,680
Finance Income	408,420	11.6	378,276	30.2	252,301	(27.2)	348,510	25.1	218,544	44.5	192,446	34.8	167,913
Profit before tax	2,124,685	(3.1)	2,107,428	32.3	1,657,433	35.7	1,077,872	(37.8)	1,662,325	(9.0)	1,827,488	35.3	1,39,843
Income tax expense	859,076	(5.4)	999,320	138.9	576,187	5.7	186,244	(19.0)	419,848	(17.2)	431,207	23.6	401,116
Profit for the year	1,277,609	(1.0)	1,208,108	0.0	1,281,446	85.0	891,278	(41.7)	1,222,477	(5.7)	1,396,281	40.8	920,807
VERTICAL ANALYSIS													
Sales	18,991,143	100.0	15,244,318	100.0	11,687,280	100.0	8,996,900	100.0	6,812,200	100.0	9,058,872	100.0	1,19,401
Cost of Sales	15,007,084	81.2	11,704,093	56.8	8,238,310	54.4	6,695,444	44.4	7,216,071	31.4	6,186,422	68.3	4,97,274
Gross Profit	3,984,059	19.8	3,540,225	31.2	2,978,970	25.3	2,301,456	23.6	2,596,129	28.5	2,872,450	31.7	1,166,127
Selling and Distribution Expenses	1,198,385	6.2	1,165,223	7.6	899,207	7.8	870,114	8.7	1,077,170	10.6	796,711	8.4	395,279
Administrative Expense	619,456	3.3	568,056	3.7	486,581	4.0	397,340	3.6	396,642	3.9	417,432	4.6	19,215
Other Expenses	142,330	0.8	168,254	1.1	218,158	2.0	273,618	3.0	116,692	1.2	121,212	1.3	96,629
Other Income	115,717	0.6	186,346	1.2	81,273	0.7	69,410	0.8	107,220	1.1	90,821	1.0	98,090
Impairment loss on intangibles	65	0.0	887	0.0	4,913	0.0	3,317	0.0	441	0.0	5,800	0.1	-
Operating Profit	3,794,380	20.0	3,434,281	22.6	1,473,244	12.4	7,17,526	6.0	1,801,374	13.8	1,875,596	18.3	1,19,370
Finance Cost	16,235	0.1	39,689	0.3	28,512	0.2	28,064	0.3	17,093	0.2	30,134	0.2	16,680
Finance Income	408,420	2.1	378,276	2.5	252,301	2.2	348,510	2.3	218,544	2.3	192,446	2.1	167,913
Profit before tax	2,124,685	11.2	2,107,428	14.4	1,657,433	14.3	1,077,872	11.5	1,662,325	16.4	1,827,488	20.2	1,39,843
Income tax expense	859,076	4.6	999,320	5.9	576,187	3.2	186,244	4.0	419,848	4.3	531,207	5.9	401,116
Profit for the year	1,277,609	6.8	1,208,108	8.5	1,281,446	11.1	891,278	7.6	1,222,477	12.1	1,396,281	14.3	920,807



**Annual Report 2023**  
*Murree Brewery Company Limited*

**MURREE BREWERY COMPANY LIMITED**

**Pattern of Shareholding**

As of June 30, 2023

# Of Shareholders	Shareholdings' Slab			Total Shares Held
463	1	to	100	16,630
347	101	to	500	86,693
126	501	to	1000	94,679
167	1001	to	5000	390,729
64	5001	to	10000	455,880
21	10001	to	15000	260,174
20	15001	to	20000	351,087
11	20001	to	25000	241,549
2	25001	to	30000	55,308
4	30001	to	35000	127,220
5	35001	to	40000	190,282
1	40001	to	45000	43,700
3	45001	to	50000	142,057
2	50001	to	55000	102,240
1	55001	to	60000	56,954
2	60001	to	65000	120,505
1	70001	to	75000	72,706
1	80001	to	85000	82,923
2	85001	to	90000	177,598
1	125001	to	130000	125,285
1	145001	to	150000	146,884
1	155001	to	160000	156,487
1	160001	to	165000	160,761
1	195001	to	200000	195,320
1	245001	to	250000	250,000
1	300001	to	305000	304,060
1	315001	to	320000	319,441
1	365001	to	370000	369,589
1	420001	to	425000	420,232
1	455001	to	460000	457,040
1	465001	to	470000	469,503
1	470001	to	475000	470,060
1	500001	to	505000	500,008
1	635001	to	640000	637,990
1	675001	to	680000	678,516
1	720001	to	725000	720,815
1	875001	to	880000	879,149
1	895001	to	900000	895,100
1	970001	to	975000	971,700
1	1000001	to	1005000	1,000,074
1	1700001	to	1705000	1,701,527
1	3170001	to	3175000	3,174,540
1	4030001	to	4035000	4,030,810
1	5555001	to	5560000	5,559,825
<b>1268</b>				<b>27,663,630</b>

**Annual Report 2023**  
*Murree Brewery Company Limited*

**MURREE BREWERY COMPANY LIMITED**  
**Pattern of Shareholding Report**  
**As of June 30, 2023**

Categories of Shareholders	Shareholders	Shares Held	Percentage
<b>Directors and their spouse(s) and minor children</b>			
MR. ISPHANYAR M BHANDARA	3	4,603,280	16.64
MRS. JASMINE BHANDARA	2	334,211	1.21
MRS. GOSHI M BHANDARA	1	1,000,074	3.62
MR. AAMIR HUSSAIN SHIRAZI	1	3,084	0.01
MS. JAHANARA SAJJAD AHMAD	1	1,000	0.00
CH. MUEEN AFZAL	1	3,852	0.01
MR. SHAHBAZ HAIDER AGHA	1	2,178	0.01
MR. KHALID AZIZ MIRZA	1	1,200	0.00
MR. PERVAIZ AKHTAR	1	1,000	0.00
<b>Associated Companies, undertakings and related parties</b>	<b>9</b>	<b>9,451,713</b>	<b>34.17</b>
<b>NIT &amp; ICP</b>	<b>2</b>	<b>448</b>	<b>0.00</b>
<b>Banks Development Financial Institutions, Non Banking Financial Institutions.</b>	<b>2</b>	<b>17,143</b>	<b>0.06</b>
<b>Insurance Companies</b>	<b>2</b>	<b>1,007,579</b>	<b>3.64</b>
<b>Modarabas and Mutual Funds</b>	<b>3</b>	<b>174,483</b>	<b>0.63</b>
<b>General Public</b>			
a. Local	1,155	2,734,731	9.89
b. Foreign	43	1,298,449	4.69
<b>Foreign Companies</b>	<b>6</b>	<b>6,799,198</b>	<b>24.58</b>
<b>Others</b>	<b>34</b>	<b>230,007</b>	<b>0.83</b>
<b>Total</b>	<b>1,268</b>	<b>27,663,630</b>	<b>100.00</b>
<hr/>			
Share holders holding 10% or more		Shares Held	Percentage
MR. JAMSHED M. BHANDARA		2,900,687	10.49
MR. ISPHANYAR M. BHANDARA		4,603,280	16.64
D.P. EDULJI & COMPANY (PVT) LIMITED		4,909,959	17.75
KINGSWAY FUND-FRONTIER CONSUMER FRANCHISES		6,029,885	21.80

# Annual Report 2023

## Murree Brewery Company Limited

### MURREE BREWERY COMPANY LIMITED Pattern of Shareholding Report As of June 30, 2023

S.No.	Folio #	Name of shareholder	Number of shares	%
<b>Directors, Chief Executive Officer and their spouse(s) and minor children</b>				
1	90022	MR. ISPHANYAR M BHANDARA	3,174,540	11.48
2	261129	MR. ISPHANYAR M BHANDARA	971,700	3.51
3	04705-83016	MR. ISPHANYAR M. BHANDARA	457,040	1.65
4	261023	MRS. JASMINE BHANDARA	319,441	1.15
5	04705-99009	MRS. JASMINE BHANDARA	14,770	0.05
6	261123	MRS. GOSHI M BHANDARA	1,000,074	3.62
7	03277-107223	MR. AAMIR HUSSAIN SHIRAZI	3,084	0.01
8	06122-167387	MS. JAHANARA SAJJAD AHMAD	1,000	0.00
9	03525-11880	CH. MUEEN AFZAL	3,852	0.01
10	03525-108190	MR. SHAHBAZ HAIDER AGHA	2,178	0.01
11	04804-27440	MR. KHALID AZIZ MIRZA	1,200	0.00
12	05264-140165	MR. PERVAIZ AKHTAR	1,000	0.00
<b>12</b>			<b>5,949,879</b>	<b>21.51</b>
<b>Associated companies, undertakings and related parties</b>				
1	261121	MR. ZANE ISPHANYAR BHANDARA	500,008	1.81
2	130089	MS. MUNIZEH M. BHANDARA	720,815	2.61
3	130131	MS. MUNIZAH M BHANDARA & MRS. GOSHI M. BHANDARA	420,232	1.52
4	261122	MR. JAMSHED MINOD BHANDARA, MRS. GOSHI M. BHANDARA & MR. ISPHANYAR M. BHANDARA	304,060	1.10
5	261125	MR. JAMSHED MINOD BHANDARA, MRS. GOSHI M. BHANDARA & MR. ISPHANYAR M. BHANDARA	1,701,527	6.15
6	04705-108227	MR. JAMSHED M BHANDARA THROUGH MANAGER/GUARDIAN GOSHI & ISPHANYAR	895,100	3.24
7	40029	M/S. D. P. EDULJI & CO. (PVT) LTD.,	4,030,810	14.57
8	03525-98607	M/S. D. P. EDULJI & CO. (PVT) LTD.,	879,149	3.18
9	261064	MR. SABIH UR REHMAN	12	0.00
<b>9</b>			<b>9,451,713</b>	<b>34.17</b>
<b>NIT &amp; ICP</b>				
1	90013	M/S. INVESTMENT CORPORATION OF PAKISTAN	430	0.00
2	00083-36	IDBL (ICP UNIT)	18	0.00
<b>2</b>			<b>448</b>	<b>0.00</b>
<b>Banks Development Financial Institutions, Non Banking Financial Institutions</b>				
1	20042	M/S. BANK OF BAHAWALPUR LTD.,	5,802	0.02
2	04127-28	MCB BANK LIMITED - TREASURY	11,341	0.04
<b>2</b>			<b>17,143</b>	<b>0.06</b>
<b>Insurance Companies</b>				
1	03277-2184	EFU GENERAL INSURANCE LIMITED	637,990	2.31
2	13748-501	ADAMJEE LIFE ASSURANCE COMPANY LTD-IMF	369,589	1.34
<b>2</b>			<b>1,007,579</b>	<b>3.64</b>
<b>Modarabas and Mutual Funds</b>				
1	05371-28	CDC - TRUSTEE MCB PAKISTAN STOCK MARKET FUND	160,761	0.58
2	06411-21	CDC - TRUSTEE AKD INDEX TRACKER FUND	3,072	0.01
3	11262-23	CDC - TRUSTEE MCB PAKISTAN ASSET ALLOCATION FUND	10,650	0.04
<b>3</b>			<b>174,483</b>	<b>0.63</b>
<b>General Public Foreign</b>				
1	10004	MR. AHMAD ABDUL REHMAN NOOR AHMAD	8,562	0.03
2	30016	SIR C. C. GARBETT	2,434	0.01
3	50006	MR. EBRAHIM SALJEE BERA	17,194	0.06
4	50009	MISS. E. M. WILSON	19,113	0.07
5	70018	DR. G. K. SAWDAY	30,050	0.11
6	80017	MR. H. LE. GEYT KENSINGTON	8,560	0.03
7	80035	MR. H. LUND CHRISTIANSEN	60,472	0.22
8	90009	MISS. I. M. ST. GEORGE BRETT	2,434	0.01
9	90011	MR. I. H. R. MOSS	1,574	0.01
10	100002	MR. J. C. BURBIDGE	25,812	0.09
11	100029	MR. J. M. KEADY	7,965	0.03
12	100053	MR. JOHN STUART OLIVER	2,812	0.01
13	110020	MRS. K. M. WILLIAM	36,165	0.13
14	110022	MR. KASSIM A. MOHAMMAD	5,072	0.02
15	120001	MISS. LUCY CHARLES	1,340	0.00
16	120004	MR. W. L. KIRELY	758	0.00
17	130006	MRS. M. M. CAUTLEY	82,923	0.30
18	130048	MR. M. A. MOGHAL	11,138	0.04
19	140014	MR. NAJUMUDDIN MULLAH HAMJABHAI	8,560	0.03
20	160015	MRS. P. SAWDAY	17,194	0.06
21	160036	MR. PETER JOHN SARGENT	441	0.00
22	180012	MR. RICHARD ANTHONY B. SCOTT	8,560	0.03
23	180024	MR. RALPH JOHN HAMILTON POLLOCK	758	0.00



# Annual Report 2023

## Murree Brewery Company Limited

### MURREE BREWERY COMPANY LIMITED Pattern of Shareholding Report As of June 30, 2023

S.No.	Folio #	Name of shareholder	Number of shares	%
24	180048	MR. R. E. A. CAUTLEY	146,884	0.53
25	190041	MR. SALEH MUHAMMAD HAJEE AYUB	56,954	0.21
26	210001	DR. UNA DAVISON	17,222	0.06
27	260005	MISS. ZUBEIDA ESSOP MIA	12,592	0.05
28	00521-5550	GREGORY ALEXANDER	678,516	2.45
29	03277-106302	Rizwan Sheriff	200	0.00
30	03277-106486	SYED ATIQUE BUKHARI	100	0.00
31	03277-106814	MUHAMMAD FIAZ	1,035	0.00
32	03277-109110	MUHAMMAD QASIM	200	0.00
33	03277-114733	SAQLAIN HAIDER	50	0.00
34	03277-115348	Zeshan Zahid	450	0.00
35	03277-115886	JEETENDAR KUMAR	550	0.00
36	03277-117650	MUHAMMAD NAZIM AMEER CHAUDHRY	100	0.00
37	03277-118908	NAJEEB ULLAH DURRANI	22,800	0.08
38	03277-119299	HINA IRRAM	40	0.00
39	03277-121088	Muhammad Matiullah Gohar	100	0.00
40	03277-121681	KISHORE GIR	14	0.00
41	03277-123119	MUHAMMAD USAMA AFZAAL	200	0.00
42	03277-124085	MUHAMMAD UMAIR	101	0.00
43	06601-32103	JAI HEMNANI	450	0.00
<b>43</b>			<b>1,298,449</b>	<b>4.69</b>
<b>Foreign Companies</b>				
1	80077	M/S. HONGKONG BANK INTER (TRUSTEE) LTD.	1,810	0.01
2	00521-6830	MILLVILLE OPPORTUNITIES MASTER FUND LP	250,000	0.90
3	00521-13356	TENCORE II PARTNERS LP	48,000	0.17
4	00547-9253	KINGSWAY FUND-FRONTIER CONSUMER FRANCHISES	5,559,825	20.10
5	00547-10301	KINGSWAY FUND-FRONTIER CONSUMER FRANCHISES EXTOBA	470,060	1.70
6	00695-10791	SCB NOMINEES (CI) LIMITED [1250-2]	469,503	1.70
<b>6</b>			<b>6,799,198</b>	<b>24.58</b>
<b>Others</b>				
1	20041	M/S. BUSINESS INVESTMENTS LTD.	81	0.00
2	80037	M/S. H. M. INVESTMENTS (PVT) LTD	96	0.00
3	140075	M/S. N. H. SECURITIES (PVT) LTD.,	14	0.00
4	180019	M/S. RAWALPINDI ELECTRIC POWER CO. LTD.	3,768	0.01
5	200006	M/S. THE DEPUTY ADMINISTRATOR (A/C DR. T. H. KHAN)	4,798	0.02
6	01917-41	PRUDENTIAL SECURITIES LIMITED	686	0.00
7	03210-28	Y. S. SECURITIES & SERVICES (PVT) LTD.	88	0.00
8	03277-6164	TRUSTEES KANDAWALLA TRUST	20,278	0.07
9	03277-13154	TRUSTEES HONNIE&JAMSHED NUSSERWANJEE C.T	5,580	0.02
10	03277-61491	M/S RANG COMMODITIES (PVT) LTD	10,360	0.04
11	03277-96529	FIKREE DEVELOPMENTS CORPORATION (PRIVATE) LIMITED	9,470	0.03
12	03293-12	S. H. BUKHARI SECURITIES (PVT) LIMITED	454	0.00
13	03525-57191	SARFRAZ MAHMOOD (PRIVATE) LTD	94	0.00
14	03525-63416	H M INVESTMENTS (PVT) LIMITED	2,870	0.01
15	03525-63817	NH SECURITIES (PVT) LIMITED.	392	0.00
16	03525-66812	TRUSTEES NESTLE PAKISTAN LTD EMPLOYEES PROVIDENT FUND	39,000	0.14
17	03939-62	PEARL SECURITIES LIMITED	5,250	0.02
18	04150-25	FRIENDLY SECURITIES (PVT) LTD.	6,700	0.02
19	07419-17966	ATC HOLDINGS (PRIVATE) LIMITED	5,050	0.02
20	07450-1040	TRUSTEE-FIRST DAWOOD INV. BANK LTD. & OTHER EMPLOYEES P.FUND	960	0.00
21	08847-1447	Crescent Standard Business Management (Pvt) Limited	1	0.00
22	12666-700	ISPI Corporation (Private) Limited	50	0.00
23	12666-1831	TRUSTEE PAKISTAN PETROLEUM SENIOR PROVIDENT FUND	13,850	0.05
24	12666-1849	TRUSTEE PAKISTAN PETROLEUM NON-EXECUTIVE STAFF PENSION FUND	18,050	0.07
25	12666-1856	TRUSTEE PAKISTAN PETROLEUM NON-EXECUTIVE STAFF GRATUITY FUND	6,100	0.02
26	12666-1864	TRUSTEE PAKISTAN PETROLEUM JUNIOR PROVIDENT FUND	8,750	0.03
27	12666-1872	TRUSTEE PAKISTAN PETROLEUM EXECUTIVE STAFF PENSION FUND	38,700	0.14
28	12666-1880	TRUSTEE PAKISTAN PETROLEUM EXECUTIVE STAFF GRATUITY FUND	4,500	0.02
29	12666-2045	TRUSTEE PAK. PETROLEUM EXEC. STAFF PEN. FUND DC CONVENTIONAL	2,850	0.01
30	13748-980	TRUSTEE- GUL AHMED TEXTILE MILLS LTD. EMP. PROVIDENT FUND	4,200	0.02
31	14241-22	FIKREES (PRIVATE) LIMITED	1,766	0.01
32	14746-21	KTRADE SECURITIES LIMITED	1	0.00
33	15727-22	CDC - TRUSTEE PAKISTAN PENSION FUND - EQUITY SUB FUND	14,500	0.05
34	19125-21	ORBIT SECURITIES (PRIVATE) LIMITED	700	0.00
<b>34</b>			<b>230,007</b>	<b>0.83</b>

## **CODE OF CONDUCT**

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**Annual Report 2023**  
*Murree Brewery Company Limited*

**Foreword**

Murree Brewery Company Ltd ("MBC") has built a reputation for conducting its business with integrity, in accordance with high standards of ethical behavior, and in compliance with the laws/regulations that govern our business. This reputation is among our most valuable assets and ultimately depends upon the individual actions of each of our employees all over the country.

The MBC code of conduct has been prepared to assist each of us in our efforts to not only maintain but enhance this reputation. It provides guidance for business conduct in a number of areas and references to more detailed corporate policies for further direction.

The code of conduct applies to all affiliates, employees and others who act on our behalf countrywide, within all sectors, regions, areas and functions.

The adherence of all employees to high standards of integrity and ethical behavior is mandatory and benefits all stakeholders viz our customers, our communities, our shareholders and ourselves.

It carefully checks for compliance with the code by providing suitable information, prevention and control tools and ensuring transparency in all transactions and behaviors by taking creative measures if and as required.



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**General Principles**

Compliance with the laws, regulations, statutory, ethical integrity and fairness, is a constant commitment and duty of all MBC employees and its divisions.

MBC business and activities have to be carried out in a transparent, honest and fair way, in good faith, and in full compliance. Any form of discrimination, corruption, forced or child labor is rejected. Particular attention is paid to the acknowledgement and safeguarding of the dignity, freedom and equality of human beings.

All MBC employees, without discrimination or exception whatsoever, respect the principles and contents of the code in their actions and behaviors while performing their functions and according to their responsibilities, because compliance with the code is fundamental for the quality of their working and professional performance. Relationships among MBC employees, at all levels, must be characterized by honesty, fairness, cooperation, loyalty and mutual respect.

The belief that one is acting in favor or to the advantage of MBC can never, in anyway, justify—not even in part—any behavior that conflicts with the principles and content of the code.

The MBC Code of Conduct aims at guiding the “MBC Team” with respect to standards of conduct expected in areas where improper activities could result in adverse consequences to the company, harm its reputation or diminish its competitive advantage. Every member of the MBC is expected to adhere to, and firmly inculcate in his/her everyday conduct; this mandatory framework; any contravention or deviation will be regarded as misconduct and may attract disciplinary action in accordance with the Company services and relevant laws.

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**Ethics, Transparency, Fairness, Professionalism**

In conducting its business MBC is inspired by and complies with the principles of loyalty, fairness, transparency, and efficiency.

Any action, transaction and negotiation performed and generally, the conduct of MBC employees in the performance of their duties is inspired by the highest principles of fairness, completeness and transparency of information, clarity and truthfulness of all accounting documents in compliance with the applicable laws in force and internal regulations.

Bribes, illegitimate favors, request for personal benefits of one or others. Either directly or through third parties, is prohibited without any exception.

It is prohibited to pay or offer, directly or indirectly, money and material benefits and other advantages of any kind to third parties, whether representatives of governments, public officers or private employees, in order to influence or remunerate the actions of their office.

Accepting gifts or any other form of hospitality is not allowed as commercial courtesy, as it may compromise the integrity and reputations of either party, and can be constructed by an impartial observer as aimed at obtaining undue advantages. Only company give aways are acceptable.

**Company Information**

MBC ensures the correctness of company's information, by means of suitable procedures for in-house management and communication to the outside.

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*Murree Brewery Company Limited*

**Conflict of Interest**

MBC expects all employees to be free from actual or potential conflicts of interest.

A conflict of interest occurs whenever the prospect of direct or indirect personal gain may influence or appear to influence your judgments or actions while conducting Company's business.

Each member of MBC has a prime responsibility towards the Company and is expected to avoid activities or transactions that clash directly with the interests of the Company. Such situations could arise in a number of ways. Some of the specifically forbidden situations are outlined below. This list is however, neither exhaustive nor all-inclusive. In case of doubt, the advice of the management or Chief Executive should be sought.

Any member of the MBC or any dependent member having an interest in any organization supplying goods or services to the Company.

Any member of the MBC participating in any external activity directly or indirectly that competes with the Company in any manner.

Any member of the MBC having direct, indirect interest or family connection, with an external organization that has business dealings with MBC, without fully disclosing to the management of the Company details of such connections and interests.

Any member of MBC having any relative working with MBC and not disclosing details of the same to the management of the Company.



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*Murree Brewery Company Limited*

**Confidentiality**

A member of MBC shall not keep or make copies of correspondence documents, papers and records, list of clients or customers without the prior approval.

A member of MBC shall not disclose or reveal any information on the behalf of the Company to print/electronic media as well as any other information medium. All information shall be released through/by the Marketing department or designated individual (s).

**Agreement with Licenses, Distributors, Agents, Sales Representatives, Suppliers or Consultants**

Agreements with above shall clearly specify the services to be performed for the Company, the amount to be paid or receipts and all other relevant terms and conditions.

All payments or receipts and transactions shall be supported by documents.

**Workplace Harassment**

Every employee has the right to work in an environment that is free from harassment and in which issues of harassment will be resolved without fear of reprisal. Harassment will not be permitted or condoned within MBC whether it is based on a person's race, color, ethnic or national origin, age, gender, real, or suspected sexual orientation, religion or perceived religious affiliation, disability, or other personal characteristic.

MBC demands that there shall be no harassment in personal working relationships either inside or outside the Company. Such behaviors are strictly forbidden and are as follows:

- Creation of an intimidating, hostile, isolating or in any case discriminatory environment for individual employees or groups of employees
- Unjustified interference in the work performed by others
- Placing of obstacles in the way of the work prospects and expectations of others merely for reasons of personal competitiveness or because of other employees
- Proposing private interpersonal relations despite the recipient's explicit or reasonably clear distaste

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*Murree Brewery Company Limited*

**Equal Opportunity Environment**

MBC recognizes the value of striving for a balanced work force and is committed to the principles of equal opportunity, equality of treatment, and creating a dynamic climate where diversity is valued as a source of enrichment and opportunity.

All phases of the employment relationship—including, recruitment, hiring, training, promotion, compensation, benefits, transfers, layoffs, and leaves of absences—will be carried out by all managers without regard to race, color, religion, gender, age, ethnic or national origin or disability.

**Protection of Company Assets and Proprietary Information**

Confidential information is any information that is not publically known and that has value to MBC. It may be in written, electronic, or any other form.

It is duty of each member of the MBC to protect, use and operate all the corporate assets with utmost care, due diligence and honesty. In case it is observed by any member of the MBC that the corporate assets are being misused/ mishandled by some other members / individuals the matter should be immediately reported to the Management of the Company. Corporate assets include moveable and immovable property of the Company.

**Dealing in Securities/Shares & Insider Trading**

MBC employees must not deal in MBC shares on the basis of privileged information.

MBC employee are forbidden to convey inside information at any time to other person or encourage another person to deal in shares of MBC or any other Company on the basis of such information, even if the employee does not profit directly from the arrangement.

MBC employee should be aware of and comply with any local laws and regulations governing shares dealings, in case any employee or his / her spouse deals in the Company' s shares, he / her must notify the Company Secretary with full particulars within two days from the date of the transaction.

END

**Annual Report 2023**  
*Murree Brewery Company Limited*

**INDEPENDENT AUDITORS' REVIEW REPORT**

**To the members of Murree Brewery Company 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 Murree Brewery Company Limited for the year ended 30 June 2023 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 30 June 2023.

