



Punjab Oil Mills Limited

AN ISO 9001, 14001, 45001, HALAL PS 3733 & FOOD SAFETY SYSTEMS CERTIFIED COMPANY

Exploring new horizons!

**“SAY NO TO
CORRUPTION”**





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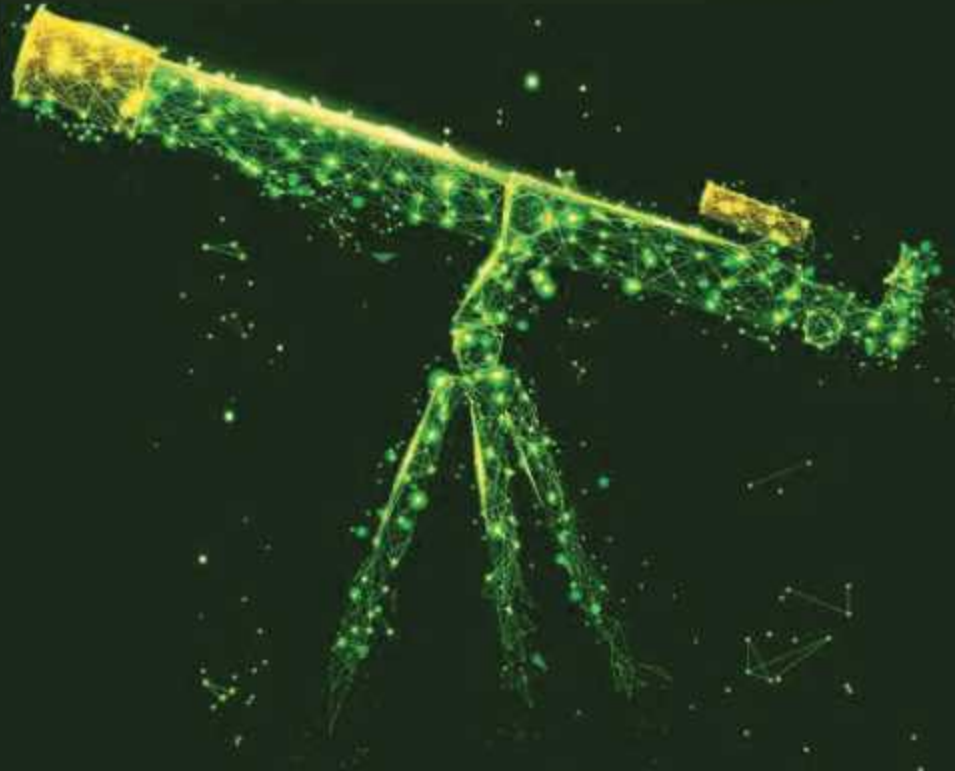
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mein khana banay tou
less oil mein more milay!