*Usama Taseer Hadi A/c.*

**KPMG Taseer Hadi & Co.**  
**Chartered Accountants**

**Islamabad**  
**21 September 2023**

**UDIN: CR202310245M73zVKOXa**



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*Murree Brewery Company Limited*

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

**Murree Brewery Company Limited  
For the year ended June 30, 2023**

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

1. The total number of directors are eight (08) as per the following:

a) Male	:	Six (6)
b) Female	:	Two (2)

2. The composition of the Board is as follows:

Category	Names
a) Independent Directors	Prof. Khalid Aziz Mirza Mr. Shahbaz Haider Agha Mr. Pervaiz Akhtar Ms. Jahanara Sajjad Ahmad
b) Non-Executive Directors	Ch. Mueen Afzal Mr. Aamir Hussain Shirazi Mrs. Goshi M. Bhandara
c) Executive Director	Mr. Isphanyar M. Bhandara
d) Female Directors	Mrs. Goshi M. Bhandara Ms. Jahanara Sajjad Ahmad

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company;

4. The Company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures;

5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company;

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/shareholders as empowered by the relevant provisions of the Companies Act, 2017 and this Regulations;

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7. The meetings of the Board were presided over by the Chairman. The Board has complied with the requirements of the Companies Act, 2017 and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Companies Act, 2017 and this Regulations;
9. Out of eight directors, two directors meet the exemption requirement of Directors' Training Program and six directors have obtained the Directors' Training Program certification in prior years;
10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
11. The Chief Executive Officer and Chief Financial Officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:
  - a) **Audit and Risk Management Committee**

Mr. Shahbaz Haider Agha	-	(Chairman)
Ch. Mueen Afzal	-	(Member)
Prof. Khalid Aziz Mirza	-	(Member)
Mrs. Goshi M. Bhandara	-	(Member)
Ms. Jahanara Sajjad Ahmad	-	(Member)
  - b) **HR & Remuneration and Nomination Committee**

Prof. Khalid Aziz Mirza	-	(Chairman)
Ch. Mueen Afzal	-	(Member)
Mr. Aamir Hussain Shirazi	-	(Member)
Mr. Isphanyar M. Bhandara	-	(Member)
Mr. Pervaiz Akhtar	-	(Member)
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance;
14. The frequency of meetings (quarterly/half yearly/yearly) of the committees during the year 2022-23, were as per following:
  - (a) Audit and Risk Management Committee – 04.
  - (b) HR & Remuneration and Nomination Committee – 03.
15. The Board has outsourced the internal audit function to M/s BDO Ebrahim & Co. Chartered Accountant, who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;

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16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan (ICAP) and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountant 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 any 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 Companies Act, 2017 this Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;
18. We confirm that all the requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

**ON BEHALF OF THE BOARD**



**Isphanyar M. Bhandara**  
Chief Executive Officer



**Pervaiz Akhtar**  
Director

Rawalpindi  
September 15, 2023



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*Murree Brewery Company Limited*

**INDEPENDENT AUDITORS' REPORT**

**To the members of Murree Brewery Company Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the annexed financial statements of Murree Brewery Company Limited (the Company), which comprise the statement of financial position as at 30 June 2023, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2023 and of the profit, the comprehensive income, the changes in equity and its cash flows for the year then ended.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics 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.

Following are the key audit matters:

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*Murree Brewery Company Limited*

S. No.	Key audit matter	How the matter was addressed in our audit
1	<p><b>Revenue recognition</b></p> <p>Refer notes 4.14 and 31 to the financial statements.</p> <p>During the year ended 30 June 2023, the Company recognised net revenue of Rs. 18,591 million from sale of food and beverages.</p> <p>We identified recognition of revenue as a key audit matter because revenue is one of the key performance indicators of the Company and gives rise to an inherent risk that revenue could be subject to misstatement to meet expectations or targets.</p>	<p>Our audit procedures in this area included, among others:</p> <ul style="list-style-type: none"> <li>▪ obtaining an understanding of the process relating to recognition of revenue and testing the design and implementation and operating effectiveness of key internal controls over recording of revenue;</li> <li>▪ comparing a sample of revenue transactions recorded during the year with sales orders, sales invoices, delivery documents and other relevant underlying documents;</li> <li>▪ comparing a sample of revenue transactions recorded before and after the year-end with the sales orders, sales invoices, delivery documents and other relevant underlying documentation to assess if the related revenue was recorded in the appropriate accounting period;</li> <li>▪ comparing the details of a sample of journal entries posted to revenue accounts during the year, which met certain specific risk-based criteria, with the relevant underlying documentation.</li> <li>▪ assessing whether the accounting policies for revenue recognition comply with the requirements of the accounting and reporting standards as applicable in Pakistan; and</li> <li>▪ evaluating the adequacy of presentation and disclosures related to revenue as required under the accounting and reporting standards as applicable in Pakistan.</li> </ul>
2	<p><b>Revaluation of Property, Plant and Equipment</b></p> <p>Refer notes 9 and 17 to the financial statements.</p> <p>During the year, the Company recognized surplus aggregating to</p>	<p>Our audit procedures in this area included, among others:</p> <ul style="list-style-type: none"> <li>▪ involving our valuation specialist to support us in evaluating the appropriateness of valuation methodology and assessing the reasonableness of key estimates and assumptions used in the</li> </ul>

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S. No.	Key audit matter	How the matter was addressed in our audit
	<p>Rs.371 million on revaluation of land, buildings, plant, machinery and equipment carried out at 30 June 2023.</p> <p>We identified the revaluation of operating fixed assets as a key audit matter due to significance of the amount of revaluation surplus in relation to the financial statements.</p>	<p>valuations conducted by the professional valuer engaged by the Company;</p> <ul style="list-style-type: none"> <li>▪ evaluating the accuracy of information provided by the Company to professional valuer by inspecting underlying documentation;</li> <li>▪ assessing the appropriateness of accounting of revaluation surplus and related adjustments in the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan; and</li> <li>▪ evaluating the adequacy of presentation and disclosures related to revaluation of property, plant and equipment as required under the accounting and reporting standards as applicable in Pakistan.</li> </ul>

**Information Other than the Financial Statements and Auditors' Report Thereon**

Management is responsible for the other information. Other information comprises the information included in the annual report for the year ended 30 June 2023, but does not include the financial statements and our auditors' report thereon.

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

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

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

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the



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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.

**Auditors' 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 auditors' 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 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 judgement and maintain professional scepticism throughout the audit. We also:

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

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

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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 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 auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

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

- a) Proper books of account have been kept by the Company as required by the Companies Act, 2017(XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of 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 Danish.

*Usmy Taseer Hadi A/c.*

**KPMG Taseer Hadi & Co.**  
**Chartered Accountants**

**Islamabad**  
**21 September 2023**

**UDIN:AR202310245sBeFoPSNA**

# Murree Brewery Company Limited

## Statement of Financial Position

As at 30 June 2023

Annual Report 2023

	2023 (Rs.'000)	2022 (Rs.'000)
<b>EQUITY</b>		
<b>Share capital and reserves</b>		
Share capital	276,636	276,636
Capital reserve	30,681	30,681
Revenue reserves	8,680,724	7,784,145
Revaluation surplus on property, plant and equipment - net of tax	4,345,951	4,091,322
<b>Total equity</b>	<b>13,333,992</b>	<b>12,182,784</b>
<b>LIABILITIES</b>		
Lease liabilities	4,724	7,936
Employee benefits	301,500	296,669
Deferred tax liability - net	635,014	547,977
<b>Non-current liabilities</b>	<b>941,238</b>	<b>852,582</b>
Trade and other payables	1,787,583	1,379,011
Contract liabilities	327,373	295,986
Lease liabilities	10,964	8,298
Current portion of long term loan	-	124,748
Deferred grant	-	2,859
Provision for income tax - net	113,268	125,027
Unpaid dividend	105,769	96,840
Unclaimed dividend	31,075	31,818
<b>Current liabilities</b>	<b>2,376,032</b>	<b>2,064,587</b>
<b>Total liabilities</b>	<b>3,317,270</b>	<b>2,917,169</b>
<b>Total equity and liabilities</b>	<b>16,651,262</b>	<b>15,099,953</b>
<b>Contingencies and commitments</b>		
	-	-
<b>Total assets</b>	<b>16,651,262</b>	<b>15,099,953</b>

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The annexed notes 1 to 51 form an integral part of these financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR



**Annual Report 2023**  
*Murree Brewery Company Limited*

**Statement of Profit or Loss**  
For the year ended 30 June 2023

	Note	2023 (Rs.'000)	2022 (Rs.'000)
<b>TURNOVER - Net</b>	31	18,591,183	15,234,318
<b>COST OF SALES</b>	32	(15,087,084)	(11,694,003)
<b>GROSS PROFIT</b>		3,504,099	3,540,315
Selling and distribution expenses	33	(1,150,385)	(1,165,223)
Administrative expenses	34	(619,456)	(560,056)
Other expenses	35	(145,330)	(160,254)
Other income	36	115,717	180,366
Allowance for impairment loss on trade debts	26.1	(65)	(867)
<b>OPERATING PROFIT</b>		1,704,580	1,834,281
Finance cost	37	(10,335)	(19,609)
Finance income	38	430,420	378,756
<b>NET FINANCE INCOME</b>		420,085	359,147
<b>PROFIT BEFORE TAX</b>		2,124,665	2,193,428
Income tax expense	39	(850,976)	(899,320)
<b>PROFIT FOR THE YEAR</b>		1,273,689	1,294,108
		<b>2023</b>	<b>2022</b>
Earnings per share - basic and diluted (Rupees)	40	46.04	46.78

The annexed notes 1 to 51 form an integral part of these financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR

## Annual Report 2023

### Murree Brewery Company Limited

#### Statement of Comprehensive Income For the year ended 30 June 2023

	Note	2023 (Rs.'000)	2022 (Rs.'000)
<b>Profit for the year</b>		<b>1,273,689</b>	<b>1,294,108</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement on defined benefit plan liability - gratuity	12.1.3	22,787	9,278
Remeasurement on defined benefit plan asset - pension	12.2.6	8,011	2,293
Surplus on revaluation of property, plant and equipment		371,256	462,073
		402,054	473,644
Related tax	13.1	(109,581)	(122,978)
Other comprehensive income for the year - net of tax		292,473	350,666
<b>Total comprehensive income for the year</b>		<b>1,566,162</b>	<b>1,644,774</b>

The annexed notes 1 to 51 form an integral part of these financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR

# Murree Brewery Company Limited

## Statement of Changes in Equity

For the year ended 30 June 2023

	Revenue reserves					Total	Revaluation surplus on property, plant and equipment- net of tax	Total equity
	State capital	Capital reserve	General reserve	Contingency reserve	Unappropriated profits			
Balance at 01 July 2021	276,636	30,681	327,042	20,000	7,078,570	7,425,612	3,773,307	11,506,236
<i>Total comprehensive income for the year</i>					(Rs.000)			
Profit for the year	-	-	-	-	1,294,108	1,294,108	-	1,294,108
Other comprehensive income for the year - net	-	-	-	-	7,753	7,753	-	7,753
Revaluation surplus on property, plant and equipment- net of tax	-	-	-	-	-	-	342,913	342,913
<b>Total comprehensive income for the year</b>	-	-	-	-	1,301,861	1,301,861	342,913	1,644,774
<i>Transfer within equity</i>								
Revaluation surplus on property, plant and equipment realized through depreciation for the year - net of deferred tax (refer note 9)	-	-	-	-	24,563	24,563	(24,563)	-
Transferred from revaluation surplus on property, plant and equipment on disposal - net of deferred tax (refer note 9)	-	-	-	-	335	335	(335)	-
Transactions with members recorded directly in equity	-	-	-	-	34,898	34,898	(24,898)	-
Distribution	-	-	-	-	-	-	-	-
Final cash dividend 30 June 2021 (Rs. 10 per share)	-	-	-	-	(276,636)	(276,636)	-	(276,636)
First interim cash dividend 30 June 2022 (Rs. 05 per share)	-	-	-	-	(138,318)	(138,318)	-	(138,318)
Second interim cash dividend 30 June 2022 (Rs. 10 per share)	-	-	-	-	(276,636)	(276,636)	-	(276,636)
Third interim cash dividend 30 June 2022 (Rs. 10 per share)	-	-	-	-	(276,636)	(276,636)	-	(276,636)
<b>Total distribution</b>	-	-	-	-	(968,226)	(968,226)	-	(968,226)
Balance at 30 June 2022	276,636	30,681	327,042	20,000	7,437,103	7,784,145	4,091,322	12,182,784

The annexed notes 1 to 51 form an integral part of these financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR



# Murree Brewery Company Limited

## Statement of Changes in Equity - Continued

For the year ended 30 June 2023

	Share capital	Capital reserve	General reserve	Contingency reserve	Revenue reserves		Total	Revaluation surplus on property, plant and equipment - net of tax	Total equity
					Unappropriated profits				
Balance at 01 July 2022	276,636	30,681	327,042	20,000	7,437,103	7,784,145	4,091,322	12,182,784	
<b>Total comprehensive income for the year</b>									
Profit for the year	-	-	-	-	1,273,689	1,273,689	-	1,273,689	
Other comprehensive income for the year - net	-	-	-	-	18,787	18,787	-	18,787	
Revaluation surplus on property, plant and equipment - net of tax	-	-	-	-	-	-	273,686	273,686	
<b>Total comprehensive income for the year</b>	-	-	-	-	1,292,476	1,292,476	273,686	1,566,162	
<b>Transfers within equity</b>									
Revaluation surplus on property, plant and equipment realized through depreciation for the year - net of deferred tax (refer note 9)	-	-	-	-	19,057	19,057	(19,057)	-	
<b>Transactions with members recorded directly in equity</b>									
<b>Distribution</b>									
Final cash dividend 30 June 2022 (Rs. 10 per share)	-	-	-	-	(276,636)	(276,636)	-	(276,636)	
First interim cash dividend 30 June 2023 (Rs. 05 per share)	-	-	-	-	(138,318)	(138,318)	-	(138,318)	
<b>Total distribution</b>	-	-	-	-	(414,954)	(414,954)	-	(414,954)	
Balance at 30 June 2023	276,636	30,681	327,042	20,000	8,333,682	8,680,724	4,345,951	13,333,992	

Balance at 01 July 2022

Total comprehensive income for the year

Profit for the year

Other comprehensive income for the year - net

Revaluation surplus on property, plant and equipment - net of tax

Total comprehensive income for the year

Transfers within equity

Revaluation surplus on property, plant and equipment realized through depreciation for the year - net of deferred tax (refer note 9)

Transactions with members recorded directly in equity

Distribution

Final cash dividend 30 June 2022 (Rs. 10 per share)

First interim cash dividend 30 June 2023 (Rs. 05 per share)

Total distribution

Balance at 30 June 2023

The annexed notes 1 to 51 form an integral part of these financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR

**Annual Report 2023**  
**Murree Brewery Company Limited**

**Statement of Cash Flow**

For the year ended 30 June 2023

CASH FLOWS FROM OPERATING ACTIVITIES	Note	2023 (Rs.'000)	2022 (Rs.'000)
Profit before tax		2,124,665	2,193,428
<b>Adjustments for:</b>			
Employee benefits - charge to profit or loss	12.1.2 & 12.2.4	51,958	42,720
Depreciation	17.1.3 & 18.1	404,945	377,391
Amortization	19.1	263	519
Provision for slow moving inventories	34	2,809	43,671
Provision for workers' profit participation fund	35	90,876	85,904
Provision for workers' welfare fund	35	45,215	43,870
Gas tariff differential	14	-	69,860
Provision for water tax	14	84,509	92,596
Gain on re-measurement of investment property to fair value	36	(56,731)	(113,241)
Gain on disposal of property, plant and equipment	36	(930)	(24,418)
Amortisation of deferred grant	11.1	(2,859)	(13,724)
Allowance for expected credit losses	26.1	65	867
Finance cost	37	6,240	19,608
Return on deposit accounts	38	(175,531)	(131,375)
Interest on Pakistan investment bonds	38	(40,743)	(40,962)
Interest on advances	38	(418)	(257)
Dividend income	38	(198,116)	(175,365)
Unrealized loss/(gain) on re-measurement of short term investments	37	4,095	(4,172)
		215,647	273,492
<b>Operating profit before working capital changes</b>		<b>2,340,312</b>	<b>2,466,920</b>
<i>Changes in:</i>			
Inventories		(1,361,695)	(544,401)
Trade debts		(27,282)	15,486
Advances, prepayments and other receivables		(193,721)	(108,238)
Trade and other payables		273,861	(63,013)
Contract liabilities		31,387	93,370
		(1,277,450)	(606,796)
<b>Cash generated from operating activities</b>		<b>1,062,862</b>	<b>1,860,124</b>
Finance cost paid		(1,662)	(1,377)
Employee benefits paid	12.1 & 12.2	(31,789)	(26,470)
Workers' profit participation fund paid	14.2	(85,888)	(68,553)
Income taxes paid	29	(885,280)	(495,306)
<b>Net cash from operating activities</b>		<b>58,243</b>	<b>1,268,418</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(500,025)	(227,141)
Proceeds from disposal of property, plant and equipment	17.1.6	1,877	30,007
Long term advances paid		742	1,468
Long term deposits paid		(4,947)	(1,416)
Realization of short term investments		548,751	24,512
Return on deposits received		216,692	172,594
Dividends received		198,116	175,365
<b>Net cash from investing activities</b>		<b>461,206</b>	<b>175,389</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payment against lease liabilities	10	(15,930)	(12,281)
Repayment of loan	11	(125,231)	(171,935)
Dividend paid		(406,768)	(948,151)
<b>Net cash used in financing activities</b>		<b>(547,929)</b>	<b>(1,132,367)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(28,481)</b>	<b>311,440</b>
<b>Cash and cash equivalents at beginning of the year</b>		<b>2,509,228</b>	<b>2,197,788</b>
<b>Cash and cash equivalents at end of the year</b>	41	<b>2,480,747</b>	<b>2,509,228</b>

The annexed notes 1 to 51 form an integral part of these financial statements.

  
**CHIEF FINANCIAL OFFICER**

  
**CHIEF EXECUTIVE OFFICER**

  
**DIRECTOR**

**Annual Report 2023**  
**Murree Brewery Company Limited**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2023**

**1 THE COMPANY AND ITS OPERATIONS**

Murree Brewery Company Limited ("the Company") was incorporated under the repealed Indian Companies Act (now the Companies Act, 2017) in February 1861 as a public limited Company in Pakistan. The shares of the Company are quoted on Pakistan Stock Exchange Limited.

The Company is principally engaged in the manufacturing of alcoholic beer, Pakistan Made Foreign Liquor (PMFL), non-alcoholic beer, aerated water (non-alcoholic products), juices and food products, mineral water, glass bottles and jars. The Company is presently operating three divisions namely Liquor, Tops and Glass to carry out its principal activities.

The registered office of the Company is situated at National Park Road in Rawalpindi, Pakistan. The addresses of the Company's corporate office, manufacturing facilities and warehouses owned by the Company located in Rawalpindi, Hattar, Lahore and Gujranwala are disclosed in note 17.1.5. The addresses of the Company's other sales offices/warehouses are as follows:

- Khasra No 413, 414, 415, Khatooni No 565, 566, 567, Khewat No 295, 296, 297, Mauza Jaliari Bhai Khan, GT Road, Tehsil Gujar Khan & District Rawalpindi;
- Ratti Gali, Ayubia Road, Murree;
- Mansoor Abad, near Sant Sing railway gate, Jumra Road, Faisalabad;
- 164/B, near Winter Time, Small Industries Estate, Sahiwal;and
- 28-B, Small Industrial Estate, Main Lahore Road, Sargodha.

**2 STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION**

**2.1 Statement of compliance**

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

- International Financial Reporting Standards (IFRS Standards), issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

Details of the Company's accounting policies are included in note 4.

**2.2 Basis of measurement**

These financial statements have been prepared under historical cost convention except for the following items, which are measured on an alternative basis on each reporting date.

Item	Measurement basis
Land, building, plant, machinery and equipment	Revaluation model
Investment property	Fair value model



**Annual Report 2023**  
**Murree Brewery Company Limited**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2023**

Investments held for trading	Fair value through profit or loss
Employee benefits	Present value of the defined benefit liability, determined through actuarial valuation, less fair value of plan assets

The methods used to measure fair values are disclosed in the respective policy notes.

**2.3 Functional and presentation currency**

These financial statements are presented in Pakistan Rupees (Rupee or PKR), which is the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise stated.

**2.4 Use of judgments and estimates**

In preparing these financial statements, management has made judgments and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgments, assumptions and estimates made in applying accounting policies that have the effects on the amounts recognised in the financial statements are as follows:

- Note 4.1 and 17: Useful lives, residual values and depreciation method of property, plant and equipment;
- Note 4.21 and 18: Useful lives and depreciation method of right of use asset and lease term and discount rate used to calculate lease liability;
- Note 4.2 and 19: Useful lives, residual values and amortization method of intangible asset;
- Note 4.3 and 21: Fair value of investment property;
- Note 4.4 and 25: Provision for slow moving inventories;
- Note 4.9, 4.10 and note 16: Recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 4.12 and 12: Measurement of defined benefit obligations; key actuarial assumptions;
- Note 4.12.2 and 13: Recognition of deferred tax liabilities and assets and estimation of income tax provisions;
- Note 4.8.1 and 26: Measurement of allowance for expected credit loss of financial assets at amortised cost;
- Note 4.8.2: Impairment loss of non-financial assets other than inventories; and
- Note 4.14 and 31: Revenue recognition

Charge in respect of Workers' profit participation fund has been recognized based on industrial profit attributable to the production and sale of food and beverages.

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*Murree Brewery Company Limited*  
**Notes to the Financial Statements**  
**For the year ended 30 June 2023**

**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 in the principal or in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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

If there is no quoted price in an active market, then the Company uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price—i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but not later than when the valuation is wholly supported by observable market data or the transaction is closed out.

The Company has an established control framework with respect to the measurement of fair values. Management has overall responsibility for overseeing all significant fair value measurements, including Level 2 fair values.

Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the approved accounting standards as applicable in Pakistan, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

**Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).



**Notes to the Financial Statements**

**For the year ended 30 June 2023**

**Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

**3 STANDARDS NOT YET EFFECTIVE**

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 1 July 2023:

- Classification of liabilities as current or non-current (Amendments to IAS 1 in January 2020) apply retrospectively for the annual periods beginning on or after 1 January 2024 (as deferred vide amendments to IAS 1 in October 2022) with earlier application permitted. These amendments in the standards have been added to further clarify when a liability is classified as current. Convertible debt may need to be reclassified as 'current'. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity's expectation and discretion at the reporting date to refinance or to reschedule payments on a long-term basis are no longer relevant for the classification of a liability as current or non-current. An entity shall apply those amendments retrospectively in accordance with IAS 8.
- Non-current Liabilities with Covenants (amendment to IAS 1 in October 2022) aims to improve the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with conditions. The amendment is also intended to address concerns about classifying such a liability as current or non-current. Only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which the company must comply after the reporting date (i.e. future covenants) do not affect a liability's classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date. The amendments apply retrospectively for annual reporting periods beginning on or after 1 January 2024, with earlier application permitted. These amendments also specify the transition requirements for companies that may have early-adopted the previously issued but not yet effective 2020 amendments to IAS 1 (as referred above).
- Lease Liability in a Sale and Leaseback (amendment to IFRS 16 in September 2022) adds subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements to be accounted for as a sale. The amendment confirms that on initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction. After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognizes no gain or loss relating to the right of use it retains. A seller-lessee may adopt different approaches that



**Notes to the Financial Statements**

**For the year ended 30 June 2023**

satisfy the new requirements on subsequent measurement. The amendments are effective for annual reporting periods beginning on or after 1 January 2024 with earlier application permitted. Under IAS 8, a seller-lessee will need to apply the amendments retrospectively to sale-and-leaseback transactions entered into or after the date of initial application of IFRS 16 and will need to identify and re-examine sale-and-leaseback transactions entered into since implementation of IFRS 16 in 2019, and potentially restate those that included variable lease payments. If an entity (a seller-lessee) applies the amendments arising from Lease Liability in a Sale and Leaseback for an earlier period, the entity shall disclose that fact.

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) – the Board has issued amendments on the application of materiality to disclosure of accounting policies and to help companies provide useful accounting policy disclosures. The key amendments to IAS 1 include:
  - requiring companies to disclose their material accounting policies rather than their significant accounting policies;
  - clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
  - clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company’s financial statements.

The Board also amended IFRS Practice Statement 2 to include guidance and two additional examples on the application of materiality to accounting policy disclosures. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 with earlier application permitted.

- Definition of Accounting Estimates (Amendments to IAS 8) introduce a new definition for accounting estimates clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that an entity develops an accounting estimate to achieve the objective set out by an accounting policy. The amendments are effective for periods beginning on or after 1 January 2023, with earlier application permitted, and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the company applies the amendments.
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) narrow the scope of the initial recognition exemption (IRE) so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognize a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision. For leases and decommissioning liabilities, the associated deferred tax asset and liabilities will need to be recognized from the beginning of the earliest comparative period presented, with any cumulative effect recognized as an adjustment to retained earnings or other components of equity at that date. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 with earlier application permitted.
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) amend accounting treatment on loss of control of business or assets. The amendments also introduce new accounting for less frequent transaction

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*Murree Brewery Company Limited*  
**Notes to the Financial Statements**  
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that involves neither cost nor full step-up of certain retained interests in assets that are not businesses. The effective date for these changes has been deferred indefinitely until the completion of a broader review.

- Supplier Finance Arrangements (amendments to IAS 7 and IFRS 7) introduce two new disclosure objectives for a company to provide information about its supplier finance arrangements that would enable users (investors) to assess the effects of these arrangements on the company's liabilities and cash flows, and the company's exposure to liquidity risk. Under the amendments, companies also need to disclose the type and effect of non-cash changes in the carrying amounts of the financial liabilities that are part of a supplier finance arrangement. The amendments also add supplier finance arrangements as an example to the existing disclosure requirements in IFRS 7 on factors a company might consider when providing specific quantitative liquidity risk disclosures about its financial liabilities. The amendments are effective for periods beginning on or after 1 January 2024, with early application permitted. However, some relief from providing certain information in the year of initial application is available.
- International Tax Reform – Pillar Two Model Rules (amendments to IAS 12 ) introduce following new disclosure requirements:
- Once tax law is enacted but before top-up tax is effective:  
disclose information that is known or can be reasonably estimated and that helps users of its financial statements to understand its exposure to Pillar Two income taxes at the reporting date. If information is not known or cannot be reasonably estimated at the reporting date, then a company discloses a statement to that effect and information about its progress in assessing the Pillar Two exposure.
- After top-up tax is effective: disclose current tax expense related to top-up tax.