SEHAT PAR AB
NO SAMJHOTA

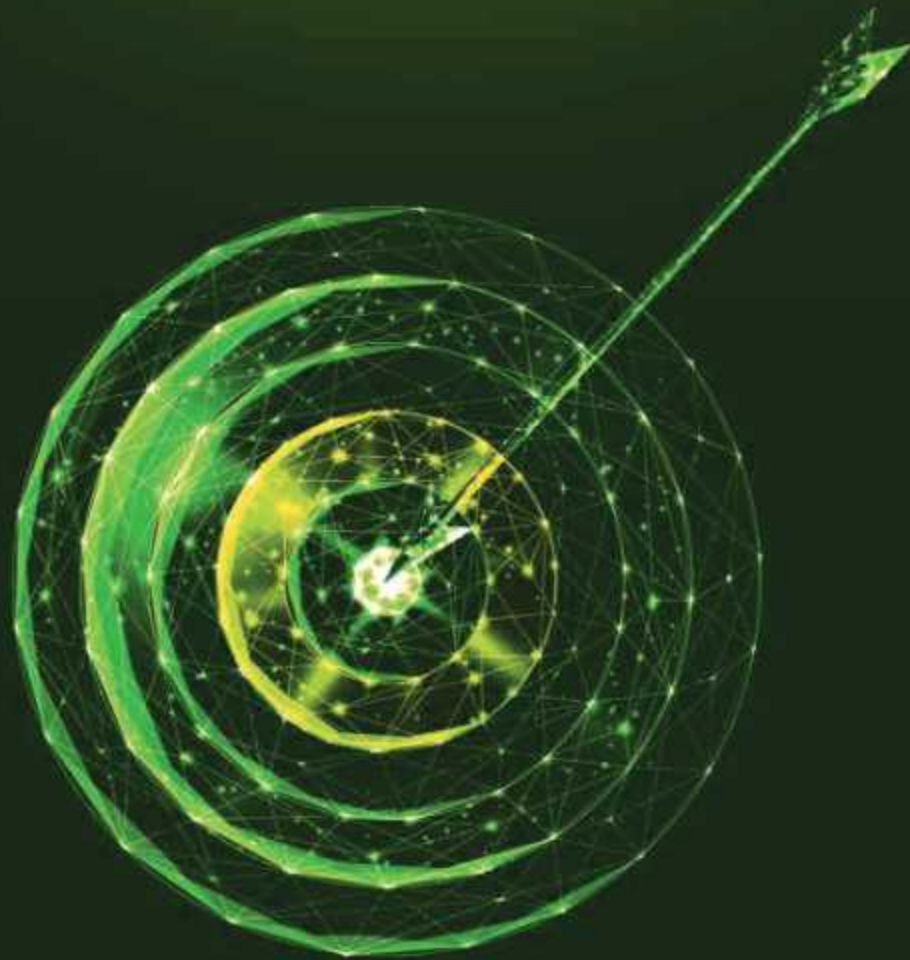


Our Vision

To establish POML as a growing and diversified food and consumer goods company that consistently exceeds customers' expectations by delivering the highest standards in product development, production, distribution and marketing, while maximizing shareholder value by efficient allocation of the Company's resources.

POML seeks to combine innovation and creativity with diligent resource and risk management to consistently create value for all its stakeholders and play a meaningful and sustainable role in the economic and social development of Pakistan.

POML has no wish to influence people's beliefs; instead disassociates itself from any activity that challenges our commitment to cultural diversity and equal opportunity.



Our Mission

To achieve excellence in the development, production and marketing of edible oils & fats and soap products in order to maximize customer satisfaction, achieve and sustain growth, minimize costs and maximize profits; resulting in a secure and rewarding investment to our shareholders and investors.



COMPANY INFORMATION

BOARD OF DIRECTORS	Mr. Tahir Jahangir Mr. Usman Ilahi Malik Mr. Jilani Jahangir Mr. Furqan Anwar Batla Mrs. Munizae Jahangir Miss Mehrunisa Malik Mr. Firasat Ali	Chairman Chief Executive Officer Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Independent Director
AUDIT COMMITTEE	Mr. Firasat Ali Mr. Furqan Anwar Batla Miss Mehrunisa Malik	Chairman Member Member
HUMAN RESOURCE & REMUNERATION COMMITTEE	Mr. Firasat Ali Mr. Usman Ilahi Malik Mr. Jilani Jahangir Mr. Furqan Anwar Batla Mrs. Munizae Jahangir	Chairman Member Member Member Member
MANAGEMENT COMMITTEE	Mr. Tahir Jahangir Mr. Usman Ilahi Malik Mr. Jilani Jahangir Mr. Furqan Anwar Batla Miss Mehrunisa Malik	Chairman Member Member Member Member
CHIEF FINANCIAL OFFICER	Mr. Muhammad Saeed Malik	
COMPANY SECRETARY	Rana Shakeel Shaukat	
HEAD OF INTERNAL AUDIT	Mr. Shahzad Haider Khan	
AUDITORS	Malik Haroon Shahid Safdar & Co. Chartered Accountants	
LEGAL ADVISORS	A.G.H.S Law Associates	
BANKERS	JS. Bank Limited MCB Bank Limited Habib Metropolitan Bank Limited Faysal Bank Limited Bank Al-Habib Limited	
REGISTERED OFFICE/WORKS	Plot No. 26-28, Industrial Triangle, Kahuta Road, Islamabad Tel: 051 -4490017-20, Fax: 051-4490016 & 4492803 Email: corporate@punjaboilmills.com Website: www.punjaboilmills.com	
HEAD OFFICE	19-A/1, Block E-II, Gulberg III, Lahore. Tel: 042-35761585-6 Email: corporate@punjaboilmills.com	
SHARE REGISTRAR OFFICE	M/s Corplink (Private) Limited Wings Arcade, 1-K, Commercial Model Town, Lahore Tel: 042 -35916714, 35916719 Fax: 042 -35869037 Email: corplink786@gmail.com	