These amendments apply from 31 December 2023. No disclosures are required in interim periods ending on or before 31 December 2023

The above amendments are not likely to have an impact on the Company's financial statements.

#### **4 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies as set out below have been applied consistently to all periods presented in these financial statements:

##### **4.1 Property, plant and equipment and advances for capital expenditures**

###### **Recognition and measurement**

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses except for:

- Lands are stated at revalued amounts.
- Buildings are stated at revalued amounts less accumulated depreciation and impairment losses, if any.
- Plant, machinery and equipment is stated at revalued amounts less accumulated depreciation and impairment losses, if any.



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- Capital work in progress and advance for capital expenditure is carried at cost less impairment loss, if any.

Items in property, plant and equipment are recognized at revalued amounts based on valuation by external independent valuer. Revaluation surplus on property, plant and equipment is credited to a capital reserve in shareholders' equity and presented as a separate line item in statement of financial position.

Increases in the carrying amounts arising on revaluation of land, buildings, plant machinery and equipment are recognised, net of tax, in other comprehensive income and accumulated in revaluation surplus in shareholders' equity. To the extent that increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss.

Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss.

Long term leases of land in which the Company obtains control of the land are accounted for as property, plant and equipment and presented as 'leasehold land'.

The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use.

The completed / acquired capital work in progress and advance for capital expenditure is transferred to the respective item of operating fixed assets when it becomes available for intended use.

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

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

#### **Subsequent expenditure**

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

#### **Depreciation**

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is recognised in profit or loss. Land and capital work in progress are not depreciated. Leased assets are depreciated over the shorter of the leased term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Rates of depreciation/estimated useful lives for current and comparative periods are mentioned in note 17.1 to these financial statements.

Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of profit or loss and depreciation based on the asset's original cost,



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net of tax, is reclassified from revaluation surplus on property, plant and equipment to unappropriated profit.

Depreciation on additions to property, plant and equipment is charged on prorata basis from the date on which the item of property, plant and equipment is acquired or capitalized while no depreciation is charged from the date on which property, plant and equipment is disposed off/ derecognized.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

#### **Reclassification to investment property**

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified accordingly. Any gain arising on this remeasurement is recognised in profit or loss to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognised in OCI and presented in the revaluation reserve. Any loss is recognised in profit or loss. However, to the extent that an amount is included in the revaluation surplus for that property, the loss is recognised in OCI and reduces the revaluation surplus within equity.

#### **4.2 Intangible assets**

##### **Recognition and measurement**

Intangible assets that have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses

##### **Subsequent expenditure**

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

##### **Amortization**

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is recognised in profit or loss. Amortization rates/estimated useful lives for current and comparatives are disclosed in note 19.1 to these financial statements.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

#### **4.3 Investment property**

Investment property is initially measured at cost and subsequently at fair value with any change therein recognised in profit or loss.

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Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

When investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to retained earnings.

#### **4.4 Inventories**

##### **Stores, spare parts and loose tools**

Stores, spare parts and loose tools are valued at weighted average cost and net realizable value except for items in transit which are stated at cost incurred up to the statement of financial position date less impairment, if any. Cost comprises of cost of purchase and other costs incurred in bringing the items to their present location and condition. For items which are slow moving and/or identified as surplus to the Company's requirements, adequate provision is made for any excess book value over estimated net realizable value. The Company reviews the carrying amount of stores, spare parts and loose tools on a regular basis and provision is made for obsolescence, if there is any change in usage pattern or physical form of related stores, spare parts and loose tools.

##### **Stock in trade**

These are valued at lower of cost and net realizable value. Cost is determined as follows:

- Raw materials are valued at weighted average cost;
- Goods in transit are valued at incurred cost, which includes invoice value and other charges incurred thereon;
- Cost of finished goods, based on weighted average method, includes direct cost of production and appropriate portion of production overheads based on normal capacity;
- Work in process including stocks under maturation are valued at lower of cost and net realizable value; and
- Stocks under maturation and work in process are valued at manufacturing cost which represents direct material, labour and an appropriate share of production overheads based on normal operating capacity.

Cost comprises of cost of purchase and other costs incurred in bringing the items to their present location and condition. Net realizable value signifies the estimated selling price in the ordinary course of business less costs necessarily to be incurred in order to make a sale.

#### **4.5 Financial instruments**

The Company initially recognizes trade debts on the date when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without significant financing component is initially measured at the transaction price.

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**Classification and subsequent measurement**

**Financial asset**

On initial recognition, a financial asset is classified as measured at:

- amortized cost;
- fair value through other comprehensive income (FVOCI); or
- fair value through profit or loss (FVTPL).

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

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

**a) Amortized cost**

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

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

**b) Fair value through other comprehensive income (FVOCI)**

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- i. it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- ii. its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

**c) Fair value through profit or loss (FVTPL)**

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

**Subsequent measurement and gains and losses**

**Financial assets at amortised cost** These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is



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reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.

##### **Debt investments at FVOCI**

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On de-recognition, gains and losses accumulated in OCI are reclassified to profit or loss.

##### **Financial assets at FVTPL**

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

##### **Equity investment at FVOCI**

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

##### **Financial liabilities – classification, subsequent measurement and gains and losses**

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

#### **De-recognition**

##### **Financial assets**

The Company derecognizes a financial asset when:

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

##### **Financial liabilities**

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when its terms are modified and the cashflows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. On derecognition

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

**Offsetting**

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

**4.6 Trade and other receivables**

Trade and other receivables are initially recognized at fair value of consideration to be received. Subsequent to initial recognition these are carried at their amortized cost as reduced by appropriate charge for expected credit losses, if any. The Company holds the trade debts with the objective of collecting the contractual cash flows and therefore measures the trade debts subsequently at amortized cost using the effective interest method. Impairment of trade debts and other receivables is described in note 4.8.

**4.7 Trade and other payables**

Trade and other payables are initially recognized at the fair value of the consideration to be paid in future for goods and services received. Subsequent to initial recognition, these are carried at amortized cost.

**4.8 Impairment**

**4.8.1 Financial assets**

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

Lifetime ECLs are those that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

At each reporting date, the Company assesses whether the financial assets carried at amortized cost are credit impaired. A financial asset is credit-impaired when one or more events that have detrimental impact on the estimated future cash flows of the financial assets have occurred.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.



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**4.8.2 Non-financial assets**

The carrying amount of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated in order to determine the extent of the impairment loss, if any. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In the absence of any information about the fair value of a cash-generating unit, the recoverable amount is deemed to be the value in use. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in statement of profit or loss. Impairment losses in respect of cash-generating units are allocated to the carrying amounts of assets in the cash-generating unit group on pro-rata basis. An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

**4.9 Provisions**

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax discount rate that reflects current market assessment of time value of money and risk specific to the liability. The unwinding of discount is recognised as finance cost.

**4.10 Contingent liabilities**

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

**4.11 Share capital and dividends**

Ordinary shares are classified as equity and recognised at their face value. Dividend distribution to the shareholders is recognized as liability in the period in which it is declared.

**4.12 Employee benefits**

**4.12.1 Short-term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive



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obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**4.12.2 Defined contribution plan – provident fund**

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. The Company operates a defined contribution provident fund scheme for permanent employees. Contributions to the fund are made monthly by the Company and employees at the rate of 12% of the basic salary. The fund is managed by its Board of Trustees.

**4.12.3 Defined benefit plans**

**a. Gratuity and pension plans**

The Company operates defined benefit plans comprising a funded pension and an unfunded gratuity scheme covering all eligible employees completing the minimum qualifying period of service as specified by the scheme.

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan 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.

The calculation of defined benefit obligations 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 recognised 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 contributions 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 recognised immediately in other comprehensive income. 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 plans are recognised in 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 recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs. The pension fund is managed by trustees of the fund who are responsible for the establishment and oversight of the Fund's risk management framework.

**b. Compensated leave absences**

The Company recognises provision for compensated absences on an undiscounted basis and are expensed as the related services are provided. A liability is recognised for the amount expected to

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be paid under compensated absences if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably. The compensated absences are payable to employees as per the Company's policy. The provision is determined on the basis of last drawn salary and accumulated leaves balance at the reporting date. Actuarial valuation has not been carried out as the impact of present valuation is considered immaterial in the context of overall financial statements.

**4.13 Income tax**

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

**4.13.1 Current tax**

Provision for current tax is based on taxable income for the year at the applicable tax rates after taking into account tax credit and tax rebates, if any and any adjustment to tax payable in respect of previous year.

**4.13.2 Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans for the Company and the reversal of temporary differences. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantially enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.



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For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Company has not rebutted this assumption. Deferred tax assets and liabilities are offset if certain criteria are met.

**4.14 Revenue from contracts with customers**

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a good or service to a customer. The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

<b>Type of product</b>	<b>Nature and timing of satisfaction of performance obligations, including significant payment terms</b>	<b>Revenue recognition policies</b>
Liquor- Alcoholic beverages	Customers obtain control of alcoholic beverages when the goods are dispatched from the Company's warehouse. Invoices are generated at that point in time. Advance payment is received and there is no financing component. No discounts or returns are offered for alcoholic beverages.	Revenue is recognized when the goods are delivered and have been accepted by customers at their premises. Advances received are included in contract liabilities.
Liquor - Non- Alcoholic beverages	Customer obtain control of non-alcoholic beverages when the goods are delivered to and have been accepted by the customers at their premises. Invoices are generated at that point in time. Advance payment is received and there is no financing component. Discounts are offered to customers based on approved rates.	Revenue is recognized when the goods are delivered and have been accepted by customers at their premises.
Glass products	Customers obtain control of glass products when the goods are dispatched from the Company's warehouse. Invoices are generated and revenue is recognised at that point in time. Advance payment is received and there is no financing component. Discounts are offered to customers based on approved rates.	Revenue is recognised when the goods are dispatched from the Company's warehouse.
Tops - Local sales	Customers obtain control of tops products when the goods are delivered to the customer's premises. Invoices are generated at the end of the day when cash is collected from the salesman. Sales are made on cash basis, however,	Revenue is recognised when the goods are delivered to the customer's premises.



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	some contracts allow credit and there is no financing component. Discounts are offered to customers based on approved rates.	
Tops - Sales to distributors, institutions and departments (Tops transporter)	Customers obtain control of Tops products when the goods are delivered to the customer's premises. Invoices are generated at that point in time which are usually payable within 45 days and revenue is recognised at that point in time. Some contracts allow credit and there is no significant financing component. Discounts are offered to customers based on approved rates.	Revenue is recognised when the goods are delivered to the customer's premises.
Tops-Sales to distributors, institutions and departments (Customer transporter)	Customers obtain control of tops products when the goods are loaded to the customer's vehicle. Invoices are generated at that point in time which are usually payable within 45 days and revenue is recognised at that point in time. Some contracts allow credit and there is no significant financing component. Discounts are offered to customers based on approved rates.	Revenue is recognised when the goods are loaded to the customer's vehicle.

Some contracts permit the customer to return items. Returned goods are exchanged only for new goods – i.e. no cash refunds are offered. For such contracts, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

#### 4.14.1 Contract assets

The contract assets primarily relate to the Company's rights to consideration for sale of goods provided these are not yet billed at the reporting date. The contract assets are transferred to trade debts when the rights become unconditional.

#### 4.14.2 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.

#### 4.14.3 Contract costs

(i) Costs to obtain a contract – Incremental costs of obtaining a contract i.e., sales commission paid to third parties are accounted for as contract costs and are transferred to profit or loss

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account based on the systematic pattern of revenue. The Company capitalizes such costs if revenue relating to such contract has not been recognized and the Company expects to recover such costs.

(ii) Costs to full fill a contract – Costs that relate directly to a contract and are specifically identified, generate or enhance resources of the entity and are expected to be recovered i.e., direct transportation and insurance costs are accounted for as contract costs and are transferred to profit or loss account based on the systematic pattern of revenue. The Company capitalizes such costs if revenue relating to such contract has not been recognized.

**4.15 Cash and cash equivalents**

Cash and cash equivalents comprise cash and bank balances and short-term borrowings under mark-up arrangements, used by the Company in the management of its short-term commitments. Cash and cash equivalents are carried in the statement of financial position at amortised cost.

**4.16 Foreign currency transactions**

Transactions in foreign currencies are translated in PKR (functional and presentation currency) at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities in foreign currencies are translated into PKR at the rates of exchange approximating those prevalent at the date of statement of financial position. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

**4.17 Operating profit**

Operating profit is the result generated from continuing principal revenue producing activities of the Company as well as other income and expenses related to operating activities. Operating profit excludes finance income and finance costs and income taxes.

**4.18 Finance income and finance cost**

Finance income includes interest income on funds invested. Markup / interest income is recognised as it accrues in the statement of profit or loss, using the effective interest rate method.

Finance cost comprises interest expense on borrowings and bank charges. Finance expenses are recognised using the effective interest rate method. Borrowing costs incurred for the construction of any qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in statement of profit or loss.



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**4.19 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly investment property, investments and other expenses.

**4.20 Earnings per share**

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

**4.21 Leases**

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

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

The lease liability is initially measured at the present value of the lease payment that are not paid at the commencement date, discounted using the interest rate implicit in the lease. If this rate cannot be readily determined, the Company uses the incremental borrowing rate (IBR) applicable in the market for such leases. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

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

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



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**5 CHANGE IN SIGNIFICANT ACCOUNTING POLICY**

Following new standards, amendments or interpretations became effective from 01 July 2022, but they do not have a material effect on the Company's financial statements:

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) effective for the annual periods beginning on or after 1 January 2022 clarifies that the 'cost of fulfilling a contract' for the purposes of the onerous contract assessment comprises the costs that relate directly to the contract, including both the incremental costs and an allocation of other direct costs to fulfil the contract. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.
- The following annual improvements to IFRS Standards 2018-2020 are effective for annual reporting periods beginning on or after 1 January 2022:
  - IFRS 9 – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability.
  - IFRS 16 – The amendment partially amends Illustrative Example 13 accompanying IFRS 16 by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.
  - IAS 41 – The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique. This amendment enables the fair value measurement of biological assets on a post-tax basis.
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) effective for annual periods beginning on or after 1 January 2022 clarifies that sales proceeds and costs of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc., are recognized in profit or loss in accordance with applicable standards. The entity measures the cost of those items applying the measurement requirements of IAS 2. The amendment also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

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6	SHARE CAPITAL	Note	2023 (Rs.'000)	2022 (Rs.'000)
6.1	Authorized share capital	6.1.1	300,000	300,000
6.1.1	This represents 30,000,000 (2022: 30,000,000) ordinary shares of Rs. 10 each.			
6.2	Issued, subscribed and paid up share capital			
			2023 (Rs.'000)	2022 (Rs.'000)
	2023 Number	2022 Number		
	264,000	264,000	2,640	2,640
	27,399,630	27,399,630	273,996	273,996
	<u>27,663,630</u>	<u>27,663,630</u>	<u>276,636</u>	<u>276,636</u>
6.2.1	All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends from time to time and are entitled to one vote per share at general meetings of the Company.			
6.3	D.P. Edulji & Company (Private) Limited (incorporated in Pakistan) and Kingsway Fund (incorporated in Grand Duchy of Luxembourg) ("associated undertakings") hold 4,909,959 (2022: 4,909,959) and 6,029,885 (2022: 6,384,885) ordinary shares of Rs.10 each respectively at the reporting date. Further, directors hold 5,615,668 (2022: 5,615,668) ordinary shares of Rs.10 each at the reporting date.			
6.4	Capital management			
	The Company's objective when managing capital is to safeguard the Company'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 maintain a strong capital base to support the sustained development of its businesses.			
	The Company manages its capital structure which comprises capital and reserves by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders and/or issue new shares. There were no changes to Company's approach to capital management during the year and the Company is not subject to externally imposed capital requirement.			
7	CAPITAL RESERVE	Note	2023 (Rs.'000)	2022 (Rs.'000)
	Capital reserve	7.1	30,681	30,681
7.1	This reserve is not available for distribution.			
8	REVENUE RESERVES	Note	2023 (Rs.'000)	2022 (Rs.'000)
	General reserve		327,042	327,042
	Contingency reserve		20,000	20,000
	Unappropriated profits	8.1	8,333,682	7,437,103
			<u>8,680,724</u>	<u>7,784,145</u>
8.1	This represents unappropriated profits which are available for distribution.			
9	REVALUATION SURPLUS ON PROPERTY, PLANT AND EQUIPMENT - NET OF TAX		2023 (Rs.'000)	2022 (Rs.'000)
	Balance at 01 July		4,464,170	4,037,028
	Surplus arising on revaluation during the year		371,256	462,073
	Surplus on disposal of operating fixed assets		-	(335)
			<u>4,835,426</u>	<u>4,498,766</u>
	Transferred to equity in respect of incremental depreciation charged during the year:			
	- Surplus - net of deferred tax liability		(19,057)	(24,563)
	- Related deferred tax liability		(12,184)	(10,033)
			<u>(31,241)</u>	<u>(34,596)</u>
	Surplus on revaluation of property, plant and equipment at 30 June		4,804,185	4,464,170
	Related deferred tax liability:			
	On revaluation surplus at 01 July		(372,848)	(263,721)
	On revaluation surplus arising during the year		(97,570)	(119,160)
	On incremental depreciation charged during the year		12,184	10,033
			<u>(458,234)</u>	<u>(372,848)</u>
	Balance at 30 June		<u>4,345,951</u>	<u>4,091,322</u>

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9.1 This represents revaluation surplus on revaluation of lands, buildings, plant, machinery and equipment.

**10 LEASE LIABILITIES**

	2023 (Rs.'000)	2022 (Rs.'000)
Lease liabilities	15,688	16,234
Less: current portion	(10,964)	(8,298)
Non-current portion of lease liabilities	4,724	7,936
Movement of lease liabilities is as follows;		
Balance at 01 July	16,234	25,800
New lease liabilities	11,289	-
Interest	4,095	2,715
Payments during the year	(15,930)	(12,281)
Balance at 30 June	15,688	16,234
Current portion of lease liabilities	10,964	8,298
Non-current portion of lease liabilities	4,724	7,936

Maturity analysis of undiscounted lease payments that will be paid after the reporting date is as follow:

	2023	2022
Less than one year	10,480	9,792
One to two years	4,591	8,462
Two to three	2,298	-
	17,369	18,254

10.1 Lease liabilities include Rs. 8.57 million (2022: Rs. 3.43 million) against leased vehicles from financial institutions. The lease term for these arrangements is 3 years and these carry markup ranging from 16.48% to 23.97% (2022: 8.56% to 14.50%) per annum. At the completion of the lease term, the Company has the option to acquire the assets upon complete payment of all instalments and adjustment of lease key money. The facility is secured by way of ownership of the leased vehicles by the financial institutions.

**11 LONG TERM LOAN**

	Note	2023 (Rs.'000)	2022 (Rs.'000)
Balance at 01 July		124,748	281,166
Effective interest	37	483	15,517
Repayment	11.2	(125,231)	(171,935)
Balance at 30 June		-	124,748
Current portion		-	124,748

**11.1 GOVERNMENT GRANT**

	Note	2023	2022
Balance at 01 July		2,859	16,583
Amortization of deferred grant	38	(2,859)	(13,724)
Balance at 30 June		-	2,859
Current portion		-	2,859

11.2 In order to mitigate the effect of the COVID 19 pandemic, the State Bank of Pakistan ("SBP") introduced "Refinance Scheme for Payment of Wages and Salaries to the Workers and Employees of Business Concerns" whereby financing at low mark-up rates was made available to the entities on the condition of not laying off the workers/employees and payment of salaries and wages of permanent, contractual, daily wagers and outsourced employees from April 2020 to June 2020. During the year ended 30 June 2020, the Company obtained long term loan facility amounting to Rs. 340.28 million under this scheme from United Bank Limited which is secured by first charge over fixed assets of the Company excluding land and building amounting to Rs 534 million. The loan was repayable in 8 equal quarterly instalments due from 1 April 2021. Interest chargeable under the refinance scheme is 0.75% per annum. Accordingly, an amount of Rs 34.39 million was recognised as deferred grant income representing the difference between the loan proceeds and present value of repayments of principal and interest at incremental borrowing rate of the Company i.e. 6 months' KIBOR + 1% per annum. Deferred grant is being amortized over the term of the loan. There were no unfulfilled conditions related to this grant at the reporting date. The loan has been repaid in full during the year.



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12	EMPLOYEE BENEFITS	Note	2023 (Rs.'000)	2022 (Rs.'000)
	Net defined benefit liability - gratuity	12.1	295,962	282,686
	Net defined benefit liability - compensated leave absences		5,538	13,983
	Total employee benefit liability		<u>301,500</u>	<u>296,669</u>
	Net defined benefit asset - pension	12.2	<u>55,665</u>	<u>40,205</u>
<b>12.1</b>	<b>Net defined benefit liability - gratuity</b>			
	The Company operates an unfunded gratuity scheme for its eligible employees.			
	<i>Movement in net defined benefit liability - gratuity</i>			
	Balance at 01 July		282,686	266,759
	Charge for the year	12.1.2	56,367	44,692
	Experience adjustments on defined benefit liability	12.1.3	(22,787)	(9,278)
	Benefits paid		<u>(20,304)</u>	<u>(19,487)</u>
	Balance at 30 June	12.1.1	<u>295,962</u>	<u>282,686</u>
<b>12.1.1</b>	<b>Reconciliation of liability recognised in the statement of financial position</b>			
	Present value of defined benefit obligation		295,962	282,686
	Net defined benefit liability		<u>295,962</u>	<u>282,686</u>
<b>12.1.2</b>	<b>Charge to profit or loss</b>			
	Current service cost		20,581	19,381
	Interest cost		35,786	25,311
		12.1.2.1	<u>56,367</u>	<u>44,692</u>
<b>12.1.2.1</b>	<b>Expense is recognized in the following line items in profit or loss:</b>			
	Cost of sales		41,903	33,224
	Selling and distribution expenses		5,604	4,444
	Administrative expenses		8,860	7,025
			<u>56,367</u>	<u>44,692</u>
<b>12.1.3</b>	<b>Charge / (credit) to other comprehensive income</b>			
	Actuarial losses / (gains) from changes in financial assumptions		712	769
	Experience adjustments on defined benefit liability		<u>(23,499)</u>	<u>(10,047)</u>
			<u>(22,787)</u>	<u>(9,278)</u>
<b>12.1.4</b>	<b>Key actuarial assumptions</b>			
	The latest actuarial valuation was carried out, on 30 June 2023, using projected unit credit method with the following assumptions:			
			2023 (Rs.'000)	2022 (Rs.'000)
	Discount rate used for interest cost in profit or loss		13.25%	10.00%
	Discount rate used for reporting date liability		16.25%	13.25%
	Date of next expected salary increase		01 July 2023	01 July 2022
	Mortality rate	12.1.4.1	SLIC 2001-2005	SLIC 2001-2005
	Withdrawal rates		Age - Based	Age - Based
	Retirement assumption		Age 60	Age 60
<b>12.1.4.1</b>	Assumption regarding future mortality has been based on State Life Insurance Corporation (SLIC 2001-2005), ultimate mortality rate with 1 year setback as per recommendation of Pakistan Society of Actuaries (PSOA).			

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**12.1.5 Sensitivity analysis**

For a change of 100 basis points, present value of defined benefit liability at reporting date would have been as follows:

	2023 Increase (Rs.'000)	2023 Decrease (Rs.'000)	2022 Increase (Rs.'000)	2022 Decrease (Rs.'000)
Discount rate	272,782	314,464	266,272	307,637
Salary increase rate	314,511	272,398	307,680	265,887

**12.1.5.1** Although the analysis does not take into account full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

**12.1.6** The Company's expected charge for defined benefit liability - gratuity for the next year is Rs. 67.66 million.

**12.1.7 Risks associated with defined benefit liability - gratuity**

**Final Salary Risk (linked to inflation risk)**

The risk that the final salary at the time of cessation of service is greater than what was assumed. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors) the benefit amount increases as salary increases.

**Salary Increase Risk**

**- Mortality risk**

The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

**- Withdrawal Risk**

The risk of actual withdrawals experience is different from the assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

**12.1.8 Expected maturity profile**

Following are the expected distribution and timing of benefit payments at the reporting date:

	2023 (Rs.'000)	2022 (Rs.'000)
Year 1	22,733	16,839
Year 2	33,520	33,385
Year 3	42,048	38,139
Year 4	40,230	46,752
Year 5	33,805	42,290
Year 6 to Year 10	308,468	205,288
Year 11 and beyond	4,359,998	2,585,039

**2023**  
**Present value of**  
**defined benefit**  
**liability**  
**(Rs.'000)**

**12.1.9 Historical information**

2023	295,962
2022	282,686
2021	266,758
2020	249,266
2019	247,678

**12.1.10** Weighted average duration of defined benefit liability (years)

2023	2022
7	7

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**12.2 Net defined benefit asset pension**

The Company operates a funded pension scheme for its eligible employees.