Har Khaney mein
Bharpur Zaiqa!



ZAIQA

Sab se Aala!





Information for Shareholders

Listing on Stock Exchange

Pakistan Stock Exchange

Stock Symbol

The stock code for dealing in equity shares of the Company at Pakistan Stock Exchange Limited is 'POML'

Listing Fee

The Annual listing fee for the Financial Year 2022-2023 was paid to the PSX and CDC within the prescribed time limit.

Statutory Compliance

During the year, the Company has complied with all applicable provisions, filed all returns/forms and furnished all relevant particulars/information as required under the Companies Act, 2017 and allied rule, the listing requirements and any other relevant laws, rules and regulations prescribed by the Securities and Exchange Commission of Pakistan (SECP.)

Share Transfer System

Shares transfer received by the Company's Share Registrar are registered with the prescribed period.

Notification of SECP for the purpose of CNIC of Shareholders

The shareholders are informed that SECP through SRO 779(I)2011 dated August 18, 2011 has made it mandatory that dividend warrants issued by the issuer should bear Computerized National Identity Card (CNIC) numbers of the registered shareholders, except in the case of minor(s) and corporate shareholders. The shareholders are, therefore, requested to provide by mail or fax, photocopy of their CNIC and in case of foreigner copy of passport, unless it has already been provided.

Financial Information

The Company has uploaded the Annual and Quarterly Accounts on the Company's website.

Company's Website

Updated information regarding the Company can be accessed at www.punjaboilmills.com. The website contains the latest Financial Results of the Company together with Company's profile and product range.

Financial Information

The Company has uploaded the Annual and Quarterly Accounts on the Company's website.

Company's Website

Updated information regarding the Company can be accessed at www.punjaboilmills.com.

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CHAIRMAN'S REVIEW

We have had two difficult years of the pandemic and I am happy to report that our company has passed through this period in good health. Most of our employees were spared the worst ravages of the disease and despite the restrictions and precautions the company was in production throughout the period. The last year particularly witnessed a huge upsurge in commodity price and the price of palm oil went up from a level 800 USD per ton to over 1800 per ton. Mercifully the prices have subsided since the peak and we are back at about 1100 dollar per ton in September. Such wild surges in our raw material costs presented huge problems, especially as our products is an "Essential item" and our consumers are obviously price sensitive.

Despite these difficulties we are hoping to improve our performance and to this goal we are all working to achieve greater efficiencies and better marketing. The Board functioned smoothly over the last year and our workers and staff were extremely cooperative despite the pandemic and extreme inflation. The company has also shared the burden of the inflation with our employees and granted special cost of living increases.

We are hopeful for a better year of 22-23.

Tahir Jahangir,
Chairman of the Board



چیئر مین کی جائزہ رپورٹ

ہم نے وبائی بیماری کے دو مشکل ترین سال گزارے ہیں اور مجھے یہ بیان کرتے ہوئے خوشی ہو رہی ہے کہ ہماری کچنی اچھی صحت کے ساتھ اس مشکل دور سے گزری ہے۔ ہمارے زیادہ تر ملازمین کو وبائی بیماری میں مبتلا ہونے سے بچایا گیا اور پابندیوں اور احتیاطی تدابیر کے باوجود کچنی نے پوری مدت میں پیداوار جاری رکھی۔ گزشتہ سال خاص طور پر پام آئل کی اجناس کی قیمتوں میں زبردست اضافہ دیکھنے میں آیا جس کی سطح امریکی ڈالر فی ٹن سے بڑھ کر 1800 امریکی ڈالر فی ٹن تک پہنچ گئی۔ اللہ کے کرم سے قیمتیں عروج کے بعد کم ہونا شروع ہو گئی ہیں اور ہم ستمبر میں تقریباً 1100 ڈالر فی ٹن پر واپس آ گئے ہیں۔ ہمارے خام مال کی قیمتوں میں اس طرح کے شدید اضافے نے بہت اہم مسائل پیدا کئے، خاص طور پر کیونکہ ہماری مصنوعات ایک "ضروری شے" ہے اور ہمارے صارفین ہماری قیمتوں میں واضح طور پر حساس ہیں۔