<i>Movement in net defined benefit asset pension</i>	Note	2023 (Rs.'000)	2022 (Rs.'000)
Balance at 01 July		(40,205)	(30,189)
Charge for the year	12.2.4	(4,409)	(1,972)
Remeasurement gain recognized in other comprehensive income	12.2.6	(8,011)	(2,293)
Contributions by the Company		(3,040)	(5,751)
Balance at 30 June	12.2.1	<u>(55,665)</u>	<u>(40,205)</u>
<b>12.2.1 The amount recognized in the statement of financial position is as follows</b>			
Present value of defined plan liability	12.2.2	34,611	40,531
Fair value of defined plan assets	12.2.3	(90,276)	(80,736)
Net defined benefit asset		<u>(55,665)</u>	<u>(40,205)</u>
<b>12.2.2 The movement in the present value of defined plan liability is as follows</b>			
Present value of defined benefit liability at 01 July		40,531	40,874
Current service cost		1,119	1,332
Interest cost		5,187	3,973
Benefits paid during the year		(2,774)	(2,254)
Remeasurement gain		(9,452)	(3,394)
Present value of net defined benefit liability at 30 June		<u>34,611</u>	<u>40,531</u>
<b>12.2.3 The movement in the fair value of defined plan assets is as follows</b>			
Fair value of plan assets at 01 July		80,736	71,063
Contributions paid into the plan		3,040	5,751
Expected return on plan assets		10,715	7,281
Benefits paid by the plan		(2,774)	(2,258)
Return on plan asset excluding interest income		(1,441)	(1,101)
Fair value of plan assets at 30 June	12.2.5	<u>90,276</u>	<u>80,736</u>
<b>12.2.4 Expense recognized in profit or loss</b>			
Current service cost		1,119	1,334
Interest income on plan assets		(10,715)	(7,280)
Interest cost on defined benefit plan		5,187	3,974
		<u>(4,409)</u>	<u>(1,972)</u>
<b>12.2.5 Plan assets comprise of</b>			
Units in open end funds		28,293	25,178
Defense saving certificates		59,230	53,759
Cash at banks		2,753	1,799
		<u>90,276</u>	<u>80,736</u>
<b>12.2.6 Remeasurement gain recognized in other comprehensive income</b>			
Actuarial gains from changes in financial assumptions		(5,987)	(9,269)
Experience adjustments on defined benefit asset		(3,465)	5,875
Remeasurement gain		1,441	1,101
		<u>(8,011)</u>	<u>(2,293)</u>



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12.2.7 Key actuarial assumptions	Note	2023	2022	
Discount rate used for interest cost in profit or loss		13.25%	10.00%	
Discount rate used for reporting date asset		16.25%	13.25%	
Next expected salary increase		01 August 2023	01 August 2022	
Mortality rate	12.2.8	SLIC 2001-2005	SLIC 2001-2005	
Withdrawal rates		Age - Based	Age - Based	
Retirement assumption		Age 60	Age 60	
12.2.8 Assumption regarding future mortality has been based on State Life Insurance Corporation (SLIC 2001-2005), ultimate mortality rate with 1 year setback as per recommendation of Pakistan Society of Actuaries (PSOA).				
12.2.9 The calculation of the defined benefit asset is sensitive to assumptions set out above. The following table summarizes how the impact on the defined benefit asset/liability at the reporting date would have increased/decreased as a result of a change in respective assumptions by 100 basis points:				
	2023 Increase (Rs.'000)	2023 Decrease (Rs.'000)	2022 Increase (Rs.'000)	2022 Decrease (Rs.'000)
Discount rate	31,901	40,626	37,026	44,639
Salary increase rate	35,868	33,458	42,046	39,147
12.2.10 Risks associated with defined benefit asset - pension				
<b>Final Salary Risk (linked to inflation risk)</b>				
The risk that the final salary at the time of cessation of service is greater than what we assumed. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors) the benefit amount increases as salary increases.				
<b>Salary Increase Risk</b>				
<i>- Mortality risk</i>				
The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.				
<i>- Withdrawal Risk</i>				
The risk of actual withdrawals experience is different from the assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.				
<b>Investment Risk</b>				
The risk of the investment underperforming and being not sufficient to meet the liabilities.				
12.2.11 Weighted average duration of defined benefit asset (years)		2023 8	2022 7	
13 DEFERRED TAX LIABILITY - NET		2023 (Rs.'000)	2022 (Rs.'000)	
Deferred tax liability - net	13.1	635,014	547,977	

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13.1 Movement in deferred tax liability - net

	Net balance at 01 July	Recognized in		Net balance at 30 June
		Profit or loss	Other Comprehensive income	
		(Rs. '000)		
<b>2023</b>				
<b>Taxable temporary differences</b>				
Property, plant and equipment and intangible assets	299,211	42,571	-	341,782
Right of Use asset	-	7,136	-	7,136
Revaluation surplus on property, plant and equipment	377,314	(84,240)	97,570	390,644
Net defined benefit asset - pension	13,268	5,317	3,124	21,709
	<b>689,793</b>	<b>(29,216)</b>	<b>100,694</b>	<b>761,271</b>
<b>Deductible temporary differences</b>				
Loss allowance for ECL on trade debts	(663)	(146)	-	(809)
Net defined benefit liability - gratuity	(97,901)	(28,571)	8,887	(117,585)
Provision for inventories	(37,895)	36,150	-	(1,745)
Lease liabilities	(5,357)	(761)	-	(6,118)
	<b>(141,816)</b>	<b>6,671</b>	<b>8,887</b>	<b>(126,257)</b>
	<b>547,977</b>	<b>(22,545)</b>	<b>109,581</b>	<b>635,014</b>
<b>2022</b>				
<b>Taxable temporary differences</b>				
Property, plant and equipment and intangible assets	226,790	72,421	-	299,211
Right of Use asset	5,265	(5,265)	-	-
Revaluation surplus on property, plant and equipment	269,682	(11,528)	119,160	377,314
Net defined benefit asset - pension	8,755	3,756	757	13,268
	<b>510,492</b>	<b>59,384</b>	<b>119,917</b>	<b>689,793</b>
<b>Deductible temporary differences</b>				
Loss allowance for ECL on trade debts	(331)	(332)	-	(663)
Net defined benefit liability - gratuity	(81,772)	(19,191)	3,062	(97,901)
Provision for inventories	(19,556)	(18,339)	-	(37,895)
Lease liabilities	(7,482)	2,125	-	(5,357)
	<b>(109,141)</b>	<b>(35,737)</b>	<b>3,062</b>	<b>(141,816)</b>
	<b>401,351</b>	<b>23,647</b>	<b>122,978</b>	<b>547,977</b>

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14	TRADE AND OTHER PAYABLES	Note	2023 (Rs.'000)	2022 (Rs.'000)
	Payable to contractors and suppliers		632,973	498,562
	Accrued liabilities		165,655	161,501
	Security deposits	14.1	93,937	63,311
	Payable to Workers' Profit Participation Fund (WPPF)	14.2	132,890	127,902
	Payable to Workers' Welfare Fund (WWF)	14.3	124,667	79,452
	Provision for gas tariff differential	16.2	-	69,860
	Provision for water tax/charges	14.4 & 16.3	177,104	92,596
	Withholding tax payable		5,192	21,732
	Sales tax payable - net		296,626	113,330
	Zila tax payable		6,818	6,818
	Unearned income		1,947	2,609
	Others	14.5	149,774	141,338
			<u>1,787,583</u>	<u>1,379,011</u>
<b>14.1</b>	<b>Security deposits</b>			
	Security deposits	14.1.1	<u>93,937</u>	<u>63,311</u>
<b>14.1.1</b>	These represent unutilizable amounts received as security deposits from dealers and suppliers of the Company. Out of this, an amount of Rs. 43,344 million (2022: Rs. 29,017 million) is kept in a separate bank account.			
<b>14.2</b>	<b>Payable to Workers' Profit Participation Fund (WPPF)</b>			
	Balance at 01 July		127,902	110,551
	Charge for the year	35	90,876	85,904
	Payments to the Fund during the year		<u>(85,888)</u>	<u>(68,553)</u>
	Balance at 30 June		<u>132,890</u>	<u>127,902</u>
<b>14.3</b>	<b>Payable to Workers' Welfare Fund (WWF)</b>			
	Balance at 01 July		79,452	35,582
	Charge for the year	35	45,215	43,870
	Balance at 30 June		<u>124,667</u>	<u>79,452</u>
<b>14.4</b>	During the year, the Company has recognised provision amounting to Rs. 85.50 million (2022: Rs. 48.79 million) in respect of water charges and made payment of Rs. 1.00 million (2022: Rs. 2.50 million) to relevant authorities for water consumed.			
<b>14.5</b>	These includes Rs. 110.82 million (2022 : 110.82 million) on account of export duty payable on Pakistan Made Foreign Liquor and Beer.			
<b>15</b>	<b>CONTRACT LIABILITIES</b>		2023 (Rs.'000)	2022 (Rs.'000)
	Contract liabilities	15.1	<u>327,373</u>	<u>295,986</u>
<b>15.1</b>	These represent unused advances form customers against sale of goods.			
<b>16</b>	<b>CONTINGENCIES AND COMMITMENTS</b>		2023 (Rs.'000)	2022 (Rs.'000)
<b>(a)</b>	<b>Contingencies:</b>			
<b>16.1</b>	Letter of guarantee issued by banks on behalf of the Company	16.1.1	<u>128,440</u>	<u>112,942</u>
<b>16.1.1</b>	These represent bank guarantee issued in the normal course of business to Sui Northern Gas Pipelines Limited ("SNGPL") amounting to Rs. 125.74 million (2022: Rs. 110.2 million) for commercial and industrial use of gas and bank guarantee issued to Oil and Gas Development Company Limited ("OGDCL") amounting to Rs. 2.7 million (2022: Rs 2.7 million) against supply of Murree Sparklets water to OGDCL.			



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**16.2** The Company has been paying sui gas industrial bills based on gas tariff at Rs. 488 per MMBTU and Rs. 573 per MMBTU for captive power meter, as compared to the bill raised by SNGPL at Rs. 600 per MMBTU due to the litigations along with the industry. In this respect, SNGPL raised demand amounting to Rs. 254.7 million, being original gas tariff differential amounting to Rs. 105.9 million, related sales tax amounting to Rs. 18 million and late payment surcharge amounting to Rs. 130.8 million. The Company has recognized provision amounting to Rs. 123.9 million, being the original gas tariff differential and related sales tax and contested the demand by SNGPL at the Peshawar High Court. The court vide its order dated 23 February 2022 referred the matter to Oil & Gas Regulatory Authority (OGRA) for final decision. OGRA disposed off the case on 18 November 2022 and directed the petitioners to pay the principal amount of tariff differential for continuation of gas supply on regular basis till the final disposal of the appeals related to Late Payment Surcharge on tariff differential by the Supreme Court of Pakistan. The Company has paid principal amount in full as per decision of OGRA, while Late Payment Surcharge is not paid as related appeals in Supreme Court of Pakistan are pending adjudication. Management believes that favorable outcome in the matter is expected therefore no provision for Late Payment Surcharge on tariff differential has been made in these financial statements.

**16.3** The Company, along with several other bottling/beverage companies, is currently involved in litigation arising from a judgment dated 06 December 2018 on suo moto notice of the Supreme Court of Pakistan (Case No. 26 of 2018) regarding the use of ground/surface water. The Company is subject to a potential water charge of Rs. 1 - per liter on extraction of ground or surface water. The Company, along with the beverage industry, is contesting this suo moto notice judgement of the Supreme Court and has filed a review petition. Subsequently, the Supreme Court of Pakistan has issued an interim order for the payment of 25% of the bills, based on production data of each company, issued by various Government agencies in this regard till the installation of water flow meters by the respective Government agencies and also framing of legislation by all the federal and provincial authorities.

The Punjab Water Act, 2019, was promulgated with effect from 13 December 2019. The Company is recognizing provision at the rate of Rs. 0.25 per liter of water consumed at its manufacturing facilities located in the Province of Punjab in line with the interim order of the Supreme Court of Pakistan.

In April 2019, the Company received notices from the Government of Khyber Pakhtunkhwa concerning water charges based on the suo moto notice judgment demanding payment pursuant to the Supreme Court of Pakistan's order. The Company filed a writ petition in the Peshawar High Court against the recovery demand notices. The Khyber Pakhtunkhwa Government enacted the Water Act, 2020, with effect from 24 July 2020, which includes a clause validating the orders issued and actions taken by the Government and its related agencies regarding water charges before 24 July 2020. The Khyber Pakhtunkhwa Water Act, 2020, comes into force in areas and on dates specified by the Irrigation Department with the approval of the Chief Minister. The Company believes that the validation of the orders and actions of the Government of Khyber Pakhtunkhwa and related agencies before the promulgation of the aforesaid Act is not supported by any legislation and the Company has filed a petition before the Peshawar High Court, which is pending adjudication. The Company is recognizing provision at the rate of Rs. 0.25 per liter of water consumed at its manufacturing facilities located in the Province of Khyber Pakhtunkhwa in line with the interim order of the Supreme Court of Pakistan.

**16.4** In respect of tax years from 2017 to 2020, the Additional Commissioner, Punjab Revenue Authority ("PRA") has raised a demand amounting to Rs 80.63 million against alleged non-withholding of tax on services procured by the Company. The Company has filed appeal to the Commissioner PRA (Appeals), Lahore, which is pending disposal till to date. The Company is confident of a favourable outcome and accordingly no provision has been made in these the financial statements for the demand raised.

**16.5** In June 2020, the taxation officer issued a demand notice amounting to Rs 75.7 million under section 25 and 72B of the Sales Tax Act, 1990 for the period from July 2012 to June 2013 majorly on account of unreconciled input tax of the Company with the output tax of suppliers, non-withholding of sales tax on advertisement services and sales tax payable on by product. The Company has filed appeal before the Commissioner Appeal-4, Islamabad and has obtained stay against recovery measures. Management expects favourable outcome in the matter and therefore, no provision has been made in these the financial statements for the demand raised.

**16.6** Tax returns up to and including Tax Year 2022 have been filed. The tax authorities amended the assessments from time to time and the assessment orders were contested by the Company before the appellate forum.

(a) For Tax Years 2013, 2014, 2015, 2018 and 2019, the Company filed appeals with the Commissioner Inland Revenue (Appeals) [CIR(A)] against the amended / re-assessment orders framed by the tax authorities which included additions to income, disallowance of expenses and tax credits aggregating Rs. 9,701 million. During the year, the CIR (A) disposed off these appeals by deleting disallowances aggregating Rs. 9,192 million, however, the CIR(A) upheld the disallowances aggregating Rs. 508 million against which the Company has filed appeals before the Appellate Tribunal Inland Revenue which is pending.

(b) The Additional Commissioner Inland Revenue framed a demand order amounting to Rs. 345.9 million under section 161/205 on account of alleged not/short withholding of taxes by the Company from payments made under various heads of accounts for the Tax Year 2017. The Company has filed appeal before the Commissioner Inland Revenue (Appeals) which is pending disposal till-to-date.

(c) For Tax Year 2018, the Commissioner Inland Revenue (Appeals) has disposed off the appeal filed by the Company against the order framed by the tax authority to recover tax allegedly not/short withheld by the Company from payments made under various head of account and deleted tax demands amounting to Rs. 151.4 million out of total tax demand of Rs. 176.2 million as raised by the Assessing Officer and the remaining issues involving tax demand of Rs. 24.8 million have been remanded back to the Assessing Officer for re-assessment which is pending.

The Company is confident that it has a strong grounds in the above matters and expects favourable outcome. Accordingly, no provision has been made in respect of above in the financial statements.

(b) Commitments:	Note	2023	2022
		(Rs.'000)	(Rs.'000)
Outstanding letter of credits including capital expenditure	16.7	1,180,591	1,146,159
Capital expenditure contracts			
- Machinery		251,870	313,735
- Others		928,721	832,424
		1,180,591	1,146,159

**16.7** For details of security against Letter of Credits, refer to note 30.4 (c), (d), (e) and (f).

17 PROPERTY, PLANT AND EQUIPMENT	Note	2023	2022
		(Rs.'000)	(Rs.'000)
Operating fixed assets	17.1	7,044,718	6,581,182
Capital work in progress (CWIP)	17.2	29,630	82,142
		7,074,348	6,663,324

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17.1 Operating fixed assets  
Reconciliation of carrying amounts

	Owned				Leased	Total
	Freehold land (Note 17.1.1 & 17.1.2)	Buildings on freehold land (Note 17.1.2)	Plant, machinery and equipment (Note 17.1.2)	Furniture, fixtures, computers and equipment	Motor vehicles	
	(Rs. '000)					
Balance at 01 July 2021	3,171,582	671,347	4,396,558	48,067	119,519	76,200
Additions	-	44,204	51,139	1,280	42,456	-
Transfers from right of use assets (note 18)	-	-	-	-	1,879	-
Revaluation surplus	186,800	72,238	196,685	-	-	6,350
Disposals	-	-	(1,727)	(709)	(27,773)	-
Balance at 30 June 2022	3,358,382	787,789	4,642,655	48,638	135,881	82,550
Balance at 01 July 2022	3,358,382	787,789	4,642,655	48,638	135,881	82,550
Additions	-	1,215	370,593	5,973	25,427	-
Transfers from Right of use assets (note 18)	-	-	-	-	7,280	-
Revaluation surplus	109,646	96,189	153,991	-	-	11,430
Transfers from CWIP (note 17.2)	-	-	83,392	-	-	-
Disposals	-	-	-	-	(3,149)	-
Balance at 30 June 2023	3,468,028	888,193	5,250,631	54,611	165,439	93,980
Accumulated Depreciation						
Balance at 30 June 2021	-	240,561	1,738,312	43,656	105,478	-
Depreciation (note 17.1.3)	-	43,918	318,652	2,040	4,837	-
Transfers from Right of use assets (note 18)	-	-	-	-	1,879	-
Disposals	-	-	(1,051)	(616)	(22,953)	-
Balance at 30 June 2022	-	284,479	2,055,913	45,080	89,241	-
Balance at 30 June 2022	-	284,479	2,055,913	45,080	89,241	-
Depreciation (note 17.1.3)	-	50,700	330,091	1,175	14,818	-
Transfers from Right of use assets (note 18)	-	-	-	-	3,870	-
Disposals	-	-	-	-	(2,203)	-
Balance at 30 June 2023	-	335,179	2,386,004	46,255	105,726	-
Carrying amounts						
At 30 June 2022	3,358,382	503,310	2,586,742	3,558	46,649	82,550
At 30 June 2023	3,468,028	550,014	2,864,627	8,356	59,713	93,980
Depreciation rates per annum	-	5-10%	10-20%	10-33%	20%	-

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17.1.1 Land includes 2 kanals and 3 marlas in possession of Military Estate Office (MEO), Army Housing Colony for construction of a housing colony. This has been stated at 2002 revalued amount in these financial statements which amounts to Rs. 2.52 million. The Company had filed a case against MEO for this unauthorized occupation. The court of Civil Judge, Rawalpindi has decreed against MEO for vacating the land. However, the execution of the court decree is in process at the reporting date.

**17.1.2 Surplus on revaluation of property, plant and equipment**

The latest revaluation of the Company's land, buildings, plant and machinery was made on 30 June 2023 by an independent valuer resulting in net surplus of Rs. 371.26 million (2022: Rs. 462.07 million).

Had there been no revaluations, related figures of the revalued assets would have been as follows:

		Cost	Accumulated depreciation	Carrying amount
		(Rs.'000)	(Rs.'000)	(Rs.'000)
Land		120,138	-	120,138
Buildings		506,431	(213,506)	292,925
Plant, machinery and equipment		4,031,817	(2,255,545)	1,776,272
	2023	<u>4,658,386</u>	<u>(2,469,051)</u>	<u>2,189,335</u>
	2022	4,203,186	(1,973,010)	2,230,176
			2023	2022
		Note	(Rs.'000)	(Rs.'000)
Cost of sales		32	371,379	356,459
Selling and distribution expenses		33	2,028	1,792
Administrative expenses		34	23,377	11,196
			<u>396,784</u>	<u>369,447</u>

17.1.4 Based on the revaluation carried out at 30 June 2023, the forced sales value of the land, building, plant, machinery and equipment is Rs. 3,027.71 million (2022: Rs. 2,924.79 million), Rs. 440.32 million (2022: Rs. 403.67 million) and Rs. 2,147.62 million (2022: Rs. 1,938.45 million) respectively.

17.1.5 Particulars of immovable fixed assets (i.e. land and building) in the name of the Company are as follows:

Location	Usage of Immovable property	Total Area of land (Acres)	Total Covered Area (Sq. Ft)
a) Murree Brewery Estate, 3 National Park Road, Rawalpindi	Corporate office and manufacturing facility	29.45	382,225
b) Murree Glass Factory, 24, Phase 3, Industrial Estate, Hattar, District Haripur, KPK	Manufacturing facility	3.00	54,531
c) Plot 31/2, Industrial Estate, Hattar, District Haripur, KPK	Warehouse	2.00	36,354
d) Plot 13/4, Industrial Estate, Hattar, District Haripur, KPK	Warehouse	1.00	18,177
e) Plot 121/3, Township Industrial Area, Lahore	Manufacturing facility, warehouse and office	0.38	4,215
f) Tops Factory, Plot 14/1, Phase-III, Industrial Estate Hattar, District Haripur, KPK	Manufacturing facility	2	33,316
g) Khasra no. 178, Khewat no. 87, Khatooni no. 94, Mauza Lohiyanwala, Tehsil and District Gujranwala	Warehouse	0.26	8,213
h) Plot 10/2, Phase-III, Industrial Estate Hattar, District Haripur, KPK	Manufacturing facility	2	18,454



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**17.1.6 Detail of disposals of operating fixed assets**

The details of operating fixed assets sold during the year, having a net book value in excess of Rs. 500,000 each, are as follows:

Description	Cost/revalued amount	Carrying value	Sale proceeds	Gain	Purchasers	Relation with Company / Director	Mode of Disposal
(Rs. '000)							
<b>Vehicles</b>							
Suzuki Cultus	1,127	-	600	600	Mr. Ramesh Kumar	Employee	As per Company's policy
Suzuki Cultus	2,022	945	1,276	330	Mr. Naseer Butt	Employee	As per Company's policy
<b>2023</b>	<b>3,149</b>	<b>945</b>	<b>1,876</b>	<b>930</b>	Also refer note 36		
<b>2022</b>	<b>30,209</b>	<b>5,589</b>	<b>30,007</b>	<b>24,418</b>	Also refer note 36		

**17.2 Capital work in progress (CWIP)**

	Note	2023 (Rs.'000)	2022 (Rs.'000)
Balance at 01 July		82,142	-
Additions		30,880	82,142
		113,022	82,142
<i>Transferred to operating fixed assets:-</i>			
Plant, machinery and equipment	17.1	(83,392)	-
Balance at 30 June (representing civil works and machinery not commissioned)		29,630	82,142

**18 RIGHT OF USE ASSETS**

	Note	2023 (Rs.'000)	2022 (Rs.'000)
<b>COST</b>			
Balance at 01 July		59,428	63,193
Additions		12,177	-
Transfer to property, plant and equipment	17.1	(7,280)	(1,879)
Disposals		-	(1,886)
Balance at 30 June		64,325	59,428
<b>DEPRECIATION</b>			
Balance at 01 July		41,736	37,557
Charge for the year	18.1	8,161	7,944
On transfer to property, plant and equipment	17.1	(3,870)	(3,765)
Balance at 30 June		46,027	41,736
<b>Carrying amount</b>		<b>18,298</b>	<b>17,692</b>
Rate of depreciation per annum (%)		10% to 20%	10% to 20%

**18.1 Depreciation charge has been allocated as follows:**

		2023	2022
Cost of sales	32	-	719
Selling and distribution expenses	33	5,483	4,601
Administrative expenses	34	2,678	2,624
		<b>8,161</b>	<b>7,944</b>

**18.2** As of the reporting date, right of use assets consist of leased premises and vehicles.

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19	INTANGIBLE ASSET	Note	2023 (Rs.'000)	2022 (Rs.'000)
	Computer software	19.1	-	263
19.1	<b>Reconciliation of carrying amounts</b>			
	<b>Cost</b>			
	Balance at 01 July		2,595	2,595
	Balance at 30 June		2,595	2,595
	<b>Accumulated amortization</b>			
	Balance at 01 July		2,332	1,813
	Amortization	34	263	519
	Balance at 30 June		2,595	2,332
	<b>Carrying value</b>		-	263
	Rate of amortization per annum		20%	20%
19.2	Amortization charge for the year has been allocated to administrative expenses.			
20	<b>ADVANCES FOR CAPITAL EXPENDITURES</b>		2023 (Rs.'000)	2022 (Rs.'000)
	Advances for civil works		113,447	48,398
			113,447	48,398

21	INVESTMENT PROPERTIES	Note	2023 (Rs.'000)	2022 (Rs.'000)
21.1	<b>Reconciliation of carrying amount:</b>			
	Balance at 01 July		511,127	397,886
	Change in fair value	36	56,731	113,241
	Balance at 30 June	21.1.1	567,858	511,127

21.1.1 The investment property represents lands and buildings held for capital appreciation and to earn rental income. On 30 June 2023, an exercise was carried out by an independent valuer to ascertain the fair value of investment property. The price of land of the investment property is assessed based on market research carried out in the area where the property is situated. The fair value of the property is based on independent valuer's judgment about average prices prevalent on the said date and has been prepared on openly available/provided information after making relevant inquiries from the market. Changes in fair value are recognized as gains in profit or loss and included in 'other income'. All gains are unrealized.

21.2 Particulars of investment property of the Company and the forced sale values are as follows:

Location	Area Sq. Fts	Forced Sale value (Rs.'000)
1) Plot 121/3, Township Industrial Area, Lahore	8,115	247,305
2) Office Suite 509, 5th Floor, Islamabad stock exchange Tower, Blue Area, Islamabad	1,348	37,744
3) Office 411, Fourth Floor, The Forum, Block 9, Clifton, Karachi	1,038	27,818
4) NBP Building, Murree Brewery Estate, National Park Road, Islamabad	1,487	5,320
5) House no. 20, Street no. 37, Sector E-7/1, Islamabad	5,999	143,933

21.3 Measurement of fair values

21.3.1 Fair value hierarchy

The fair value of investment property was determined by external independent valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The fair value measurement of the investment property has been categorised as a Level 2.

21.3.2 Since the values have been determined by external independent valuer and inputs are unobservable, sensitivity analysis has not been presented.