ان مشکلات کے باوجود ہم اپنی کارکردگی کو بہتر بنانے کی امید کر رہے ہیں اور اس مقصد کے لیے ہم سب زیادہ افادیت اور بہتر مارکیٹنگ کے حصول کے لیے کام کر رہے ہیں۔ بورڈ نے گزشتہ سال کے دوران آسانی سے کام کیا اور کارکنان اور عملہ وبائی بیماری اور انتہائی مہنگائی کے باوجود انتہائی معاون رہا۔ کچنی نے اپنے ملازمین کے ساتھ مہنگائی کا بوجھ بھی شیئر کیا اور زندگی گزارنے کی لاگت میں خصوصی اضافہ کیا ہے۔

ہم 22-23 کے لیے ایک بہتر سال کی امید کرتے ہیں۔



طاہر جہانگیر

چیئر مین بورڈ



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 41st Annual General Meeting (“AGM”) of **Punjab Oil Mills Limited** (the “Company”) will be held on Friday, the October 28, 2022 at 10:00 AM at the registered office of the Company situated at Plot No. 26-28, Industrial Triangle, Kahuta Road, Islamabad and through video link to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of last Annual General Meeting of the members held on October 28, 2021.
2. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2022 together with the Chairman's Review Report, Directors' Report and Auditors Reports thereon.
3. To appoint Auditors of the Company for the year ending June 30, 2023 and fix their remuneration. The shareholders are hereby notified that the Audit Committee and the Board of Directors have recommended the name of retiring Auditors M/s Malik Haroon Shahid Safdar & Co., Chartered Accountants for re-appointment as auditors of the Company.
4. To approve the payment of final cash dividend at the rate of 20% i.e., Rs. 2/- per share as recommended by the Board of Directors for the year ended June 30, 2022.

SPECIAL BUSINESS

5. **To approve issuance of bonus shares at the rate of 20% i.e., 5 ordinary shares for every 25 ordinary shares for the year ended June 30, 2022 as recommended by the Board of Directors. These new bonus shares shall not be entitled for the final cash dividend for the year ended June 30, 2022 and if deemed fit, to pass the following ordinary resolutions with or without modification, addition(s) or deletion(s) for the issuance of bonus shares:**

“RESOLVED that a sum of Rs. 10,781,300/- (Rupees Ten Million Seven Hundred Eighty-One Thousand three Hundred Only) out of the Company's free reserves / unappropriated profit be capitalized and applied towards the allotment and issuance of 1,078,130 ordinary shares of Rs.10/- each as fully paid bonus shares in the proportion of fully paid bonus shares in the proportion of five (5) ordinary shares for every twenty five (25) ordinary shares (i.e., @ 20%) held by every Member whose name appears on the Members' Register at the close of business hours on October 20, 2022 and the bonus shares shall rank pari passu in all respects with the existing shares”.

“FURTHER RESOLVED that the bonus shares issued for the year ended June 30, 2022 shall not be entitled for the final cash dividend for the year ended June 30, 2022”.

“FURTHER RESOLVED that the fractional entitlements to Bonus Shares may be consolidated and sold on the Pakistan Stock Exchange Limited and net sale proceeds of such fractional entitlements when realized be paid to the members entitled for the fractional bonus shares”.

“FURTHER RESOLVED that the Chief Executive Officer or the Company Secretary be and is hereby singly authorized to give effect to this resolution and to do or cause to be done all acts, deeds and things that may be necessary or required for issue, allotment and distribution of the said bonus



shares, sale of fractions and payment of the sale proceeds of the fractional shares”.

6. **To consider and if thought fit, pass the following Special Resolution under Section 199 of the Companies Act, 2017, with or without modification(s), addition(s) and/or deletion(s):**

RESOLVED THAT, the approval of the shareholders of the Company be and is hereby accorded in terms of Section 199 of the Companies Act, 2017 (the “Act”) and Regulation 5(5) of Companies (Investment in Associated Companies or Associated Undertakings) Regulations 2017 (the “Regulations”) and subject to the compliance with all statutory and legal requirements, to give a loan of up to PKR 5.5 Million (Rupees Five Million Five Hundred Thousand Only) to Premier Garments Limited (“PGL”), being an associated undertaking, for a period of five years starting from the date of approval by shareholders.

FURTHER RESOLVED THAT, the said resolutions shall be valid for five years starting from the date of approval by the shareholders and the Chief Executive Officer and/or Company Secretary of the Company be and are hereby jointly and/ or severally empowered and authorized to undertake the decision of said investment(s) as and when required and to take all steps and actions necessary, incidental and ancillary to, including execution of any and all documents and agreements as may be required in this regard and to do all acts, matters, deeds and things as may be necessary or expedient for the purpose of implementing the aforesaid resolution.

7. **To ratify and approve arm's length transactions carried out with associated companies/ undertakings in the normal course of business in accordance with Section 208 of the Companies Act 2017:**

RESOLVED THAT, the related party transactions carried out in the normal course of business with associated companies/undertakings as disclosed in respective notes to the Audited Financial Statements for the year ended June 30, 2022 be and are hereby ratified, approved and confirmed;

FURTHER RESOLVED THAT, the Chief Executive officer of the Company be and is hereby authorized to approve all related party transactions carried out in the normal course of business with associated companies/ undertakings during the year ended June 30, 2022 and in this regard the Chief Executive Officer be and is hereby also authorized to take any and all necessary actions and sign/execute any and all documents/indentures as may be required on behalf of the Company.

8. To transact any other business with the permission of the chair.

By Order of the Board

(Rana Shakeel Shaukat)
Company Secretary

Lahore:
Dated October 06, 2022

Attached to this Notice is a statement of material facts under section 134(3) of The Companies Act, 2017 pertaining to the Special Business to be transacted at the Annual General Meeting.



NOTES:-

1. The Register of Members and Share Transfer Books of the Company will remain closed from October 21, 2022 to October 28, 2022 (both days inclusive) and no transfer of shares will be accepted for registration during this period. Transfers received in order at the office of our Shares Registrar Corplink (Private) Limited, Wings Arcade, 1-K, Commercial Model Town, Lahore at the close of business hours on October 20, 2022 will be treated in time for the purpose of dividend entitlement, bonus issue and attending the AGM.
2. All members are entitled to attend and vote at the meeting. A member entitled to attend and vote at the meeting is also entitled to appoint another member of the Company as his/her proxy to attend, speak and vote for him/her. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted to the Company. A proxy must be a member of the Company. A member shall not be entitled to appoint more than one proxy to attend any one meeting. The instrument of proxy duly executed should be lodged at the Registered Office of the Company not later than 48 hours before the time of meeting. The form of proxy must be witnessed with the addresses and CNIC numbers of witnesses, certified copies of CNIC of member and the proxy member must be attached and the revenue stamp should be affixed and defaced on the form of proxy.
3. The members are advised to bring their ORIGINAL Computerized National Identity Card (CNIC) and those members who have deposited their shares in Central Depository System should also be cognizant of their CDC Participant ID and Account Number at the meeting venue. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced at the time of the meeting.
4. The Securities & Exchange Commission of Pakistan (SECP) vide its Circular No. 4 of 2021 dated February 15, 2021 has directed all the listed companies to ensure participation of members in general meeting through electronic means (i.e., video-link, webinar, zooming etc.) as a regular feature from the date of this circular till further orders. In this regard, the interested shareholders can request by providing the following information to the Company Secretary at least 48 hours before the time of AGM at Email Address: cs@punjaboilmills.com.
 - a) Name of the Shareholder
 - b) CNIC Number
 - c) Folio / CDC Participant ID Number
 - d) Cell Number
 - e) Email Address
5. The shareholders are also encouraged to send their comments and suggestions, related to agenda items of the AGM on cs@punjaboilmills.com, which will be discussed in the meeting.
6. Pursuant to section 132(2) of Companies Act 2017, if Company receives consent form (form titled as "Consent for Video Conference" is available on website of the Company) from the members holding aggregate 10% or more shareholding residing at geographical location to participate in the meeting through video conference facility at least 7 days prior to the date of AGM. The Company will arrange video conference facility in a city subject to availability of such facility in that city. The Company will intimate members regarding venue of video conference facility at least 5 days before the date of general meeting along with complete information necessary to enable them to access such facility.
7. In terms of section 242 of the Companies Act, 2017, it is mandatory for the listed companies to pay