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<b>22</b>	<b>LONG TERM ADVANCES - SECURED</b>	<b>Note</b>	<b>2023</b> <b>(Rs.'000)</b>	<b>2022</b> <b>(Rs.'000)</b>
	Advance to employees		32,691	18,407
	Less: Due within one year, shown under current assets	27	<u>(20,953)</u>	<u>(5,927)</u>
			<u>11,738</u>	<u>12,480</u>
<b>22.1</b>	These advances carry interest at 11% (2022: 11%) per annum and are repayable in periods up to three years. These advances have been given in accordance with the Company's policy for the purchase of vehicle. These advances are secured against the ownership of vehicle.			
<b>23</b>	<b>LONG TERM INVESTMENTS</b>	<b>Note</b>	<b>2023</b> <b>(Rs.'000)</b>	<b>2022</b> <b>(Rs.'000)</b>
	<i>Amortised cost</i>			
	Pakistan Investment Bonds (PIBs)	23.1	<u>508,452</u>	<u>511,459</u>
<b>23.1</b>	This represents investment in Pakistan Investment Bonds (PIBs) having face value of Rs. 500 million (2022: Rs. 500 million). These PIBs carry a coupon rate of 8.75% (2022: 8.75%) per annum with profit payable on a half yearly basis. The maturity date of PIBs is 21 April 2026.			
<b>24</b>	<b>LONG TERM DEPOSITS</b>	<b>Note</b>	<b>2023</b> <b>(Rs.'000)</b>	<b>2022</b> <b>(Rs.'000)</b>
	Long term deposits	24.1	<u>44,429</u>	<u>39,482</u>
<b>24.1</b>	These represent deposits maintained with the utility companies. These are unsecured, interest free and refundable on termination of services.			
<b>25</b>	<b>INVENTORIES</b>	<b>Note</b>	<b>2023</b> <b>(Rs.'000)</b>	<b>2022</b> <b>(Rs.'000)</b>
	<i>Stores, spare parts and loose tools</i>			
	Stores		282,489	213,426
	Spare parts and loose tools		<u>66,355</u>	<u>70,845</u>
			<u>348,844</u>	<u>284,271</u>
	<i>Stock in trade</i>			
	Raw material		2,393,999	1,694,828
	Goods in transit		2,141	-
	Work in process		241,684	161,313
	Stock under maturation - WIP	25.1	<u>337,941</u>	<u>201,811</u>
	Finished goods		<u>591,938</u>	<u>210,962</u>
			<u>3,567,703</u>	<u>2,268,914</u>
	Less: provision for slow moving inventories	25.2	<u>(119,310)</u>	<u>(114,834)</u>
			<u>3,797,237</u>	<u>2,438,351</u>
<b>25.1</b>	A substantial portion of malt whisky will not be sold within one year because of the duration of the aging process. All malt whisky is classified as stock under maturation and is included in current assets, although portion of such inventories may be aged for periods greater than one year which is the usual time period. Warehousing, insurance and other carrying charges applicable to malt whisky held for aging is included in inventory cost.			
<b>25.2</b>	<b>Movement in provision for slowing moving inventories</b>			
	Balance at 01 July		114,834	65,807
	Provision for slow moving inventories	34	<u>4,476</u>	<u>49,027</u>
	Balance at 30 June		<u>119,310</u>	<u>114,834</u>



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		2023 (Rs.'000)	2022 (Rs.'000)
<b>26</b>	<b>TRADE DEBTS - Unsecured</b>		
	Considered good	42,236	15,019
	Considered doubtful	2,073	2,008
		44,309	17,027
	Less: loss allowance for expected credit losses	(2,073)	(2,008)
		42,236	15,019
<b>26.1</b>	<b>Loss allowance for expected credit losses</b>		
	Balance at 01 July	2,008	1,141
	Allowance for expected credit loss	65	867
	Balance at 30 June	2,073	2,008
<b>26.2</b>	<b>The age analysis of trade debts, at the reporting date, is as follows:</b>		
	Past due		
	-up to 3 months	42,214	15,522
	-up to 3 to 6 months	1,646	1,505
	-over 6 months	449	-
		44,309	17,027
<b>27</b>	<b>ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES</b>		
	Advances to employees - unsecured	2,233	85
	Current portion of long term advances - secured	20,953	5,927
	Advances to suppliers - unsecured	461,489	279,670
	Prepayments	16,367	21,503
	Interest accrued	8,413	8,413
	Other receivables	750	886
		510,205	316,484
<b>28</b>	<b>SHORT TERM INVESTMENTS</b>		
	<i>Investments at fair value through profit or loss</i>		
	Shares of listed companies	20	28
	Mutual funds	1,426,582	1,976,413
		1,426,602	1,976,441
<b>28.1</b>	These represent funds invested in 96.75 million (2022: 108.43 million) units of various mutual funds having market value ranging from Rs. 9.97 to Rs. 103.75 (2022: Rs. 9.65 to Rs. 507.51) per unit.		
<b>29</b>	<b>PROVISION FOR INCOME TAX - NET</b>		
	Opening balance	(125,027)	255,339
	Provision for tax - current	(873,521)	(875,672)
	Income tax paid during the year	885,280	495,306
	Closing balance	(113,268)	(125,027)

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	Note	2023 (Rs.'000)	2022 (Rs.'000)
<b>30 CASH AND BANK BALANCES</b>			
Cash in hand		46,987	8,820
Banking instrument in hand	30.1	-	100,000
Cash at banks:			
- local currency current accounts		952,562	995,682
- local currency deposit accounts	30.1	1,481,198	1,401,746
- foreign currency deposit account	30.2	-	2,980
		2,433,760	2,400,408
	30.3	2,480,747	2,509,228

**30.1** These carry interest ranging from 12.40% to 19.60% (2022: 6.65% to 13.00%) per annum.

**30.2** This carries interest at the rate of 0.25% (2022: 1%) per annum.

**30.3** This includes cash margin amounting to Rs. 100 million (2022: Rs. 100 million) with Askari Bank as security against letter of guarantee facilities.

**30.4 Financing facilities**

At the reporting date, the Company had following funded and unfunded finance facilities available from scheduled banks:

- (a) Cash finance facility amounting to Rs. 35 million (2022: Rs. 35 million) from Bank Alfalah Limited, Rawalpindi. This facility is available till 31 October 2023. This carries mark up at the rate of 6 months' KIBOR plus 1% (2022: 6 months' KIBOR plus 1%) per annum. Principal is payable on expiry or on demand whichever is earlier. It is secured against present and future current assets of the Company registered with Securities and Exchange Commission of Pakistan amounting to Rs. 75 million (2022: Rs. 75 million).
- (b) Running finance facility amounting to Rs. 1,000 million (2022: Rs. Nil) from Askari Bank Limited, Islamabad. This facility is available till 31 October 2023. This carries mark up at the rate of 1 months' KIBOR plus 0.4% (2022: Nil) per annum. Principal is payable on expiry or on demand whichever is earlier. It is secured against present and future current assets of the Company registered with Securities and Exchange Commission of Pakistan amounting to Rs. 1,334 million (2022: Nil).
- (c) Facilities of letters of guarantee and letters of credit amounting to Rs. 10 million (2022: Rs. 10 million) and Rs. 687.5 million (2022: Rs. 450 million) from Bank Alfalah Limited respectively were available. Facilities of letters of guarantee and letters of credit are secured against present and future assets of the Company and lien on import documents respectively.
- (d) Facilities of letters of guarantee, shipping guarantee and letters of credit amounting to Rs. 100 million (2022: Rs. 100 million), Rs. 50 million (2022: Rs. 50 million) and Rs. 250 million (2022: Rs. 200 million) from Askari Bank Limited respectively are available to the Company till 31 October 2023. Facilities of letters of guarantee and shipping guarantee are secured against 100% cash margin and lien on import documents.
- (e) Facility of letter of credit amounting to Rs. 500 million (2022: Rs. 300 million) is available from Allied Bank Limited. This facility is available till 31 December 2023. This facility is secured against lien over valid import documents.
- (f) Facility of letter of credit amounting to Rs. 500 million (2022: Rs. 200 million) and letter of guarantee of Rs. 150 million (2022: Rs. 150 million) was available from United Bank Limited and are available to the Company till 30 June 2023. This facility is secured against lien over valid import documents and 100% cash margin or lien on deposit/UBL Funds (lien will be accepted in low risk money market funds).

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31	NET TURNOVER	Note	2023 (Rs. '000)	2022 (Rs. '000)
	Turnover		25,507,313	20,252,774
	Sales tax		(4,162,749)	(3,206,609)
	Federal and provincial excise duty		(1,643,803)	(1,146,328)
	Trade discounts		(1,109,578)	(653,261)
	Sales returns		-	(12,258)
	<b>Revenue from contracts with customers</b>	<b>31.1</b>	<b>18,591,183</b>	<b>15,234,318</b>
31.1	<b>Disaggregation of local and international sales</b>			
	Local sales		18,532,985	15,205,071
	Export sales		58,198	29,247
		<b>31.2</b>	<b>18,591,183</b>	<b>15,234,318</b>
31.2	<b>Disaggregation of revenue from contracts with customers</b>			
	In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition.			
	<i>Primary geographical markets</i>			
	Punjab		7,862,800	6,299,682
	Sindh		6,007,719	5,347,757
	Khyber Pakhtunkhwa		2,395,255	1,708,744
	Balochistan		1,515,611	1,241,929
	Islamabad Capital Territory		652,137	534,596
	Others		157,661	101,610
			<b>18,591,183</b>	<b>15,234,318</b>
	<i>Major products/service lines</i>			
	Pakistan Made Foreign Liquor (PMFL)		6,442,253	4,816,366
	Beer		3,622,503	2,745,041
	Non alcoholic beverages and products		5,468,109	4,310,719
	Tetra Pak Juices		1,262,925	1,558,751
	Juices Non Returnable		370,069	540,610
	Sparklets bottled drinking water		1,010,344	946,433
	Gloss products		414,980	203,411
	Others		-	112,987
			<b>18,591,183</b>	<b>15,234,318</b>
	<i>Timing of revenue recognition</i>			
	Products transferred at a point in time		<b>18,591,183</b>	<b>15,234,318</b>
31.3	Revenue amounting to Rs. 273.611 million (2022: Rs. 202.616 million) included in the opening contract liability balance has been recognized during the year.			
32	<b>COST OF SALES</b>	Note	2023 (Rs. '000)	2022 (Rs. '000)
	Raw materials consumed	32.1	12,076,591	8,778,406
	Stores and spares consumed		285,709	234,010
	Fuel and power		1,274,421	952,239
	Salaries, wages and other benefits	32.2	808,387	707,989
	Repairs and maintenance		186,799	133,326
	Depreciation	17.1.3	371,379	356,459
	Depreciation-Right of Use Asset	18.1	-	719
	Cost to fulfil a contract - transportation		478,752	440,296
	Other manufacturing expenses		202,523	149,725
			<b>15,684,561</b>	<b>11,753,169</b>
	<b>Work in process including stock under maturation</b>			
	Opening stock at 01 July		363,124	298,855
	Closing stock at 30 June		(579,625)	(363,124)
			<b>(216,501)</b>	<b>(64,269)</b>
	<b>Cost of goods manufactured</b>		<b>15,468,060</b>	<b>11,688,900</b>
	<b>Finished goods</b>			
	Opening stock at 01 July		210,962	216,065
	Closing stock at 30 June		(591,938)	(210,962)
			<b>(380,976)</b>	<b>5,103</b>
			<b>15,087,084</b>	<b>11,694,003</b>
32.1	<b>Raw materials consumed</b>			
	Opening stock at 01 July		1,694,828	1,243,687
	Purchases		12,775,762	9,329,547
	Closing stock at 30 June		(2,393,999)	(1,694,828)
			<b>12,076,591</b>	<b>8,778,406</b>
32.2	This includes staff retirement benefits amounting to Rs. 41.90 million (2022: Rs. 33.22 million).			



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		2023 (Rs.'000)	2022 (Rs.'000)
<b>33 SELLING AND DISTRIBUTION EXPENSES</b>	<b>Note</b>		
Salaries, wages and other benefits	33.1	184,737	185,623
Advertisement and publicity		80,997	84,713
Selling expenses		198,446	265,241
Incremental cost of obtaining a contract - sales commission		101,333	104,324
Samples		17,532	11,685
Sales promotion		18,236	18,526
Freight		166,218	114,249
Depreciation- property, plant and equipment	17.1.3	2,027	1,792
Depreciation- right of use asset	18.1	5,483	4,601
Service charges and commission to D.P. Edulji & Co. (Private) Limited, a related party	46	210,307	207,096
Others		165,069	167,371
		<u>1,150,385</u>	<u>1,165,223</u>
33.1 This includes staff retirement benefits amounting to Rs. 5.60 million (2022: 4.44 million).			
<b>34 ADMINISTRATIVE EXPENSES</b>	<b>Note</b>	<b>2023 (Rs.'000)</b>	<b>2022 (Rs.'000)</b>
Salaries, wages and other benefits	34.1	382,029	343,469
Travelling and conveyance		7,980	10,674
Printing and stationery		18,121	11,847
Repairs and maintenance		33,324	17,372
Fuel and power		34,865	33,137
Directors' fees and travelling		8,830	6,843
Communication		12,428	9,038
Entertainment		10,227	10,386
Legal and professional		14,000	9,986
Security		28,119	22,637
Donations		3,149	3,585
Provision for slow moving inventories	25.2	2,809	43,671
Insurance		9,850	7,971
Rent, rates and taxes		10,882	10,481
Depreciation- property plant & equipment	17.1.3	23,378	11,196
Depreciation- right of use asset	18.1	2,678	2,624
Amortization	19.1	263	519
Others		16,524	4,620
		<u>619,456</u>	<u>560,056</u>
34.1 This includes staff retirement benefits amounting to Rs. 8.86 million (2022: Rs. 7.02 million).			
<b>35 OTHER EXPENSES</b>	<b>Note</b>	<b>2023 (Rs.'000)</b>	<b>2022 (Rs.'000)</b>
Workers' Profit Participation Fund (WPPF)	14.2	90,876	85,904
Workers' Welfare Fund (WWF)	14.3	45,215	43,870
Provision for gas tariff differential		-	22,745
Auditors' remuneration	35.1	6,401	5,455
Other certifications		1,038	480
Internal audit fee		1,800	1,800
		<u>145,330</u>	<u>160,254</u>
<b>35.1 Auditors' remuneration</b>			
<b>Audit services</b>			
Annual audit fee		1,581	1,375
Half yearly audit fee		411	357
Certification for regulatory purposes		598	520
		<u>2,590</u>	<u>2,252</u>
Out of pocket expenses		753	655
		<u>3,343</u>	<u>2,907</u>
<b>Non audit services</b>			
Tax services		3,058	2,548
		<u>3,058</u>	<u>2,548</u>
		<u>6,401</u>	<u>5,455</u>

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		2023 (Rs.'000)	2022 (Rs.'000)
<b>36 OTHER INCOME</b>	Note		
Gain on disposal of operating fixed assets	17.1.6	930	24,418
Gain on remeasurement of investment property to fair value	21.1	56,731	113,241
Rental income		17,242	14,023
Others		40,814	28,684
		<u>115,717</u>	<u>180,366</u>
<b>37 FINANCE COST</b>		2023 (Rs.'000)	2022 (Rs.'000)
Finance charge on leased assets		4,095	2,714
Unrealized loss on remeasurement of short term investments		4,095	-
Bank charges		1,341	1,165
Bank guarantee commission		321	213
Interest on loans		483	15,517
		<u>10,335</u>	<u>19,609</u>
<b>38 FINANCE INCOME</b>		2023 (Rs.'000)	2022 (Rs.'000)
<b>Income from financial assets:</b>			
Interest on advances		418	257
Interest on Pakistan Investment Bonds		40,743	40,962
Return on deposit accounts		175,531	131,346
Dividend income		198,116	175,365
Amortization of deferred grant		2,859	13,724
Interest on term deposit receipts		-	29
Unrealized gain on remeasurement of short term investments		-	4,172
Exchange gain		12,752	12,901
		<u>430,419</u>	<u>378,756</u>
<b>39 INCOME TAX EXPENSE</b>	Note	2023 (Rs.'000)	2022 (Rs.'000)
<b>39.1 Amounts recognized in profit or loss:</b>			
Tax			
Current year		873,521	875,672
Deferred	29 13.1	873,521 (22,545)	875,672 23,648
Tax expense for the year		<u>850,976</u>	<u>899,320</u>
<b>39.2 Reconciliation of tax charge for the year</b>		2023 (Rs.'000)	2022 (Rs.'000)
Accounting profit before tax		2,124,665	2,193,428
Tax rate		29%	29%
Tax on accounting profit		616,153	636,094
Tax effect of income taxable at lower rates		(30,843)	(30,286)
Effect of change in rate		31,030	18,161
Effect of temporary difference		(53,575)	-
Effect of zero rated income		(22,125)	(44,164)
Effect of super tax		247,205	239,721
Others		63,132	79,793
Tax expense for the year		<u>850,976</u>	<u>899,320</u>
<b>40 EARNINGS PER SHARE - BASIC AND DILUTED</b>		2023	2022
There is no dilutive effect on the basic earnings per share of the Company, which is based on:			
Net profit for the year (Rs.'000)		<u>1,273,689</u>	<u>1,294,108</u>
Weighted average number of shares (Numbers)		<u>27,663,630</u>	<u>27,663,630</u>
Earnings per share (Rupees)		<u>46.04</u>	<u>46.78</u>

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**41 CASH AND CASH EQUIVALENTS**

	2023 (Rs.'000)	2022 (Rs.'000)
Cash and cash equivalents for the purpose of statement of cash flows	2,480,747	2,509,228

**41.1 Reconciliation of movements of liabilities to cash flows arising from financing activities**

		Lease liabilities	Long term loan	Unpaid dividend and unclaimed dividend	Total
	(Rs.'000)	(Rs.'000)			
Balance at 01 July 2021		25,800	281,166	108,382	415,548
<i>Changes from financing activities</i>					
Dividend paid		-	-	(948,150)	(948,150)
Receipt of loan		(12,281)	-	-	(12,281)
Repayment of loan		-	(171,935)	-	(171,935)
Total changes from financing cash flows		(12,281)	(171,935)	(948,150)	(1,132,366)
<i>Other changes</i>					
Interest charges		2,715	15,517	-	18,232
Lease additions		-	-	-	-
		2,715	15,517	-	18,232
Dividend declared		-	-	968,226	968,226
Total liability related changes		-	-	968,226	968,226
Balance at 30 June 2022		16,234	124,748	128,658	269,640
<b>Balance at 1 July 2022</b>		<b>16,234</b>	<b>124,748</b>	<b>128,658</b>	<b>269,640</b>
<i>Changes from financing activities</i>					
Dividend paid		-	-	(406,768)	(406,768)
Repayment of Finance lease		(15,930)	-	-	(15,930)
Repayment of loan		-	(125,231)	-	(125,231)
Total changes from financing cash flows		(15,930)	(125,231)	(406,768)	(547,929)
<i>Other changes</i>					
Interest charges		4,095	483	-	4,578
Contributions by the Company		-	-	-	-
Lease additions		11,289	-	-	11,289
		15,384	483	-	15,867
Dividend declared		-	-	414,954	414,954
Total liability related changes		-	-	414,954	414,954
<b>Balance at 30 June 2023</b>		<b>15,688</b>	<b>-</b>	<b>136,844</b>	<b>152,532</b>

**42 REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES**

The aggregate amounts charged for remuneration including benefits and perquisites, to chief executive officer, directors and executive were as follows:

	2023		2022	
	Chief Executive Officer	Executives	Chief Executive Officer	Executives
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Managerial remuneration	8,005	34,933	7,562	28,621
Medical benefit	1,014	2,988	933	2,699
Gratuity fund contribution	351	932	323	738
Provident fund contributions	504	868	465	1,088
House rent allowance	2,082	6,128	1,914	4,866
Bonus	8,393	16,153	7,725	16,132
Travelling expense	1,490	-	524	-
Compensated absences	158	464	367	311
	21,997	62,466	19,811	54,455
Number of persons	1	7	1	7

**42.1** In addition to above free furnished accommodation is provided to the chief executive officer. Further, company-maintained vehicles are also provided to the chief executive officer and executives; the net book values of which are Rs. 26.96 million (2022: Rs. 40.25 million). Gratuity is payable to chief executive officer and executives in accordance with the terms of employment, while contribution for chief executive officer and executives in respect of gratuity and pension are based on actuarial valuation.

**42.2** Directors of the Company were not paid any remuneration during the year except for the meeting fee of Rs. 5,500,000 (2022: Rs. 4,350,000). Number of Directors at the reporting date were 8 (2022: 8).



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**43 SEGMENT INFORMATION**

**43.1 Operating segments**

The Company has three reportable segments, as described below, which are the Company's strategic business units. These strategic business units offer different products and are managed separately because of the requirement of different technologies and marketing strategies. These segments have been identified on the basis of business namely Liquor Division, Glass Division and Tops Division. The following summary describes the operations of each reportable segment:

<u>Reportable segments</u>	<u>Operations</u>
Liquor Division	Manufacturing and sale of alcoholic and non-alcoholic beverages
Tops Division	Manufacturing and sale of food products, juices and mineral water
Glass Division	Manufacturing and sale of glass bottles and jars

For each of the business unit, the audit committee, the Board of Directors and the Company's Chief Executive Officer (CEO) along with the Chief Financial Officer (CFO) reviews internal management reports on at least quarterly basis.

There are varying levels of integration between the three segments. This integration includes transfers of raw material and finished goods respectively. The accounting policies of the reportable segments are the same as described in note 4.19

Performance is measured on segment profit before income tax, as included in the internal management reports that are reviewed by the Company's CEO along with the CFO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

**43.2 Information about reportable segments**

(a) The detail of utilization of the Company's assets and related liabilities of the reportable segments is as follows:

		<u>Liquor Division</u>	<u>Glass Division</u>	<u>Tops Division</u>	<u>Corporate office</u>	<u>Total</u>
		<u>(Rs.'000)</u>	<u>(Rs.'000)</u>	<u>(Rs.'000)</u>	<u>(Rs.'000)</u>	<u>(Rs.'000)</u>
Assets	2023	11,848,998	1,368,781	3,339,784	93,699	16,651,262
	2022	11,144,474	1,092,855	2,754,601	108,023	15,099,953
Liabilities	2023	1,703,986	161,298	587,154	864,832	3,317,270
	2022	1,140,197	237,004	521,327	1,018,641	2,917,169
<b>(i) Non current assets - additions</b>						
Property, plant and equipment	2023	437,903	26,596	22,101	-	486,600
	2022	92,553	4,566	41,960	-	139,079
Right of Use asset	2023	7,769	-	4,408	-	12,177
	2022	-	-	-	-	-
<b>(ii) Other material items</b>						
External revenue	2023	18,231,985	316,063	6,959,265	-	25,507,313
	2022	14,210,908	237,991	5,803,876	-	20,252,775
Inter-segment revenue	2023	821,820	2,015,667	-	-	2,837,487
	2022	746,241	1,761,861	12,616	-	2,520,718
Other income	2023	70,298	8,190	37,229	-	115,717
	2022	92,997	6,925	80,444	-	180,366
Finance cost	2023	(6,657)	(73)	(3,605)	-	(10,335)
	2022	(16,913)	(178)	(2,518)	-	(19,609)
Finance income	2023	404,949	7,395	18,076	-	430,420
	2022	366,420	2,265	10,071	-	378,756
Net finance income	2023	398,292	7,322	14,471	-	420,085
	2022	349,507	2,087	7,553	-	359,147
Depreciation	2023	173,849	118,458	112,901	-	405,208
	2022	143,731	117,840	107,876	-	369,447

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(b) Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items are as under:

	2023 (Rs.'000)	2022 (Rs.'000)
<b>(i) Revenues</b>		
Total revenue for reportable segments	21,428,670	17,755,036
Elimination of inter-segment revenue	(2,837,487)	(2,520,718)
	<u>18,591,183</u>	<u>15,234,318</u>
<b>(ii) Profit before tax</b>		
Total profit for reportable segments	2,269,995	2,353,682
Unallocated amounts - Other expenses	(145,330)	(160,254)
	<u>2,124,665</u>	<u>2,193,428</u>
<b>(iii) Assets</b>		
Total assets for reportable segments	16,557,563	14,991,930
Other unallocated amounts	93,699	108,023
	<u>16,651,262</u>	<u>15,099,953</u>
<b>(iv) Liabilities</b>		
Total liabilities for reportable segments	2,452,438	1,898,528
Other unallocated amounts	864,832	1,018,641
	<u>3,317,270</u>	<u>2,917,169</u>

(c) **Geographical segments**

All the assets of the Company are held in Pakistan and substantially all the revenues of the Company are generated in Pakistan.

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43.3 SEGMENT INFORMATION

	Liquor Division		Glass Division		Tops Division		Total
	2023 (Rs. '000)	2022 (Rs. '000)	2023 (Rs. '000)	2022 (Rs. '000)	2023 (Rs. '000)	2022 (Rs. '000)	
<b>TURNOVER</b>							
Third party turnover - gross	18,231,985	14,210,908	316,063	237,991	6,959,265	5,803,876	20,252,775
Less: trade discounts	(134,323)	(114,113)	-	-	(975,255)	(539,148)	(653,261)
Less: Sales return	-	-	-	-	-	(12,258)	(12,258)
Third party turnover - net	18,097,662	14,096,795	316,063	237,991	5,984,010	5,252,470	19,587,256
Inter division sales	821,820	746,241	2,015,667	1,761,861	-	12,616	-
Sales tax and excise duty	18,919,482	14,843,036	2,331,730	1,990,852	5,984,010	5,265,086	19,587,256
Revenue	(4,235,738)	(3,203,797)	(47,240)	(34,580)	(1,523,574)	(1,114,561)	(4,352,938)
	14,683,744	11,639,239	2,284,490	1,956,272	4,460,436	4,150,525	15,234,318
<b>COST OF SALES</b>							
Third parties	(10,576,123)	(7,516,831)	(1,479,189)	(1,450,370)	(3,031,772)	(2,726,802)	(11,694,003)
Inter division cost	(1,881,158)	(1,654,254)	-	-	(956,328)	(806,464)	-
	(12,457,281)	(9,171,085)	(1,479,189)	(1,450,370)	(3,988,100)	(3,533,266)	(11,694,003)
<b>GROSS PROFIT</b>	2,226,463	2,468,154	805,301	514,902	472,335	537,259	3,540,315
Selling and distribution expenses	(489,226)	(609,476)	(8,817)	(7,441)	(652,342)	(548,306)	(1,165,223)
Administrative expenses	(421,344)	(321,532)	(50,664)	(86,996)	(147,448)	(151,528)	(560,056)
Other expenses	(145,330)	-	-	-	-	-	(145,330)
Other income	70,298	92,997	8,190	6,925	37,229	80,444	180,366
Impairment loss on trade debts	-	-	(23)	-	(42)	(867)	(867)
<b>Operating profit</b>	1,240,861	1,630,143	753,987	427,390	(290,268)	(62,998)	1,834,281
Finance cost	(6,657)	(16,913)	(73)	(178)	(3,605)	(2,518)	(19,699)
Finance income	404,949	366,420	7,395	2,265	18,076	10,071	378,756
Net finance income	398,292	349,507	7,322	2,087	14,471	7,553	359,147
Profit/(loss) before tax	1,639,153	1,979,650	761,309	429,477	(275,797)	(55,445)	2,193,428



# Murree Brewery Company Limited

## Notes to the Financial Statements

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### 44 FINANCIAL INSTRUMENTS

#### 44.1 Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

#### On-balance sheet financial instruments

	30 June 2023	Note	Carrying amount		Fair value			Total
			Fair value through profit or loss	Amortized Cost	Financial liabilities at amortized cost	Level 1	Level 2	
Financial assets measured at fair value				(Rs. '000)		(Rs. '000)		
Short term investments	28		1,426,602	-	-	1,426,602	1,426,602	1,426,602
			1,426,602	-	-	1,426,602	1,426,602	1,426,602
Financial assets not measured at fair value								
Long term advances	22 and 44.4		-	11,738	-	-	11,738	
Long term investments	23		-	508,452	-	-	508,452	
Long term deposits	24 and 44.4		44,429	-	-	-	44,429	
Trade debts	26 and 44.4		-	42,236	-	-	42,236	
Advances and other receivables	27 & 44.2		-	32,349	-	-	32,349	
Cash and bank balances	30 & 44.4		-	2,480,747	-	-	2,480,747	
			44,429	3,075,522	-	-	3,119,951	
Financial liabilities not measured at fair value								
Lease liabilities	10 & 44.4		-	-	15,688	-	15,688	
Trade and other payables	14 & 44.3		-	-	1,023,420	-	1,023,420	
Unpaid dividend	44.4		-	-	105,769	-	105,769	
Unclaimed dividend	44.4		-	-	31,075	-	31,075	
			-	-	1,175,952	-	1,175,952	

*Murree Brewery Company Limited*

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On-balance sheet financial instruments	30 June 2022	Note	Carrying amount		Fair value			Total
			Fair value through profit or loss	Amortized Cost	Financial liabilities at amortized cost	Level 1	Level 2	
			(Rs. 000)	(Rs. 000)	(Rs. 000)			
Financial assets measured at fair value								
Short term investments	28		1,976,441	-	-	1,976,441	1,976,441	1,976,441
			1,976,441	-	-	1,976,441	1,976,441	1,976,441
Financial assets not measured at fair value								
Long term advances	22 and 44		-	12,480	-	-	12,480	
Long term investments	23		-	511,459	-	-	511,459	
Long term deposits	22 and 44.4		39,482	-	-	-	39,482	
Trade debts	26 and 44.4		-	15,019	-	-	15,019	
Advances and other receivables	27 & 44.2		-	15,311	-	-	15,311	
Cash and bank balances	30 & 44.4		-	2,509,228	-	-	2,509,228	
			39,482	3,063,497	-	-	3,102,979	
Financial liabilities not measured at fair value								
Long term loan	11		-	-	124,748	-	124,748	
Lease liabilities	10 & 44.4		-	-	16,234	-	16,234	
Trade and other payables	14 & 44.3		-	-	1,044,249	-	1,044,249	
Unpaid dividend	44.4		-	-	96,840	-	96,840	
Unclaimed dividend	44.4		-	-	31,818	-	31,818	
			-	-	1,313,889	-	1,313,889	

44.2 It excludes advances to suppliers.

44.3 It excludes advances from customers, withholding tax payable, net, excise duty payable, unearned income, and Zila tax payable.

44.4 The Company has not disclosed the fair values for these financial assets and financial liabilities because their carrying amounts are a reasonable approximation of fair value.

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**44.5 FINANCIAL RISK MANAGEMENT**

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

- Credit risk (Note 44.5.1)
- Liquidity risk (Note 44.5.2)
- Market risk (Note 44.5.3)

**Risk management framework**

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

The Company's risk management policies are established to identify and analyse 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 maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

**44.5.1 Credit risk**

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, and arises principally from trade debts, advances and deposits, interest accrued, other receivables, margin on letter of guarantee and bank balances. The carrying amount of financial assets represents the maximum credit exposure. The Company's credit risk exposures is categorized under the following headings:

**i. Trade and other receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customers/dealers. The Company has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Company's standard payment terms and conditions are offered. Credit limits are established for each customer, which are regularly reviewed and approved by the management. Customers that fail to meet the Company's benchmark creditworthiness may transact with the Company only on a prepayment basis.

**ii. Concentration of credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows:

	Note	2023 (Rs.'000)	2022 (Rs.'000)
Long term advances	22 and 44.4	11,738	12,480
Long term investments	23	508,452	511,459
Long term deposits	24 and 44.4	44,429	39,482
Trade debts	26 and 44.4	42,236	15,019
Advances and other receivables	27	32,349	15,311
Bank balances	30 and 44.4	2,433,760	2,400,408
		<b>3,072,964</b>	<b>2,994,159</b>

Geographically there is no concentration of credit risk at the reporting date (2022: Nil). The maximum exposure to credit risk for financial assets at the reporting date by type of counter party is as follows:

From government institutions	508,452	511,459
Banks and financial institutions	2,433,760	2,400,408
Others	130,752	82,292
	<b>3,072,964</b>	<b>2,994,159</b>



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iii. <b>Loss allowance for expected credit loss</b>	2023		2022	
	Gross (Rs.'000)	Impairment (Rs.'000)	Gross (Rs.'000)	Impairment (Rs.'000)
The aging of trade debts at the reporting date is as follows:				
Less than one year	44,309	(2,073)	17,027	(2,008)
	<u>44,309</u>	<u>(2,073)</u>	<u>17,027</u>	<u>(2,008)</u>

The movement in the allowance for impairment in respect of trade debts during the year is given in note 26, I:

The doubtful account in respect of trade debts are used to record impairment losses unless the Company is satisfied that no recovery of the amount owing is possible; at that point the amount considered irrecoverable is written off against the financial asset directly.

The Company has no collateral in respect of financial assets exposed to credit risk. Based on past experience, management believes that except as already provided for in these financial statements, no further impairment is required to be recognized against any financial assets of the Company.

**Credit quality of financial assets**

The credit quality of Company's financial assets have been assessed below by reference to external credit rating of counterparties determined by Moody's Investor Services Inc., Pakistan Credit Rating Agency Limited (PACRA) and JCR - VIS Credit Rating Company Limited (JCR - VIS). The counterparties for which external credit ratings were not available have been assessed by reference to internal credit ratings determined based on their historical information for any default in meeting obligations.

An analysis of the credit quality of financial assets that are neither past due nor impaired is as follows:

	Rating	2023 (Rs.'000)	2022 (Rs.'000)
<b>Long term advances</b>			
Counterparties without external credit rating		11,738	12,480
<b>Long term investments</b>			
Counterparties with external credit rating	B-	508,452	511,459
<b>Long term deposits</b>			
Counterparties with external credit rating	AA+	4	4
Counterparties with external credit rating	AA-	22,543	17,596
Counterparties with external credit rating	AAA	6,292	7,629
Counterparties without external credit rating		15,590	14,253
		44,429	39,482
<b>Trade debts</b>			
Counterparties with external credit rating	A1	5,379	6,220
Counterparties with external credit rating	AAA	682	848
Counterparties without external credit rating		8,958	9,959
		15,019	17,027
<b>Advances and other receivables</b>			
Counterparties without external credit rating		32,349	15,311
		32,349	15,311
<b>Bank balances</b>			
Counterparties with external credit rating	A1+	1,890,671	2,380,445
Counterparties with external credit rating	AA+	516,787	-
Counterparties with external credit rating	A-1	22,981	19,889
Counterparties with external credit rating	A-3	-	74
Counterparties with external credit rating	BBB-	84	-
Counterparties without external credit rating		3,237	-
		2,433,760	2,400,408
		3,045,747	2,996,168

**44.5.2 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. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding to an adequate amount of committed credit facilities and the ability to close out market positions due to dynamic nature of the business. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

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**Exposure to liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding to an adequate amount of committed credit facilities and the ability to close out market positions due to dynamic nature of the business. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The maturity profile of the Company's financial liabilities based on the contractual amounts is as follows:

	Carrying amount	Contractual cash flows	Maturity in less than 1 year	Maturity after one year and up to five years	Maturity after five years
	(Rs.'000)				
<b>2023</b>					
Lease liabilities	15,688	17,369	10,480	6,888	-
Trade and other payables	1,023,420	1,023,420	1,023,420	-	-
Unpaid dividend	105,769	105,769	105,769	-	-
Unclaimed dividend	31,075	31,075	31,075	-	-
	<b>1,175,952</b>	<b>1,177,633</b>	<b>1,170,744</b>	<b>6,888</b>	<b>-</b>
	Carrying amount	Contractual cash flows	Maturity in less than 1 year	Maturity after one year and up to five years	Maturity after five years
	(Rs.'000)				
<b>2022</b>					
Long term loan	124,748	128,090	128,090	-	-
Lease liabilities	16,234	18,254	9,792	8,462	-
Trade and other payables	1,044,249	1,044,249	1,044,249	-	-
Unpaid dividend	96,840	96,840	96,840	-	-
Unclaimed dividend	31,818	31,818	31,818	-	-
	<b>1,313,889</b>	<b>1,319,251</b>	<b>1,310,789</b>	<b>8,462</b>	<b>-</b>

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

The contractual cash flows relating to finance lease liabilities have been determined on the basis of expected mark up rates. The mark-up rates have been disclosed in note 10 to these financial statements.

**44.5.3 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 the return on risk.

**Foreign currency risk**

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and other transactions and balances are denominated and the functional currency of the Company. The functional currency of the Company is Pakistan Rupee (PKR). The currency in which these transactions and balances are primarily denominated is US Dollars (USD). The Company's potential foreign currency exposure comprise:

- Transactional exposure in respect of non functional currency monetary items.
- Transactional exposure in respect of non functional currency expenditure and revenues.

**i. Transactional exposure in respect of non functional currency monetary items**

Monetary items, including financial assets and liabilities, denominated in currencies other than the functional currency of the Company are periodically restated to PKR equivalent, and the associated gain or loss is taken to the profit or loss. The foreign currency risk related to monetary items is managed as part of the risk management strategy.

**ii. Transactional exposure in respect of non functional currency expenditure and revenues**

Certain operating and capital expenditure is incurred by the Company in currencies other than the functional currency. Certain sales revenue is earned in currencies other than the functional currency of the Company. These currency risks are managed as part of overall risk management strategy. The Company does not enter into forward exchange contracts.

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iii. **Exposure to foreign currency risk on year end monetary balances**

	2023		2022	
	Rs. in '000	USD	Rs. in '000	USD
Bank balances	36	0.15	2,980	15.00

The following significant exchange rates were applied during the year:

	Average rate		Reporting date rate	
	2023	2022	2023	2022
	Rs.		Rs.	
PKR per US Dollar	225.43	181.24	245.89	204.97

iv. **Foreign currency sensitivity analysis**

Following is the demonstration of the sensitivity to a reasonably possible change in exchange rate of USD applied to assets and liabilities as at the reporting date represented in foreign currency, with all other variables held constant, of the Company's profit before tax.

	2023 (Rs.'000)	2022 (Rs.'000)
Increase in 10% USD rate	4	298
Decrease in 10% USD rate	(4)	(298)

**Interest rate risk**

The interest rate risk is the risk that the value of the financial instrument will fluctuate due to changes in the market interest rates. The Company does not have liabilities at variable rates.

i. **Exposure to interest rate risk**

At the reporting date the interest rate profile of the Company's interest bearing financial instruments was as follows:

	Effective interest rate		Note	Carrying amounts	
	2023 (%)	2022 (%)		2023 (Rs.'000)	2022 (Rs.'000)
<b>Interest rate risk</b>					
<b>Fixed rate instruments</b>					
Financial assets	0.25% to 11% per annum	0.25% to 11% per annum	22, 23 and 30	2,001,388	1,928,665
Financial liabilities	16.48% to 23.97% per annum	8.56% to 14.50% per annum	10	15,688	16,234
				<b>2,017,076</b>	<b>1,944,899</b>

ii. **Fair value sensitivity analysis for fixed rate instruments**

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

iii. **Cash flow sensitivity analysis for variable rate instruments**

There are no outstanding variable rate instruments at the reporting date (2022: Nil). Hence the Company is not exposed to any variable interest rate risk.

**Other market price risk**

The primary goal of the Company's investment strategy is to maximize investment returns on surplus funds. The Company adopts a policy of ensuring to minimize its price risk by investing in securities having sound market performance. Certain investments are designated as held for trading because their performance is actively monitored and these are managed on a fair value basis. Equity price risk arises from investments at fair value through profit or loss.

**Sensitivity analysis – equity price risk**

For quoted investments classified as FVTPL, 100 basis point increase in market price at reporting date would have increased profit by Rs. 14.27 million (2022: Rs. 19.76 million); an equal change in the opposite direction would have decreased profit by the same amount. The analysis is performed on the same basis for 2023 and assumes that all other variables remain the same.



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45	CAPACITY AND PRODUCTION	Measurement basis	2023	2022
45.1	<b>Liquor Division - Rawalpindi</b>			
(a)	<b>Capacity of industrial unit</b>			
	Beer and Non Alcoholic Beverages (NAB)	Litres	54,762,240	54,762,240
	Pakistan Made Foreign Liquor (PMFL)	Cases (2 B.G)	2,490,509	2,490,509
	Non Alcoholic Products (NAP)	Litres	78,624,000	56,160,000
(b)	<b>Actual production</b>			
	Beer and Non Alcoholic Beverages (NAB)	Litres	22,572,596	28,043,937
	Pakistan Made Foreign Liquor (PMFL)	Cases (2 B.G)	2,099,477	1,902,965
	Non Alcoholic Products (NAP)	Litres	70,713,629	64,802,552
45.1.1	Normal capacity is based on 26 working days per month with one shift of 8 hours per day. Actual production represents multiple shifts undertaken keeping in view the market demand.			
45.1.2	The difference is due to the supply and seasonal demand of the market.			
45.2	<b>Tops Division</b>			
(i)	<b>Rawalpindi</b>			
(a)	<b>Capacity of industrial unit</b>			
	Tetra pack juices	Litres	33,580,000	33,580,000
(b)	<b>Actual production</b>			
	Tetra pack juices	Litres	17,151,750	21,859,741
(ii)	<b>Hattar</b>			
(a)	<b>Capacity of industrial unit</b>			
	Food products	Cartons	375,000	375,000
	Juice (NR & Ret)	Litres	4,500,000	4,500,000
	Mineral water	Litres	30,424,000	30,424,000
	Tetra Pak juices	Litres	35,000,000	35,000,000
(b)	<b>Actual production</b>			
	Food products	Cartons	124,730	107,710
	Juice (NR & Ret)	Litres	5,848,189	6,189,129
	Mineral water	Litres	48,115,352	47,746,579
	Tetra Pak juices	Litres	7,444,488	8,814,326
45.3	<b>Glass Division - Hattar</b>			
(a)	<b>Melting capacity</b>	M. Tons	40,150	40,150
(b)	<b>Actual production - Glass melted</b>	M. Tons	29,971	30,318

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**46 TRANSACTIONS WITH RELATED PARTIES**

Related parties comprise of directors, entities over which the directors are able to exercise significant influence, entities with common directors, major shareholders, staff retirement funds and key management personnel. Balances with related parties are shown in note 6 to the financial statements. The transactions with related parties, other than those which are disclosed in note 17.1.6 and 41 to the financial statements, are as follows:

	Name of Related Party	Nature of Relationship	Percentage of share holding	Nature of transactions during the year	2023 (Rs.'000)	2022 (Rs.'000)
1)	D.P. Edulji & Company (Private) Limited	Associated company on account of common directorship	17.75%	Sales commission Services acquired Dividend paid	<b>190,987</b> <b>19,320</b> <b>62,602</b>	188,976 18,120 171,849
2)	Kingsway Fund	Associated company	21.80%	Dividend paid	<b>81,407</b>	227,451
3)	Board of directors	Directors	20.30%	Dividend paid	<b>71,600</b>	196,548
4)	Directors' relatives	Directors' relatives	17.63%	Dividend paid	<b>60,830</b>	163,003
5)	Staff retirement benefit plan - Provident fund	Staff retirement funds	Nil	Contribution by the Company	<b>9,826</b>	8,783
6)	Staff retirement benefit plan - Pension fund	Staff retirement funds	Nil	Contribution by the Company	<b>3,040</b>	5,751
7)	Bhandara Foundation	Chief executive officer acts as a Trustee	Nil	Donation paid	-	1,500
8)	Key Management Personnel	Key management personnel	Nil	Remuneration	<b>75,289</b>	65,818

46.1 Details of compensation to key management personnel comprising of chief executive officer, directors and executive is disclosed in note 42.

46.2 Following particulars relate to associated company, incorporated outside Pakistan, with whom the Company has entered into transactions during the year.

Particulars	Details
Name of associate	<b>Kingsway Fund</b>
Registered address	<b>15 Avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg</b>
Country of incorporation	<b>Grand Duchy of Luxembourg</b>
Basis of association	<b>Shareholder with significant influence</b>
Aggregate percentage of shareholding	<b>6,029,885 (21.80%) ordinary shares of Rs. 10 each</b>

46.3 Following particulars relate to the directors, of the Company, and their relatives with whom the Company has entered into transactions during the year.

Name	Basis of relationship	Shares held in the Company	
		Numbers	Percentage
1) Mr. Ispahnyar M. Bhandara	Chief Executive Officer (CEO)	4,603,280	16.64%
2) Ch. Mueen Afzal	Chairman	3,852	0.01%
3) Mrs. Goshi M. Bhandara	Director	1,000,074	3.62%
4) Mr. Parvaiz Akhter	Director	1,000	0.004%
5) Mr. Aamir H. Shirazi	Director	3,084	0.01%
6) Ms. Jahanara Sajjad	Director	1,000	0.004%
7) Mr. Shahbaz Haider Agha	Director	2,178	0.01%
8) Mr. Khalid Aziz Mirza	Director	1,200	0.004%
9) Mrs. Jasmine Bhandara	Close family member of CEO	334,211	1.21%
10) Mr. Jamshed M. Bhandara	Close family member of CEO	2,900,687	10.49%
11) Mrs. Munizeh M. Bhandara	Close family member of CEO	1,141,047	4.12%
12) Mr. Zane Ispahnyar Bhandara	Close family member of CEO	500,008	1.81%

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**47 EMPLOYEES PROVIDENT FUND TRUST**

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

**48 NUMBER OF EMPLOYEES**

	2023	2022
	(Number)	(Number)
Employees at year end	1,796	1,855
Average employees during the year	1,826	1,768

**49 SUBSEQUENT EVENTS**

The Board of Directors of the Company in the meeting held on 15<sup>th</sup> September 2023 proposed final cash dividend of 50% i.e. Rs. 5 per share (2022: 100% i.e. Rs 10 - per share). These financial statements do not reflect the proposed final dividend on ordinary shares as payable, which will be accounted for in the statement of changes in equity as an appropriation from the unappropriated profit in the financial statements in the year ending 30 June 2024.

**50 GENERAL**

**50.1** Dividend payable to the Muslim shareholders is deemed to be appropriated from income arising from the Company's investments, non-alcoholic profits and rental income.

**51 APPROVAL OF FINANCIAL STATEMENTS**

These financial statements were authorized for issue by the Board of Directors of the Company in their meeting held on 15<sup>th</sup> September 2023.

  
 \_\_\_\_\_  
 CHIEF FINANCIAL OFFICER

  
 \_\_\_\_\_  
 CHIEF EXECUTIVE OFFICER

  
 \_\_\_\_\_  
 DIRECTOR



## Annual Report 2023

### Murree Brewery Company Limited

کاروباری اخلاقیات اور انسداد بدعنوانی کے اقدامات

کمپنی اپنے کاروبار کو سالمیت کے ساتھ اور اخلاقی طرز عمل کے اعلیٰ معیار کے مطابق اور ان قوانین / قواعد و ضوابط کی تعمیل میں انجام دیتی ہے جو کمپنی کے آپریشنز کو کنٹرول کرتے ہیں۔ اس سلسلے میں کمپنی نے کوڈ آف کنڈکٹ تیار اور نافذ کیا ہے جس میں کاروباری اخلاقیات، شفافیت، منصفانہ پیشہ ورانہ مہارت، مفادات کا گہرا کام کی جگہ پر ہر اسماں کرنے، مساوی مواقع کا ماحول وغیرہ شامل ہیں۔ مزید برآں، کمپنی نے ویسل بلونگ، پالیسی تیار اور منظور کی ہوئی ہے کہ افراد کو کسی بھی قسم کے معاملات کو ظاہر کرنے اور رپورٹ کرنے کی حوصلہ افزائی کی جاسکے جو ان کی رائے میں، کمپنی کو ممکنہ مالی یا ساتھ کے نقصان کا سبب بن سکتے ہیں۔ یہ پالیسی غلط کاموں، دھوکہ دہی، رشوت ستانی، امتیازی سلوک، بلیک میلنگ، چوری اور دیگر سرگرمیوں کو بھی کم کرتی ہے کہ بدعنوانی کے امکانات کو کم سے کم کیا جاسکے۔ ہم، پالیسی کے مطابق کمپنی تمام شکایات / خطوط پر غور نہیں کرے گی۔

قانونی آڈیٹرز

30 جون 2023 کو ختم شدہ مالی سال کیلئے کمپنی کا قانونی آڈٹ مکمل ہو گیا ہے اور آڈیٹرز نے کمپنی کے مالیاتی گوشواروں پر آڈٹ رپورٹس اور ریگولیشنز سے گوشوارہ موافقت پر جائزہ رپورٹ جاری کر دی ہے۔ آڈیٹرز میسرز کے پی ایم پی، میر ہادی اینڈ کمپنی سالانہ اجلاس عام کے اختتام پر سیکڈوش ہو جائیں گے اور اہل ہونے کی وجہ سے انھوں نے سال 2023-24 کیلئے خود کو دوبارہ مقرر کیلئے بھی پیش کر دیا ہے۔ آڈٹ اور رسک مینجمنٹ کمپنی کی سفارش پر بورڈ نے 30 جون 2024 کو ختم ہونے والی مالی سال کیلئے ان کی بطور آڈیٹرز تقرری کی تجویز دی ہے۔ اس کی حتمی منظوری 120 اکتوبر 2023 کو مستند ہونے والے شیئر ہولڈرز کے سالانہ اجلاس عام میں دی جائے گی۔

توقعات

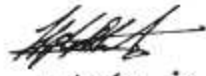
کرنسی کی قدر میں بڑے پیمانے پر کمی، افراط زر میں اضافے، بلند شرح سود اور ترقی پزیر ٹیکس شرحوں کی وجہ سے ملک کا کاروباری ماحول بہت مشکل ہو گیا ہے۔ ہم، کمپنی اپنے صارفین کو اعلیٰ معیار کی مصنوعات فراہم کرنے اور شیئر ہولڈرز کی اقدار کو بحال کرنے کے لئے ہر حزم ہے۔ غیر متوقع معاشی ماحول کے پیش نظر آنے والے مہینوں میں مسلسل سیاسی عدم استحکام، شرح تبادلہ میں اتار چڑھاؤ اور افراط زر میں اضافے کے باعث غیر یقینی صورتحال کا سامنا ہے۔ ان تمام معاشی چیلنجز کے باوجود کمپنی کی انتظامیہ اپنے شیئر ہولڈرز کو بہترین ممکنہ معیار کی مصنوعات فراہم کرنے کے لئے کوشاں ہے۔

خدمات کا اعتراف

ہم کمپنی کے مازمین کی مسلسل لگن اور کوششوں پر خوشی کا اظہار کرتے ہیں۔ ہمارے گاہکوں، سپلائرز، پیسنگروں، مشیروں، حصص داران اور مختلف سرکاری تنظیموں کو ان کی مسلسل حمایت کے لئے بھی ہم ان کے ممنون ہیں۔

بورڈ کی جانب سے

  
پرویز اختر  
چیرمین

  
اشفان یار ایم پی اینڈ ارا  
چیف ایگزیکٹو آفیسر

راولپنڈی

15 ستمبر 2023ء

نوٹ: اردو اور انگریزی اشتہارات کی عہدہ میں کسی تضاد کی صورت میں انگریزی اشتہار کی عہدہ کو درست تصور کیا جائے۔

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ماحولیاتی، کوالٹی، صحت اور حفاظتی سسٹم انتظامیہ، سوسائٹی اور خوردگی سرٹیفیکیشن اتھارٹیز کی جانب سے تسلیم شدہ پائیدار ماحولیات اینڈ کوالٹی مینجمنٹ پر بھرپور طریقے سے عمل ہے۔ کئی ماحولیات مسائل کی حمایت اور وسیع تر ماحولیاتی ذمہ داریوں کو فروغ دیتی ہے اور اس سلسلے میں اس نے سرٹیفیکیشن آف ISO 9001:2015, 45001:2018, 14001:2015 بھی حاصل کی ہے۔ کئی نے پنجاب انوائسٹمنٹ پبلیکیشن سے منظور شدہ ایوارڈز کے ذریعے اعزازات کا تجربہ جاری رکھا ہے۔ کئی کی مرکزی لیب کو پاکستان پبلیکیشن اینڈ ٹیسٹنگ کونسل (پی این اے سی) نے 17025:2017 ISO پر تسلیم کیا ہے۔

#### پیشہ ورانہ صحت اور حفاظت

کئی اپنے ہر کارکن کو محفوظ اور مستحکم ماحول دینے کے لئے کوشاں ہے۔ اسی لئے اس نے HSE مینجمنٹ سسٹم تیار کیا ہے جو کارکنان کی حفاظت کو یقینی بناتا ہے۔ کئی کا منظم طریقہ کار پیشہ ورانہ حفاظت اور صحت کو اچھی طرح سے طے شدہ معیارات اور تقاضوں کے مطابق قائم کیا گیا ہے۔ کئی نے تمام ملازمین کے لئے ادارے کو محفوظ مقام بنانے کی فرض سے ہر جگہ حفاظتی آپریشنل کنٹرولز کے منظم طریقہ کو خطرات کے اندازہ لگا کر ترتیب دیا ہے۔ کنٹرولز کا مکمل نفاذ اس بات کو یقینی بناتا ہے کہ کئی اپنے تمام ملازمین کے لئے ایک محفوظ کام کی جگہ فراہم کر رہی ہے۔

#### توانائی کا تحفظ

قدرتی وسائل کو موثر اور بہترین انداز میں استعمال کرنے کے لئے کئی نے ویری ایبل فریکوئنسی ڈرائیو (وی ایف ڈی) نصب کی ہیں جس کے نتیجے میں بجلی کی بچت ہوئی ہے۔ کئی نے توانائی کے ذرائع کے تحفظ کے لئے اپنے تمام برقی آلات/شینوں کو توانائی کے موثر آلات میں بھی تبدیل کر دیا ہے۔ مزید، کئی نے GI شیٹ کے متبادل قابض اسٹیمپس کا استعمال کیا ہے جس سے کام کرنے والی جگہوں میں قدرتی سورج کی روشنی آتی ہے۔