cash dividend electronically directly into the designated bank account of a shareholder instead of paying the dividend through dividend warrants. Therefore, it has become essential for all of our valued shareholders to provide the International Bank Account Numbers (“IBAN”s) and other details of their designated Bank Account. In this regard, please send the complete details of your bank account including IBAN along with valid copy of your CNIC at the address of the Share Registrar of the Company. The form titled as “Electronic Dividend Mandate Form” is available on website of the Company, send it duly signed along with copy of your valid CNIC to the Share Registrar of the Company. In case shares are held in CDC account then “Electronic Annual Report 2022. Dividend Mandate Form” should be sent directly to the relevant broker / CDC Investor Account Services where Member’s CDC account is being maintained.

8. In pursuance of applicable tax laws, the withholding of tax is required to be made at the time of payment of dividend and it has been directed that all non-filers of Income Tax returns will be taxed at higher rate (i.e., 30%) as compared to filers of Income Tax returns who will be taxed at normal rate (i.e., 15%). The non-filers of Income Tax returns are those persons whose names are not appearing in Active Tax-payers List (ATL) provided on the website of FBR upto October 20, 2022 (i.e., the day before the start of book closure date). If despite the fact that members have filed the income tax returns yet their name are not appearing in ATL they will still be considered as non-filers, and are advised to immediately make sure that their names are entered and appearing in ATL upto October 20, 2022. The Members are also advised to send formal and valid tax exemption certificate if they are enjoying exemption from withholding of tax on dividend under any of the provisions of Income Tax Ordinance 2001 to the Share Registrar of the Company before the book closure date i.e., before the close of business hours on October 20, 2022, so the deduction of withholding tax from their dividend could be restrained.
9. In case of Joint Holders, withholding tax will be determined separately on Filer / Non-Filer status of Senior / Principal shareholder as well as Joint Holders based on their shareholding proportions. In this regard, all Members who hold shares with joint shareholders are requested to provide shareholding proportions (as per the form titled as “Shareholding Proportion” available on website of the Company) of Senior / Principal shareholder and Joint Holders in respect of shares held by them to the Share Registrar of the Company.
10. Members desiring no deduction of Zakat from their dividend payment are also requested to submit a valid declaration for non-deduction of Zakat. The “Zakat Declaration Form” is available on website of the Company.
11. Members can exercise their right to demand a poll subject to meeting requirements of Section 143-145 of the Companies Act 2017 and applicable clauses of Companies (Postal Ballot) Regulations, 2018.
12. As per section 72 of Companies Act 2017, every listed company shall be required to replace its physical certificates with book entry form in a manner as may be specified and from the date notified by the commission, within a period not exceeding four years from the commencement of this Act. In compliance to the SECP’s directive, the Company has already dispatched the follow-up letter to all physical shareholders on April 20, 2021. The shareholders having physical shares are once again requested to open the CDC sub-account with any of the broker or investor account directly with the CDC to place their physical certificates into scripless form.
13. Shareholders who could not collect their dividend / physical shares are advised to contact the



Company Secretary at the registered office of the Company to collect / enquire about their unclaimed dividend or shares, if any.

14. The members are requested to notify the Company / Shares Registrar of any change in their address.

STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017 THIS STATEMENT SETS OUT THE MATERIAL FACTS CONCERNING THE SPECIAL BUSINESS TO BE TRANSACTED AT THE ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON OCTOBER 28, 2022.

AGENDA NO. 5

Issue of Bonus Shares to Members

The Board of Directors in their meeting held on September 30, 2022 has recommended issuance of bonus shares in proportion of five (5) ordinary shares for every twenty five (25) ordinary shares held by the Members (i.e. 20%) and decided that a sum of Rs. 10,781,300/- (Rupees Ten Million Seven Hundred Eighty-One Thousand three Only) be appropriated from the free reserves / unappropriated profits for issue of 1,078,130 Bonus Shares. After the issue of bonus shares, the paid-up capital of the Company will increase to Rs. 64,687,820 (Rupees Sixty Four Million Six Hundred Eighty Seven Thousand Eight Hundred and Twenty Only). The Directors are of the opinion that the free reserves / unappropriated profits of the Company are adequate for capitalization of Rs. 10,781,300/- for the issuance of proposed bonus shares.

AGENDA NO. 6

Loan to Associated Company

Information Under Regulation 3 of The Companies' (Investment in Associated Companies or Associated Undertakings) Regulations, 2017.

(A) Regarding associated company or associated undertaking:

Agenda Item	No. 6
Requirement	Loan to Premier Garments Limited
Name of Associated Company	Premier Garments Limited (PGL)
Basis of Relationship	Associated Company with 39% holding and common directorship
Earnings per share for the last three years	2021 (26.44) 2020 (10.94) 2019 (8.47)
Break-up value per shares, based on latest audited Financial statements	(223.44)



Financial position, including main items of statement of financial position and profit and loss accounts on the basis of its latest financial statements.

Audited Financial Statements for the year ended June 30, 2021 showed:

	Notes	2021 Rupees	2020 Rupees
Lease Rent	18	-	1,200,000
Operating expenses			1,200,000
Administrative expenses	19	1,866,869	2,727,106
Operating (Loss) / profit		(1,866,869)	(1,527,106)
Other income	20	15,993	787,974
(Loss) / Profit before taxation		(1,850,876)	(739,132)
Taxation		-	26,465
(Loss) / profit after taxation		(1,850,876)	(765,597)
Accumulated loss brought forward		(23,794,506)	(23,287,583)
Transfer from surplus on re-valuation of property, plant and equipment in respect of:			
- Incremental depreciation charged in current year		154,663	178,979
- Disposal of property, plant & equipments		-	79,695
		154,663	258,674
Accumulated loss transferred in balance sheet		(23,490,719)	(23,794,506)
Earning per share-Basic		(28.44)	(10.94)

The annexed notes form an integral part of these accounts

General Disclosure

Maximum amount of loan to be made	Upto Rs. 5.5 million for payment of loan payable to National Bank Limited
Purpose of Loan	For payment of loan payable to National Bank Limited to meet the security requirements of Bank(s)
Source of funds to be utilized for investment	Not applicable
Salient features of the agreement (if any) with associated company or associated undertaking with regards to proposed investment	NIL

Directors, sponsors, majority shareholders and their relatives, if any, in the associates company or associated undertaking or the transaction under consideration	The following directors and majority shareholders of the Company (Punjab Oil Mills Limited) in associated company (PGL) is as under: <table border="0"> <tr> <td>Mr. Tahir Jahangir</td> <td>39,836 Shares</td> <td>.74%</td> </tr> <tr> <td>Mr. Jillani Jahangir</td> <td>340,893 Shares</td> <td>6.32%</td> </tr> <tr> <td>Mrs. Munizae Jahangir</td> <td>263,946 Shares</td> <td>4.90%</td> </tr> </table>	Mr. Tahir Jahangir	39,836 Shares	.74%	Mr. Jillani Jahangir	340,893 Shares	6.32%	Mrs. Munizae Jahangir	263,946 Shares	4.90%
Mr. Tahir Jahangir	39,836 Shares	.74%								
Mr. Jillani Jahangir	340,893 Shares	6.32%								
Mrs. Munizae Jahangir	263,946 Shares	4.90%								
Already investment in associated company	Associated Company with 39% holding									
Any other important details necessary for the member to understand the transaction	Proposed loan to pay of liability of National Bank Limited.									