#### ماحولیاتی تحفظ کے اقدامات

کئی نے طوفانوں کے انتظام (ریڈیوس، ریکورڈ اور ری سائیکل) کے 3 آر کو اپنایا ہے تاکہ کئی قدرتی وسائل کو زیادہ موثر طریقے سے منظم کر کے اور زہریلا فضلہ مواد کو بہتر انداز میں ضائع کر سکے۔ اس سلسلے میں کئی نے ویٹ ڈاؤنڈ پلانٹ نائٹ پلانٹ نصب کیا ہے جو کئی کے فضلے کے پانی کو دوبارہ استعمال یا ماحول میں محفوظ ٹھکانے لگانے کے لئے ٹریٹ کرنے کے لئے ڈیزائن کیا گیا ہے۔ پچھتا کئی نے اپنے فضلے کے پانی کے ضیاع کو 45.6 فیصد سے کم کر کے 0 فیصد کر دیا ہے۔ کئی نے ماحولیاتی تحفظ کی پالیسی بھی تیار کی ہے جو درخت لگانے، آلودگی کی روک تھام، ماحولیاتی بیداری کے سیشن اور تربیت، پانی کے تحفظ اور انسانی صحت اور ماحولیات کے تحفظ کے لئے متعدد دیگر اقدامات کو فروغ دیتی ہے۔ مزید، آں، کئی نے ملک کی معاشی ترقی کو فروغ دینے کے لئے بہت سے پروگراموں کا اہتمام کیا ہے جن میں عالمی یوم ماحولیات، ڈیجیٹل آگاہی مہم اور سوگ سے آگاہی کے سیمینار وغیرہ شامل ہیں۔

#### صارفین کے تحفظ کے اقدامات

کئی نے قابل اطلاق قوانین کے مطابق اپنی مصنوعات کی پیداوار اور فراہمی کے لئے مختلف حفاظتی پیرامیٹرز کو اپنایا اور نفاذ کیا ہے۔ یہ پیرامیٹرز نہ صرف اس کے کارکنوں کی حفاظت سے متعلق نہیں بلکہ صارفین کی حفاظت سے بھی منسلک ہیں۔ کئی نے اپنی مصنوعات کے بہترین معیار کو فروغ دینے کے لئے اپنی مصنوعات پر آگاہی ٹیکر لگایا ہے تاکہ یوتھوں میں غیر معیاری مواد بھرنے یا دوبارہ استعمال سے بچانے کے لئے انہیں توجہ دیا جاسکے۔

#### خصوصی افراد کے لئے روزگار

کئی بغیر کسی امتیاز کے ہر قسم کے افراد کے لئے مساوی روزگار کے مواقع کو فروغ دیتی ہے۔ نئی الحال کئی میں مختلف جسمانی معذوریوں کے ساتھ 20 کارکنان/ملازمین اہل ذمہ داری ہیں جو سرکاری حکام کی طرف سے معزز کردہ گونڈ سے زیادہ ہے۔

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متعلقہ پارٹی ٹرانزیکشنز

کمپنیز ایکٹ، 2017 کے سیکشن 208 اور کمپنیز (متعلقہ پارٹی ٹرانزیکشنز) ایکٹ، 2018 کے مطابق بورڈ آف ڈائریکٹرز نے بورڈ کی منظوری سے پالیسی کے مطابق آڈٹ کمپنی کی سفارشات پر متعلقہ پارٹی ٹرانزیکشنز کی منظوری دے دی ہے۔

حصص کی تجارت

زیر جائزہ سال کے دوران کمپنی کے حصص کی تجارت بڑے سائز ہولڈرز نے کی تھی جس کے بارے میں ریگولیشنز کو متحرک وقت میں تحریری طور پر اطلاع کر دی گئی تھی۔ اس کے علاوہ کسی بھی ڈائریکٹر، ایگزیکٹو اور ان کے شریک حیات اور نا بالغ بچوں نے کمپنی کے حصص میں تجارت نہیں کی۔

انتظامیہ میں تبدیلیاں

رواں سال کے بورڈ کی منظوری سے نئے چیف فنانس آفیسر کی تقرری کی گئی تھی۔ بورڈ کو یقین ہے کہ نئی ٹیم کمپنی کی ترقی کے لئے اچھی کارکردگی کا مظاہرہ کرے گی۔

کارپوریٹ بریفنگ سیشن

کمپنی نے 25 اکتوبر 2022 کو اپنے رجسٹرڈ آفس میں کارپوریٹ بریفنگ سیشن کا انعقاد کیا جس میں کمپنی کی انتظامیہ نے شرکاء کو کمپنی کے آپریشن، مالی کارکردگی اور مستقبل کے امکانات کے بارے میں آگاہ کیا۔ سیشن میں سرمایہ کاروں اور دیگر اسٹیک ہولڈرز نے شرکت کی، اس کے بعد ایک سیر حاصل سوال و جواب سیشن ہوا۔

قومی خزانے میں معاونت

زیر جائزہ سال کے دوران، کمپنی ڈیوٹی اور ٹیکس کی مدد میں 6,692 ملین روپے (گزشتہ سال یہ رقم 4,847 ملین روپے تھی) قومی خزانے میں جمع کروا چکی ہے۔

بیان مطابقت

کمپنی نے (کوڈ آف کارپوریٹ گورننس) ریگولیشنز کی شرائط کی مکمل پاسداری کی ہے۔ اس کو نوٹ بنانے کی غرض سے ایک بیان اس رپورٹ میں منسلک کر دیا گیا ہے۔

کارپوریٹ سماجی ذمہ داری

کمپنی بحیثیت سوشل کارپوریٹ شہری اپنی ذمہ داری پوری کرتی ہے۔ کمپنی ہمیشہ معاشرتی معاملات میں خاص دلچسپی لیتی ہے جس کا براہ راست کاروبار سے کوئی تعلق نہیں ہوتا، کمپنی رعایا اداروں، چھانٹوں اور خیراتی اداروں کو عطیات دیتی رہتی ہے۔ سال 2022-23 کے دوران کمپنی نے مختلف رعایا تنظیموں کو 3.1 ملین روپے کی امدادی رقم دی ہے۔

کیونٹی سرمایہ کاری اور فلاح و بہبود کی اسکیمیں

کمپنی اپنی پارٹی کا استعمال مفرد افراد کے لئے کام کرنے والی ایسوسی ایشن (ورکشاپ) کیلئے جاری رکھے ہوئے ہے۔ راولپنڈی کے علاقے میں مفرد ضرورت مند خواتین کو خود بخوبی کپڑے کے استعمال اور معاشرے کا کارآمد فرد بنانے کیلئے قائم دو کیشل اسکول میں اس وقت 75 مفرد خواتین ٹریننگ حاصل کر رہی ہیں۔ اس ادارے کی عمارت کمپنی کی جانب سے استعمال کے لئے بنا کسی معاوضے کے بالکل فری دی گئی ہے، اس کے ساتھ ساتھ فرنیچر، یوٹیلیٹی بٹن اور مرمت کی ذمہ داری بھی کمپنی کے ذمہ ہے۔

پہلے ہاتھ کی فلاح و بہبود کے لئے اخراجات

کمپنی اپنے اعلیٰ سطحے میں ایک سوشل سکیورٹی ڈیپنٹی پائل ہے۔ یہ کارکنان اور ان کے خاندانوں کے لئے علاج معالجے کی سہولیات فراہم کرتی ہے۔

کارپوریٹ خدمت خلیق

کمپنی خدمت اور ایثار کے سلسلے کو اپنی پالیسیوں کا حصہ بناتے ہوئے اداروں کو امداد جاری رکھنے کا عزم رکھتی ہے۔



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- گزشتہ چھ سال کا اہم آپریشننگ ایجنڈا ناکامی کی صورت میں منسک ہے۔
- ان آڈیٹرز پر دو پوزیشنز اور ان آڈیٹرز چارجز انویسٹمنٹ کی مالیت، مطابق 30 جون 2023ء، 178.97 ملین روپے (2022ء: 159.24 ملین روپے) اور 87.52 ملین روپے (2022ء: 78.94 ملین روپے) با ترتیب ہیں۔
- 2022-23ء سال کے دوران پانچ (05) بورڈ مینٹنز، چار (04) آڈٹ ایجنٹس، ایک مینجمنٹ کمیٹی مینٹنز اور تین (03) ایچ آر بورڈ مینٹنز اور انویسٹمنٹ کمیٹی مینٹنز منعقد ہوئی تھیں۔

بورڈ اور اس کی کمیٹی کے ممبران کی حاضری درج ذیل کے مطابق رہی:

ایچ آر بورڈ مینٹنز اور انویسٹمنٹ کمیٹی	آڈٹ اور رسک مینجمنٹ کمیٹی	بورڈ آف ڈائریکٹرز	ڈائریکٹرز کا نام
3/3	4/4	5/5	چوہدری مصعب افضل
2/3	02 (دعوت پر)	4/5	جناب اسفند یار ایم بی بی
2/3	-	5/5	جناب عامر حسین شیرازی
-	0/4	0/5	تیم گمشدہ ایم بی بی
3/3	4/4	5/5	پروفیسر خالد منیر مرزا
-	4/4	5/5	جناب شہباز حیدر آغا
3/3	-	3/5	جناب پرویز اختر
-	3/4	4/5	مترصد جہاں آراہ ہاراد احمد

جو ممبران اجلاس میں شرکت نہیں کر سکتے تھے ان کو چھٹی دی گئی تھی۔

#### ڈائریکٹرز کے انتخابات

24 جولائی 2023ء کو کمپنی کے غیر معمولی اجلاس عام میں ڈائریکٹرز کے انتخابات ہوئے اور سات ڈائریکٹرز کو منتخب طور پر 27 جولائی 2023ء سے لاگو ہونے والی تین سال کی اگلی مدت کے لیے بلا مقابلہ منتخب کیا گیا تھا۔

#### ڈائریکٹرز ٹریڈنگ پروگرام

30 جون 2023ء تک، آٹھ ماہ سے چھ ڈائریکٹرز نے ڈائریکٹرز کے تریڈنگ پروگرام کے تحت سرٹیفیکیشن حاصل کر چکے ہیں جبکہ باقی دو ڈائریکٹرز کو باقی باقی ڈائریکٹرز کو ملتی حاصل ہے۔ لہذا، کمپنی اب مکمل طور پر ریگولیشن کے ریگولیشن نمبر 19(1) کے مطابق عمل پیرا ہے۔

#### بورڈ کی کارکردگی کی تشخیص

کمپنی نے مالی سال 2022-23 کے لیے، رونی طور پر بورڈ کی کارکردگی کا جائزہ لیا اس سے ظاہر ہوتا ہے کہ بورڈ نے سال کے دوران کمپنی کے مقاصد کو سنبھالنے پر حاصل کئے۔

#### ڈائریکٹرز اور افسران کے معاوضہ کی پالیسی

کارپوریٹ گورننس کے قوانین کی ضروریات کے مطابق انفرادی ڈائریکٹرز کے معاوضے کے فیصلے کیلئے عمومی اور شفاف طریقہ کار اختیار کیا جاتا ہے۔ کوئی بھی ڈائریکٹر اپنی تنخواہ کے فیصلے میں خود شامل نہیں ہوتا ہے۔

بورڈ ایگزیکٹو، نان ایگزیکٹو، اور آزاد ڈائریکٹرز جو کہ بورڈ اور مختلف کمیٹیوں کے اجلاس میں حصہ لیتے ہیں، ان کے معاوضے کا جائزہ لیتا ہے جو کہ بعد میں حصص داروں کے سامنے سالانہ عام اجلاس میں منظری کے لئے پیش کیا جاتا ہے۔ 30 جون 2023ء کو ختم ہونے والے سال کے لئے چیف ایگزیکٹو آفیسر اور ڈائریکٹرز کا معاوضہ فیصلہ سنٹینٹ کے نوٹ نمبر 42 میں درج کیا گیا ہے۔ ایچ آر بورڈ مینٹنز کمیٹی نے بورڈ کے افسران کے معاوضوں کی منظوری دی ہوئی ہے۔

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iii. ایگزیکٹو ڈائریکٹر جناب اسمن یارام ہنڈارا

iv. خواتین ڈائریکٹر بیگم گوئی ایم ہنڈارا

محترمہ جہاں آراء ہنادامہ

بورڈ کی کمیٹیاں

i. آڈٹ اور رسک مینجمنٹ کمیٹی:

آڈٹ اور رسک مینجمنٹ کمیٹی اپنے افعال لٹھ کینیوں (کوڈ آف کارپوریٹ گورننس) 2019 (ریگولیشنز) کے تحت انجام دیتی ہے اور یہ دونوں ایگزیکٹو ڈائریکٹر اور مین آڈٹ ڈائریکٹر پر مشتمل ہے جس کی تفصیل درج ذیل ہے:

جناب شہباز حیدر آقا	-	(چیرمین)
چوہدری مصین افضل	-	(ممبر)
پروفیسر خالد عزیز مرزا	-	(ممبر)
بیگم گوئی ایم ہنڈارا	-	(ممبر)
محترمہ جہاں آراء ہنادامہ	-	(ممبر)

آڈٹ اور رسک مینجمنٹ کمیٹی کے چیرمین ایک آڈٹ ڈائریکٹر ہیں۔

ii. ایچ آر اور ہیزیشن اور نوٹیفیشن کمیٹی

ایچ آر اور ہیزیشن اور نوٹیفیشن کمیٹی کوڈ آف کارپوریٹ گورننس کے تحت تشکیل دی گئی ہے۔ یہ دو آڈٹ ڈائریکٹر، ایک ایگزیکٹو ڈائریکٹر اور دو نائ ایگزیکٹو ڈائریکٹر پر مشتمل ہے جو درج ذیل ہے:

پروفیسر خالد عزیز مرزا	-	(چیرمین)
چوہدری مصین افضل	-	(ممبر)
جناب عامر حسین شیرازی	-	(ممبر)
جناب اسمن یارام ہنڈارا	-	(ممبر)
جناب پرویز اختر	-	(ممبر)

ایچ آر اور ہیزیشن اور نوٹیفیشن کمیٹی کے چیرمین بھی ایک آڈٹ ڈائریکٹر ہیں۔

کارپوریٹ اینڈ فنانشل رپورٹنگ فریم ورک پر بیان

ڈائریکٹر کا کہنا ہے کہ:

- 30 جون 2023 کو ختم ہونے والے سال کیلئے فنانشل اسٹیٹمنٹس میں کمیٹی انتظامیہ نے اپنے معاملات، آپریشنز کے نتائج، کٹس قلم اور معیار میں تبدیلیوں کو شفاف طور پر پیش کیا ہے۔
- کمیٹی کے حسابات کی کتاب کو باقاعدہ مرتب کیا گیا ہے۔
- فنانشل اسٹیٹمنٹس کی تیاری میں اکاؤنٹنگ پالیسی کو باقاعدہ لاگو کیا گیا ہے اور اکاؤنٹنگ اسٹیٹمنٹس مناسب اور مشاورتی فیصلے پہنچی ہیں۔
- فنانشل اسٹیٹمنٹس کی تیاری میں پاکستان میں قابل اطلاق انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرڈز پر عمل کیا گیا ہے۔
- انٹرنل کنٹرول کا نظام مستحکم ہے جسے مؤثر طور پر لاگو کیا گیا ہے۔
- معاملات جاری رکھنے کے حوالے سے کمیٹی کی صلاحیتیں کسی بھی شک سے بالاتر ہیں۔
- مالی گوشواروں میں بیان کردہ ادائیگیوں کے سوا 30 جون 2023 تک فیکسز، محصولات اور ہائی چارجز کی مدد میں کوئی قانونی ادائیگی نہیں ہے۔
- جیسا کہ لٹنگ قوانین میں تفصیلی طور پر درج ہے کارپوریٹ گورننس کی بہترین پریکٹس سے کوئی روڈوائی نہیں کی گئی۔

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18 نومبر 2022ء کو کیس ختم کر دیا اور درخواست گزاروں کو ہدایت کی کہ عدالت عظمیٰ پاکستان کی طرف سے لبرف کے فرق پر لیٹ مینٹ سرچارج سے متعلق اپیلوں کے حتمی خاتمے تک، کیس کی فراہمی کو مستقل طور پر جاری رکھنے کے لئے، لبرف کے فرق کی اصل رقم ادا کی جائے۔ کمپنی نے اوپر کے فیصلے کے مطابق اصل رقم کی مکمل ادائیگی کر دی ہے، جبکہ لیٹ مینٹ سرچارج کی ادائیگی نہیں کی گئی کیونکہ عدالت عظمیٰ پاکستان میں متعلقہ اپیلیں زیر التوا ہیں۔ یہ مسئلہ سوئی کیس استعمال کرنے والی تمام صنعتوں سے متعلق ہے۔

#### حصص داری کا پٹرن

30 جون 2023ء کے مطابق کمپنی کے شیئر ہولڈرز کی کل تعداد 30 جون 2022ء پر 1,228 کے مقابلے میں 1,268 تھی۔ شیئر ہولڈنگ پٹرن برعکس 30 جون 2023ء اور اس کا انضمام (اعلان) منسلک کر دیا گیا ہے۔

#### منافع فی حصص (EPS)

30 جون 2023ء کو ختم شدہ سال کیلئے منافع فی حصص (EPS) پچھلے سال کے 46.78 روپے کے مقابلے میں 46.04 روپے ہے۔

#### انٹرنل آڈٹ اور کنٹرول

انٹرنل آڈٹ فنکشن میسرز ایل ڈی اے اے ایم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس فرم کو آڈٹ سروس کیا گیا ہے، اور ان کے ساتھ ہیڈ آف انٹرنل آڈٹ کا تقرر کیا گیا ہے جو کہ آڈٹ فرم کے ساتھ معاونت کرتا ہے۔ وہ آڈٹ اور رسک مینجمنٹ کمپنی کو پورنگ کرتا ہے۔

#### کمپنی کا رسک فریم ورک اور انٹرنل کنٹرول سسٹم

کمپنی سمجھتی ہے کہ رسک مینجمنٹ، کمپنی کی مینجمنٹ کا ایک بنیادی جزو ہے اور اس وجہ سے رسک مینجمنٹ پر وگرام تیار کیا ہے جو عمل، ڈھانچے اور ہدایات کی ایک سیریز پر مشتمل ہے جو کمپنی کو اس کے خطرات کی شناخت، تشخیص، نگرانی اور انتظام کرنے میں مدد کرتا ہے۔

مزید برآں، کمپنی نے اپنی روزمرہ کی ضروریات کی روشنی میں رسک مینجمنٹ پر وگرام کی نگرانی اور انتظام کرنے کے لئے انتظامیہ کی ذمہ داری اور اختیار کو واضح طور پر بیان کیا ہے۔ مزید برآں، کمپنی نے رسک مینجمنٹ کمپنی تشکیل دی ہے تاکہ وہ رسک مینجمنٹ اور اندرونی کنٹرول سسٹم اور عمل کو فروغ دیا جاسکے۔ کمپنی ممکنہ کاروباری خطرات کی نشاندہی اور ان سے نمٹنے میں رسک مینجمنٹ پر وگرام کی تائید کے بارے میں بورڈ کو باقاعدگی سے رپورٹس فراہم کرتی ہے۔

#### بورڈ کی تشکیل

کمپنی بورڈ آف ڈائریکٹرز کی تشکیل اور اہلیت پر ریگولیٹری کی ضروریات کی تکمیل کرتی ہے۔ 30 جون 2023ء تک ڈائریکٹرز کی کل تعداد آٹھ (08) تھی۔ بورڈ کی ذمہ داری کے مطابق تشکیل درج ذیل ہے:

ا. مرد	:	چھ
ب. خاتون	:	دو
زمرہ	:	ڈائریکٹرز کے نام
ا. آزاد ڈائریکٹرز	:	پروفیسر خالد عزن مرزا جناب شہباز حیدر آغا جناب پرویز اختر محترمہ جہاں آراء شاہد احمد
ب. نان ایگزیکٹو ڈائریکٹرز	:	چوہدری مصیبن افضل جناب عامر حسین شیرازی نیکم گوٹھی ایم ہنڈارا



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ب. گلاس ڈوزین

2023	2022	2023	2022
روپے بلین میں	روپے بلین میں	(%)	(%)
2,284	1,965	-	-
(1,479)	(1,450)	(64.8)	(73.8)
805	514	35.2	26.2
754	427	33	21.7
26,650	31,077	بیزکٹن	بیزکٹن

ج. ٹاپس ڈوزین

2023	2022	2023	2022
روپے بلین میں	روپے بلین میں	(%)	(%)
4,460	4,150	-	-
(3,988)	(3,593)	(89.4)	(86.6)
472	557	10.6	13.4
(290)	(63)	(6.5)	(1.5)

اہم مسائل

1. تجارتی استعمال کے لیے پانی کے استعمال پر ٹیکس:

عدلیہ عظمیٰ پاکستان نے بیورج اینڈ سٹری پرائیوٹ روپے فی لیٹر کے ٹیکس کا اعلان کیا تھا، جسے بعد میں پنجاب اور خیبر پختون خواہ سے متعلق صوبائی قانون سازی کے مطابق 0.25 روپے فی لیٹر تک کم کر دیا گیا تھا۔ بیورج اینڈ سٹری کی جانب سے نظر ثانی کی درخواست جمع کروائی گئی تھی جو کہ عدلیہ عظمیٰ پاکستان کے سامنے اب تک زیر سماعت ہے۔ ٹوٹو اینڈ مری اسپارٹس (حمار) نے بیورج اینڈ سٹری کے طرز عمل پر خیبر پختون خواہ حکومت کو 0.25 روپے فی لیٹر کی شرح سے 3.5 ملین روپے ادا کیے ہیں۔

ii. پرنٹنگ:

مالی سال 2022-23ء کے لیے پرنٹنگ کی رقم 247 ملین روپے تھی۔

مالی سال 2021-22ء کے لیے، کمپنی نے 227.4 ملین روپے کے پرنٹنگ کے خلاف ایک رٹ پٹیشن دائر کی۔ اسلام آباد ہائی کورٹ نے کیس کا فیصلہ کمپنی کے حق میں کیا۔ ایف بی آر نے فیصلے کے خلاف اسلام آباد ہائی کورٹ میں اپیل دائر کر دی۔ سپریم کورٹ کی ہدایت کے مطابق مری بوری نے 50 فیصد پرنٹنگ واجبات کی رقم ایف بی آر کو 113.7 ملین روپے ادا کی۔

حتمی منافع محترمہ

کمپنی کے بورڈ آف ڈائریکٹرز نے 30 جون 2023ء کو ختم ہونے والے سال کیلئے 5 روپے فی حصص حتمی منافع محترمہ جبکہ پورے سال کا 10 روپے فی حصص (100% - گزشتہ سال 350%) کے حساب سے ادا ہونے کی سفارش کی ہے، جو 20 اکتوبر، 2023ء کو منظور ہونے والے اجلاس میں شیئر ہولڈرز کی منظوری سے مشروط ہے۔

خطرہ وغیر یقینی کیفیات

قبل مدت میں کمپنی کے اہم خطرات سوئی گیس کے بلوں کی شرح میں فرق کے لیے لیٹ ٹنڈ سرجارج (LPS) کی ادا ہونے کی طلب شامل ہیں جس کی مالیت 130 ملین روپے ہے۔ میرف پرائیوٹ اینڈ کامیونٹی اور گیس کے پاس زیر سماعت ہے۔ کمپنی نے ایس این جی بی ایل کی جانب سے طلب کردہ 130 ملین روپے میں سے 29.4 ملین روپے ایل بی ایس کی مدد میں ادا کیے ہیں۔ اوگرا نے

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## ڈائریکٹرز کی رپورٹ برائے 30 جون 2023ء کو ختم شدہ سال

بورڈ آف ڈائریکٹرز مری بروئری کمپنی لمیٹڈ (کمپنی) کی کارکردگی اور پیشرفت پر سالانہ رپورٹ برائے 30 جون 2023ء کو ختم شدہ سال بشمول آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہوئے غور محسوس کر رہے ہیں۔

کمپنی کا کاروباری جائزہ

مری بروئری نے مسلسل آپریشن کے 163 سال مکمل کر لیے ہیں، اس کا شمار پاکستان اسٹاک ایکسچینج پر درج پرانی کمپنیز میں ہوتا ہے۔

کمپنی اپنی پالیسیوں کو جاری رکھے ہوئے ہے تاکہ شیئر ہولڈرز کی سرمایہ کاری میں اضافہ ہو، تاکہ اپنے لوگوں اور عوامل پر سرمایہ کاری کرے اور تاکہ اپنی مصنوعات کے معیار کو بہتر بنایا جاسکے۔

مالیاتی کارکردگی

1. مجموعی مالیاتی جائزہ اور حتمائیاں:

روپے بلین میں	اضافہ %	مصولات فروخت (خالص)
18,591 سے 15,234	22 %	مجموعی منافع جات
3,505 سے 3,540	1 %	قبل از ٹیکس منافع
2,125 سے 2,193	3 %	بعد از ٹیکس منافع
1,274 سے 1,294	1.6 %	آمدنی فی حصص
46.04 روپے سے 46.78 روپے	1.6 %	

چیلنجنگ آپریٹنگ صورتحال کے باوجود کمپنی کے بعد از ٹیکس منافع میں معمولی کمی ہوئی جو انتظامیہ کی لگن اور محنت کا ثبوت ہے۔

2. شعبہ جاتی عملی نتائج

ہمارے شعبہ جات کے نتائج یہ ہے:

1. لیکور ڈویژن

(%) فیصد	2022ء روپے بلین میں	(%) فیصد	2023ء روپے بلین میں	
-	11,639	-	14,684	فروخت آمدنی (قابل اطلاق ٹیکسز کے علاوہ)
(78.8)	(9,171)	(84.8)	(12,457)	لاگت فروخت
21.2	2,468	15.2	2,226	مجموعی منافع
14.0	1,630	8.5	1,241	عملی منافع

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ویڈیولنگ کے ذریعے ای جی ایم میں شرکت:

کہنٹی نے ویڈیولنگ کے ذریعے اجلاس میں شرکت کی سہولت کا انتظام کیا ہے۔ ویڈیولنگ کے ذریعے اجلاس میں شرکت کے لئے ممبران اور ان کے پراسیز سے درخواست ہے کہ وہ مورخہ 17 اکتوبر 2023ء کو یا اس سے پہلے [general.meetings@murreebrewery.com](mailto:general.meetings@murreebrewery.com) پر ای میل کے ذریعے "مری بروی کہنٹی لمیٹڈ ای جی ایم کے لئے رجسٹریشن" کے موضوع کے ساتھ شناختی کارڈ/ پاسپورٹ کی درست کاپی کے ساتھ درج ذیل معلومات فراہم کر کے اپنا اندراج کروائیں:

ممبر کا نام	قومی شناختی کارڈ نمبر	سی ڈی سی اکاؤنٹ نمبر/ فوئیو نمبر	موبائل نمبر	ای میل ایڈریس

ضروری تصدیق کے بعد رجسٹرڈ اراکین کو کہنٹی کی طرف سے ای میل ایڈریس پر ایک ویڈیولنگ فراہم کیا جائے گا جو کہنٹی کو فراہم کیا گیا ہے۔ لاگ ان کی سہولت اجلاس کے آغاز سے اس کی کارروائی مکمل ہونے تک کھلی رہے گی۔

شیر ہولڈرز جو سالانہ اجلاس عام کے ایجنڈے پر اپنے تاثرات/ تجاویز بھیجنے کے خواہاں ہیں وہ کہنٹی کو [general.meetings@murreebrewery.com](mailto:general.meetings@murreebrewery.com) پر ای میل کر سکتے ہیں یا 0331-5880900 نمبر پر واٹس ایپ کر سکتے ہیں۔ کہنٹی اس بات کو یقینی بنائے گی کہ شیر ہولڈرز کے تاثرات/ تجاویز اجلاس میں پڑھے جائیں اور اس پر عمل کا اجلاس کے منٹس کا حصہ بنایا جائے گا۔

پتے کی تبدیلی:

ممبران سے درخواست کی جاتی ہے کہ اپنے پتے میں کسی بھی قسم کی تبدیلی کی صورت میں فوری طور پر کہنٹی شیر رجسٹر اریسر ڈی سی شیر رجسٹر اریسر وولیمینڈ، CDC ہاؤس، 99-B، بلاک B، SMCHS، مین شاہراہ فیصل، کراچی کو لازمی مطلع کریں۔

الیکٹرانک موڈ کے ذریعے نقد معاوضہ کی ادائیگی:

قانون کی شق 242 کا تقاضا ہے کہ لیکٹیز صرف الیکٹرانک طریقے سے براہ راست شیر ہولڈرز کی جانب سے؛ محدود بینک اکاؤنٹ ہی میں نقد منافع تقسیمہ ادا کریں گی۔ ایس ای سی پی نے اپنے نوٹیفکیشن بحوالہ S.R.O.1145(1)/2017، کمپنیز (ڈسٹریبیوشن آف ڈیویڈنڈز) ریگولیشنز، 2017 بھی جاری کیا تھا جس کے ذریعے ہر شیر ہولڈر کو ذمہ دار ٹھہرایا گیا تھا کہ وہ اپنے محدود بینک سے متعلق درست معلومات فراہم کریں تاکہ اہل شیر ہولڈرز کی جانب سے؛ محدود بینک اکاؤنٹ میں الیکٹرانک طریقے سے براہ راست نقد میں کوئی واجب الادا منافع تقسیمہ ادا کر دیں۔

اس سلسلے میں، کہنٹی نے خطوط مع شائع کردہ اخبارات شیر ہولڈرز کو ان کے پتے پر انفرادی طور پر پہلے ہی روانہ کر چکی ہے جس میں درخواست کی گئی ہے کہ وہ شیر ہولڈرز کی جانب سے تا محدود بین الاقوامی بینک اکاؤنٹس نمبر ("IBAN") فراہم کریں تاکہ نقد منافع تقسیمہ الیکٹرانک طریقے سے وصول کر لیا جائے۔ اس لئے شیر ہولڈرز سے درخواست ہے کہ وہ کہنٹی کی ویب سائٹ [www.murreebrewery.com](http://www.murreebrewery.com) پر دستیاب کہنٹی کے خط کے درکار شعبوں کو پُر کریں اور اسے کہنٹی کے شیر رجسٹر اریسر اور ڈسٹریبیوشن کو بھیج دیں۔ آر شیرز بک انٹری سکیورٹیز کے طور پر رکھے ہیں تو مذکورہ معلومات کو CDS پارٹنرس کے ذریعے سینٹرل ڈپازٹری سسٹم ("CDS") کو فراہم کیا جانا مطلوب ہوگا۔

غیر رجسٹرڈ ویڈیولنگ اور شیر ہولڈرز کے ذریعے:

کہنٹی نے اپنی ویب سائٹ (<https://www.murreebrewery.com>) پر شیر ہولڈرز کی ایک تازہ ترین فہرست اپ لوڈ کی ہے جن کے منافع یا شیر ہولڈرز کے پاس دستیاب ہیں جو ان کے واجب الادا اور قابل ادائیگی ہونے کی تاریخ سے تین سال کی مدت تک لاوارث یا بغیر ادائیگی کے رہے ہیں۔ لہذا جن شیر ہولڈرز نے اب تک اپنے ڈیویڈنڈ یا شیر ہولڈرز کے ذریعے منافع وصول نہیں کیے ہیں، ان سے درخواست ہے کہ وہ کہنٹی کے شیر رجسٹر اریسر ڈی سی شیر رجسٹر اریسر وولیمینڈ، سی ڈی سی ہاؤس، 99-B، بلاک بی، ایس ای سی ایچ ایس، مین شاہراہ فیصل کراچی سے ڈیویڈنڈ یا شیر ہولڈرز کے ذریعے منافع وصول کرنے کے لیے رابطہ کریں۔

نوٹ: اردو اور انگریزی اشتہارات کی عمارت میں کسی تضاد کی صورت میں انگریزی اشتہار کی عمارت کو درست تصور کیا جائے۔



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اجلاس میں شرکت کے لئے:

i۔ افراد کی صورت میں اکاؤنٹ ہولڈرز یا سب اکاؤنٹ ہولڈرز اور لیا وہ شخص جس کی سیکورٹیز گروپ اکاؤنٹ کی صورت میں ہے اور ان کی تفصیلات قواعد کے مطابق آپ لوڈ ہیں، اجلاس میں شرکت کے موقع پر انہیں بطور شناخت اپنا اصل قومی شناختی کارڈ (CNIC) یا اصل پاسپورٹ دکھانا ہوگا۔

ii۔ کارپوریٹ ادارے کی صورت میں اجلاس میں شرکت کے موقع پر نا حروف درجہ نمونے کے دستخط کے ساتھ بورڈ آف ڈائریکٹرز قرارداد/پاور آف اٹارنی فراہم کی جانی چاہیے (پہلے فراہم نہ کی جانے کی صورت میں)۔

پراسیس کی تقرری کے لئے:

i۔ کوئی بھی ممبر جو اجلاس میں شرکت اور ووٹ کا حق رکھتا ہے وہ (کمپنیز ایکٹ، 2017 کی زیر دفعہ 137 (ڈی) کے مطابق) اجلاس میں شرکت اور ووٹ دینے کے لئے کسی بھی دوسرے ممبر کو بطور نمائندہ مقرر کر سکتا ہے۔ پراسیس کے مؤثر ہونے کے لئے ضروری ہے کہ اجلاس سے 48 گھنٹے قبل ممبر اور دستخط کے ساتھ لازمی موصول ہو جائیں۔

ii۔ افراد کی صورت میں، اکاؤنٹ ہولڈرز یا سب اکاؤنٹ ہولڈرز اور لیا وہ افراد جن کی سیکورٹیز گروپ اکاؤنٹ کی صورت میں ہے اور ان کی رجسٹریشن کی تفصیلات ضوابط کے مطابق آپ لوڈ ہیں، ان کو مندرجہ بالا ضروریات کے مطابق پراسیس فارم جمع کروانا ہوگا۔

iii۔ پراسیس فارم پر دو گواہان کے نام، پتہ اور کمپیوٹرائزڈ قومی شناختی کارڈ نمبر درج ہونا چاہیے۔

iv۔ مستفید ہونے والے مالکان اور پراسیس کے کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپی پر پراسیس فارم کے ساتھ منسلک ہونی چاہیں۔

v۔ اجلاس کے وقت پراسیس کو اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ دکھانا ہوگا۔

vi۔ کارپوریٹ اداروں کی صورت میں ادارے کی جانب سے اجلاس میں شرکت اور ووٹ دینے کے لئے نا حروف شخص کے نمونے کے دستخط اور بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی اور کمپنی کا پراسیس فارم جمع کروانا چاہیے (پہلے فراہم نہ کی جانے کی صورت میں)۔

نظر ثانی نرخ پر فعال ٹیکس دہندگان اور غیر فعال دہندگان کیلئے آگم ٹیکس کی کٹوتی:

آگم ٹیکس آرڈیننس 2001 کے سیکشن 150 کے تحت ڈیوٹی ٹیکس پر دو ہولڈنگ آگم ٹیکس رٹس مندرجہ ذیل ہوں گے:

1	آگم ٹیکس ریٹرز کے فعال ٹیکس دہندگان کے لیے ٹیکس کی کٹوتی کی شرح	15%
2	آگم ٹیکس ریٹرز کے غیر فعال ٹیکس دہندگان کے لیے ٹیکس کی کٹوتی کی شرح	30%

مشترکہ اکاؤنٹ کی صورت میں ہر شیئر ہولڈر سے انفرادی معاملہ کیا جا سکتا ہے جیسا کہ کسی فعال یا غیر فعال ٹیکس دہندہ کا اور ٹیکس کی کٹوتی ہر جوائنٹ ہولڈر کے شیئر ہولڈنگ کی بنیاد پر کی جائے گی جیسا کہ شیئر ہولڈر کی جانب سے مطلع کیا جا سکتا ہے۔ مطلع نہ ہونے کی صورت میں ہر جوائنٹ اکاؤنٹ کو مساوی شیئرز کا حامل سمجھا جائے گا۔

Folio / CDS Account No.	Total Shares	Principal Shareholder		Joint Shareholder	
		Name & CNIC No.	Shareholding proportion (No. of Shares)	Name & CNIC No.	Shareholding proportion (No. of Shares)

CNIC نمبر/NTN کی تفصیل اب لازمی ہے اور فیڈرل بورڈ آف ریونیو (FBR) کی جانب سے وقتاً فوقتاً جاری کردہ ایکٹیو ٹیکس دہندگان کی فہرست (ATL) ٹیکس کی حیثیت کو چیک کرنے کے لیے ضروری ہے۔

آگم ٹیکس/ذکوٰۃ کی کٹوتی سے استثنیٰ:

آگم ٹیکس سے استثنیٰ یا کم شرح پر کٹوتی کے اہل ممبران سے درخواست ہے کہ وہ ٹیکس سے استثنیٰ کا قابل عمل سرٹیفکیٹ یا ضروری دستاویزی ثبوت جمع کروائیں۔ ذکوٰۃ کی عدم کٹوتی کے خواہشمند ممبران سے درخواست ہے کہ وہ ذکوٰۃ سے استثنیٰ حاصل کرنے کے لئے ایک جائز اصل اعلامیہ جمع کروائیں۔

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**نوٹس برائے 156 واں سالانہ اجلاس عام**

نوٹس ہذا کے ذریعے مطلع کیا جاتا ہے کہ کمپنی کا 156 واں اجلاس عام (AGM) 20 اکتوبر، 2023ء بروز جمعہ صبح 09:30 بجے بمقام 3۔ نیشنل پارک روڈ راولپنڈی میں منعقد ہوگا جس میں درج ذیل امور زیر بحث لائے جائیں گے:

عمومی کاروبار

1۔ 30 جون 2023ء کو اختتام شدہ سال کے ڈائریکٹرز اور آڈیٹرز کی رپورٹس اور چیئرمین کی جائزہ رپورٹ کے ساتھ کمپنی کے سالانہ آڈٹ شدہ مالیاتی گوشواروں کی وصولی، غور و خوض اور منظوری۔

2۔ بورڈ آف ڈائریکٹرز 30 جون 2023ء کو اختتام شدہ سال کے لئے سفارش کردہ 5 روپے فی شیئر کے حساب سے 50 فیصد ہر دس روپے والے حصص پر حتمی نقد منافع حصصہ کی ادائیگی کی منظوری دینا۔ یہ قبل ازاں ادا کئے جانے والے 5 روپے فی شیئر کے حساب سے 50 فیصد کے عبوری منافع کے علاوہ ہے۔ اس طرح شیئر ہولڈرز کو اختتامی سال 30 جون 2023ء کو ادا کئے جانے والے منافع حصصہ 10 روپے فی شیئر کے حساب سے 100 فیصد بنے گا۔

3۔ کمپنی کے آڈیٹرز کی تقرری اور ان کے معاوضے کا تعین کرنا۔ ممبرز کو مطلع کیا جاتا ہے کہ آڈٹ اور رسک مینجمنٹ کمیٹی اور بورڈ آف ڈائریکٹرز نے سبکدوش ہونے والے موجودہ آڈیٹرز میسرز کے پی ایم جی 7، شہزادی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو 30 جون 2024ء کو اختتام ہونے والے سال کے لئے کمپنی کا آڈیٹرز مقرر کرنے کی سفارش کی ہے۔

راولپنڈی  
26 ستمبر، 2023ء

حساب انکم بورڈ  
  
چوہدری وقار مائے کابلوں  
کمپنی سیکریٹری

نوٹس:

کمپنی کی ویب سائٹ پر آڈٹ شدہ منافع کی اسٹیٹمنٹس کی دستیابی:

30 جون 2023ء کو اختتام شدہ سال کیلئے کمپنی کے آڈٹ شدہ مالیاتی گوشوارے بعد ڈائریکٹرز اور آڈیٹرز کی رپورٹ، چیئرمین کی جائزہ رپورٹ، AGM کے نوٹس اور دیگر متعلقہ مواد کمپنی کی ویب سائٹ پر دستیاب کر دیا گیا ہے جسے درج ذیل QR کوڈ اور ویب لنک سے ڈاؤن لوڈ/دیکھا جاسکتا ہے:



[www.murreebrewery.com/financials/](http://www.murreebrewery.com/financials/)

شیئرز انسفر بک کی بندش:

کمپنی کی شیئرز انسفر بکس 14 اکتوبر، 2023ء سے 20 اکتوبر، 2023ء (بشمول دونوں دن) تک بند رہیں گی اور اس دوران شیئرز کی ٹرانسفر رجسٹریشن قابل قبول نہیں ہوگی۔ کمپنی کے شیئرز رجسٹرار کے دفتر "سی ڈی سی شیئرز رجسٹرار سروسز لمیٹڈ، سی ڈی سی ہاؤس، 99-بی، بلاک 'بی'، ایس ایم سی ایچ ایس، مین شاہراہ فیصل، کراچی" میں مورخہ 13 اکتوبر، 2023ء کو کاروبار کے اختتام پر موصول ہونے والی فزیکل ٹرانسفرز کو، اجلاس میں شرکت کرنے، اپنے رائے کا اظہار کرنے اور ووٹ ڈالنے کے لئے، بروقت تصور کیا جائے گا۔

پر کسی کی تقرری کا حق:

ایک ممبر یہ حق رکھتا ہے کہ وہ اپنی جگہ کوئی پر کسی مقرر کر دے جو اس ممبر کی جگہ اجلاس میں شرکت کرے اور ووٹ دے۔ پر کسی کے تقرر کے کاغذات پر مناسب طریقے سے مہر اور دستخط موجود ہوں اور پاور آف اٹارنی یا دیگر اتھارٹی (اگر کوئی ہو) جس کے تحت اس پر دستخط ہوں اور اس پاور آف اٹارنی کی تصدیق شدہ کاپی کمپنی کے رجسٹرارز آفس 3۔ نیشنل پارک روڈ، راولپنڈی میں اجلاس سے 48 گھنٹے (غیر کاروباری دنوں کو چھوڑ کر) قبل جمع کروانی ہوں گی۔ پر کسی کو کمپنی کا ممبر ہونا چاہیے۔

# مری بروری کمپنی لمیٹڈ

3- نیشنل پارک روڈ راولپنڈی

## چیمبر مین کا جائزہ

مجھے 30 جون 2023ء کو ختم ہونے والے سال کا جائزہ پیش کرتے ہوئے خوشی ہو رہی ہے، جس میں کمپنی کی کارکردگی اور بورڈ آف ڈائریکٹرز کے کردار کو اجاگر کیا گیا ہے کہ وہ انتظامیہ کو اپنے تمام شیئر ہولڈرز کے فائدے کے لیے اپنی ذمہ داری نبھانے میں رہنمائی کریں۔

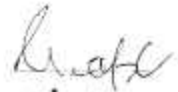
بورڈ اس بات کو تسلیم کرتا ہے کہ کارپوریٹ ذمہ داری کو مضبوط بنانے کے لیے اچھی طرح سے طے شدہ گورننس کے طرز عمل کا نفاذ اہم ہیں اور اسٹیک ہولڈرز کی قدر کے تحفظ اور اسے برقرار رکھنے کے لیے کارپوریٹ گورننس کے طرز عمل میں عمدگی حاصل کرنے کے لیے کوشاں ہے۔ تمام ڈائریکٹرز بشمول آزاد ڈائریکٹرز نے بورڈ کے فیصلہ سازی کے عمل میں فعال کردار ادا کیا۔

بورڈ نے کارپوریٹ گورننس کے بہترین طریقوں کے مطابق اپنی سالانہ خود جانچ کی اور اس کی کارکردگی کو تسلی بخش پایا۔ بورڈ کی توجہ کاروباری مواقع، رسک مینجمنٹ اور انتظامیہ کو مگرانی فراہم کرنے پر مرکوز رہی۔ بورڈ کی کارکردگی 30 جون 2023ء کو ختم ہونے والے مالی سال کی سالانہ رپورٹ میں ظاہر کی گئی ہے۔

بورڈ نے کمپنی کے اندرونی آڈٹ فنکشن کو میسرز بی ڈی او اے ایم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، کو آڈٹ سروس کیا ہے۔ اندرونی آڈٹ رپورٹس بورڈ کی آڈٹ اور رسک مینجمنٹ کمیٹی کو سامنے بنیادوں پر پیش کی جاتی ہیں اور اندرونی کنٹرول کے عمل کے ساتھ ساتھ کمپنی کو ممکنہ خطرات کا باقاعدگی سے جائزہ لیا جاتا ہے۔

بورڈ اپنی ذمہ داریوں کو مناسب طریقے سے ادا کرنے کے لیے اکثر ملاقات کرتا ہے۔ بورڈ نے تہذیب سے اپنے فرائض اور ذمہ داریاں نبھائی ہیں اور کمپنی کے تمام ذریعہ برائی امور میں مؤثر طریقے سے رہنمائی کی ہے۔ بورڈ انتظامیہ کی کارکردگی کا جائزہ لینے اور اہم خطرے والے علاقوں پر توجہ مرکوز کرنے کے اہمیت کا حامل ہے۔ تمام موجودہ ڈائریکٹرز یا تو باقاعدہ طور پر مستعد ہیں یا مستعدی ہیں۔ کمپنی، ریگولیٹرز کے مطابق انتظامیہ اور عملے کی ضروری تربیت پر پوری طرح عمل پیرا ہے۔

بورڈ کی جانب سے، میں کمپنی کی کامیابی میں اپنے تمام ملازمین کے تعاون کو اعتراف کرنا چاہتا ہوں۔ میں اپنے شیئر ہولڈرز، صارفین، سپلائرز، منیجرز، کاروباری شراکت داروں، اور دیگر اسٹیک ہولڈرز کے اعتماد اور تعاون کے لیے ان کا شکریہ ادا کرنا چاہتا ہوں۔ بورڈ آنے والے چیلنجز کا مقابلہ کرنے کے لیے زیادہ اعتماد کے ساتھ اگلے سال کا منتظر ہے۔



چوہدری مبین افضل

چیمبر مین

راولپنڈی

15 ستمبر 2023ء



# PROXY FORM

[Section 137 of the Companies Act, 2017]

## MURREE BREWERY COMPANY LIMITED

3-National Park Road, Rawalpindi



### ANNUAL GENERAL MEETING

The Company Secretary  
Murree Brewery Company Limited  
3-National Park Road, Rawalpindi.

I / We \_\_\_\_\_ s/o or d/o or w/o \_\_\_\_\_ r/o \_\_\_\_\_  
being a member of **Murree Brewery Company Limited** and holder of \_\_\_\_\_ ordinary shares as per  
registered Folio / CDC Participant ID # \_\_\_\_\_ and CDC Sub Account # / CDC Investor Account ID #  
\_\_\_\_\_ hereby appoint Mr./Mrs. \_\_\_\_\_ s/o or d/o or w/o \_\_\_\_\_  
CNIC# \_\_\_\_\_ r/o \_\_\_\_\_ having registered Folio / CDC Participant ID #  
\_\_\_\_\_ and CDC Sub Account # / CDC Investor Account ID #  
\_\_\_\_\_ as my/our proxy to attend and vote on my/our behalf at the Annual General  
Meeting of the Company to be held at **9:30 a.m. on Friday, October 20, 2023** at Registered Office, 3-National Park  
Road, Rawalpindi or at any adjournment there of.

Affix Rs. 50/-  
Revenue Stamp

\_\_\_\_\_  
**Signature of Member**  
(Signature should agree with the specimen  
registered with the Company).

Dated this \_\_\_\_\_ day of October, 2023

#### Witnesses:

1)- Signature : _____	2)- Signature : _____
Name : _____	Name : _____
Address : _____	Address : _____
_____	_____
CNIC or Pmsport # _____	CNIC or Passport # _____

#### Important notes:

1. No person shall act as proxy unless he himself is member of the Company, except that a corporate entity may appoint a person who is not a member. Non-natural members must furnish board resolution / power of attorney with specimen signatures of proxy along with the proxy form.
2. Attested copies of the CNIC or the Passport of the member and the proxy shall be furnished with the proxy form. The proxy shall produce original CNIC or original passport at the time of the meeting.
3. Proxies in order to be effective must be received by the Company, Murree Brewery Company Limited., 3-National Park Road, Rawalpindi not less than forty-eight (48) hours (excluding non-working days) before the time for holding the meeting.
4. CDC Shareholders and their proxies are each requested to attach an attested photocopy of their Computerized National Identity Card (CNIC) or Passport with the proxy form before submission to the Company (Original CNIC / Passport is required to be produced at the time of the meeting).
5. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

**AFFIX  
CORRECT  
POSTAGE**

**The Company Secretary  
Murree Brewery Co. Ltd.  
3-National Park Road,  
Rawalpindi.**

## پراکسی فارم

کمپنیز ایکٹ 2017 کی شق 137

مری بروری کمپنی لمیٹڈ

3- نیشنل پارک روڈ، راولپنڈی

سالانہ اجلاس عام

کمپنی سیکریٹری

مری بروری کمپنی لمیٹڈ

3- نیشنل پارک روڈ، راولپنڈی

میں / ہم ..... ولد ..... رہائشی ..... مری بروری کمپنی لمیٹڈ کا ممبر ہونے کے ناطے  
 ..... عمومی شیئرز کا حامل برطبق رجسٹرڈ فولیو ایسی ڈی سی پارٹنر آئی ڈی نمبر ..... اور سی ڈی سب اکاؤنٹ  
 نمبر / سی ڈی سی انویسٹر اکاؤنٹ آئی ڈی نمبر ..... کا تقرر کرتا ہوں جس کا رجسٹرڈ فولیو ایسی ڈی سی پارٹنر آئی ڈی  
 نمبر / سی ڈی سب اکاؤنٹ نمبر / سی ڈی سی انویسٹر اکاؤنٹ آئی ڈی نمبر ..... ہے۔ میرے / ہمارے پر کسی  
 20 اکتوبر، 2023ء کو رجسٹرڈ آفس ہاؤس ہوتے وقت 9:30 بجے 3 نیشنل پارک روڈ، راولپنڈی میں منعقد ہونے والے سالانہ اجلاس عام یا کسی التوا کی صورت میں میری / ہماری جانب سے شرکت  
 کرنے میں کرنے اور ہماری طرف سے ووٹ ڈالنے کی اجازت دی جائے۔

پچاس روپے کی مالیت کا ریونیو ٹیکٹ

ممبر کے دستخط

تاریخ ..... اکتوبر، 2023

دستخط کمپنی کے ساتھ رجسٹرڈ نمونے جیسے ہونے چاہیے۔

گواہان:

1. دستخط: ..... نام: .....  
 2. دستخط: ..... نام: .....  
 پتہ: .....  
 کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ نمبر: .....

اہم نوٹس:

- 1- کوئی بھی شخص اس وقت تک پراکسی کے طور پر کام نہیں کرے گا جب تک کہ وہ خود کمپنی کا ممبر نہ ہو، سوائے اس کے کہ ایک کارپوریٹ ادارہ ایسے شخص کی تقرری کر سکتا ہے جو ممبر نہیں ہے۔ ممبر نہ ہونے کی صورت میں ان کو پراکسی فارم کے ساتھ بورڈ کی قرارداد / پاور آف اٹارنی (مختار نامہ) کی نقل کے ساتھ پراکسی کی نقل پر دستخط پیش کرنا ہوں گے۔
- 2- ممبر کمپیوٹرائزڈ قومی شناختی کارڈ اور پاسپورٹ کی تصدیق شدہ کاپیاں پراکسی فارم کے ساتھ پیش کرے گا۔ اجلاس کے وقت پراکسی کو اصل CNIC یا اصل پاسپورٹ دکھانا ہوگا۔
- 3- ہاتھ نہ ملنے اور دستخط شدہ پراکسی فارم اجلاس عام کے متقررہ وقت سے کم از کم 48 گھنٹے (چھٹی والے دنوں کو چھوڑ کر) قبل مری بروری کمپنی لمیٹڈ، 3- نیشنل پارک روڈ، راولپنڈی پر موصول ہوجانے چاہیں۔
- 4- سی ڈی سی شیئرز ہولڈرز اور ان کی پراکسیوں سے ہر ایک سے درخواست ہے کہ وہ اپنے کمپیوٹرائزڈ قومی شناختی کارڈ (سی این آئی سی) کی تصدیق شدہ فوٹو کاپی کمپنی میں جمع کروانے سے پہلے پراکسی فارم کے ساتھ منسلک کریں (اصل CNIC / پاسپورٹ اجلاس کے طریقہ کار کے لئے ضروری ہے)۔
- 5- کاروباری ادارے کی صورت میں پراکسی فارم کے ساتھ بورڈ آف ڈائریکٹرز کی قرارداد / پاور آف اٹارنی (مختار نامہ)، نامزد شخص کے دستخط کے نمونے کے ساتھ اور پراکسی کے قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقل بھی جمع کروانی ہوگی۔





**The Company Secretary  
Murree Brewery Co. Ltd.  
3-National Park Road,  
Rawalpindi.**





**MURREE BREWERY**

ISO 9001, 14001, 45001 & HACCP Certified Company

3-National Park Road, Rawalpindi (Pakistan)

E-mail: [murree.brewery@murreebrewery.com](mailto:murree.brewery@murreebrewery.com), [murbr@cyber.net.pk](mailto:murbr@cyber.net.pk)

Website: [www.murreebrewery.com](http://www.murreebrewery.com)