(a) In case of Investments in the form of Guarantees

Category wise amount of investments	Loan up to Rs. 5.5 million
Average borrowing cost of the investing company	Not applicable
Rate of interest, markup, profit, fees or commission etc. to be charged	The markup rate & commission will be charged at the current bank markup rate.
Particulars of collateral security to be obtained in relation to the proposed investment	Demand Promissory Note of associated Company
If the investment carry conversion features:	Not applicable
Repayment schedule And terms & conditions of loans or advances	<ul style="list-style-type: none"> - Loan for a maximum period of five years. - Commission on quarterly basis. - Collateral security(s) from associated Company as Demand Promissory Note. - Any other terms and condition approved by shareholders of the Company.

As required by Regulation 4(3) of the Regulations, following Financial statements of Premier Garments Limited shall be made available for inspection by the members at the meeting, namely:

Annual Audited Accounts for the year ended June 30, 2021

Annual Audited Accounts for the year ended June 30, 2020

Annual Audited Accounts for the year ended June 30, 2019

AGENDA ITEM 7

Transactions conducted with all related parties have to be approved by the Board of Directors duly recommended by the Audit Committee on quarterly basis pursuant to Clause 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

The Company carries out transactions with its related parties on an arm's length basis as per the approved policy with respect to 'transactions with related parties' in the normal course of business. All transactions entered into with related parties require the approval of the Audit Committee of the Company, which is chaired by an independent director of the company. Upon the recommendation of the Audit Committee, such transactions are placed before the board of directors for approval.

Name	Description of Transaction	PKR
Hala Enterprises Limited	Sharing of Office Expenses	3,009,476
Mr. Jillani Jahangir	Head of Rent	1,878,116

The Company shall be conducting transactions with its related parties during the year ending June 30, 2022-2023 on an arm's length basis as per the approved policy with respect to 'transactions with related parties' in the normal course of business. The majority of Directors are interested in these transactions due to their common directorship in the subsidiary / associated companies. In order to promote transparent business practices, the shareholders desire to authorize the Board of Directors to approve transactions with the related parties from time-to-time on case to case basis for the year ending June 30, 2022-2023, which transactions shall be deemed to be approved by the Shareholders. The nature and scope of such related party transactions is explained above. These transactions shall be placed before the shareholders in the next AGM for their formal approval/ratification. The Directors are interested in the resolution only to the extent of their common directorships in such related parties.



سالانہ اجلاس عام

بذریعہ بذراطلاع کیا جاتا ہے کہ پنجاب آئل ملز لمیٹڈ کا 41 واں سالانہ اجلاس عام بروز جمعہ 28 اکتوبر 2022ء کو صبح 10:00 بجے کمپنی کے رجسٹرڈ دفتر واقع پلاٹ نمبر 28-26 انڈسٹریل ٹرائی اینگول کبوتر روڈ، اسلام آباد اور ڈیولپمنٹ کے ذریعے درج ذیل امور کی انجام دہی کیلئے منعقد ہوگا۔

عام امور

1-28 اکتوبر 2021 کو منعقدہ ارکان کے گزشتہ سالانہ اجلاس عام کی کارروائی کی توثیق کرنا۔

2-30 جون 2022ء کو ختم ہونے والے سال کے لئے کمپنی کے نظر ثانی شدہ مالیاتی حسابات مع اوزار کیلکولیشن اور آڈیٹرز کی رپورٹس کی وصولی، غور و خوض اور منظوری دینا۔

3-30 جون 2023ء کو ختم ہونے والے سال کیلئے کمپنی کے آڈیٹرز کا تقریر اور ان کے مشاہرہ کا تعین کرنا۔ حصص داران کو مطلع کیا جاتا ہے کہ آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز نے کمپنی کے آڈیٹرز کے طور پر دوبارہ تقرری کے لئے ریٹائر ہونے والے مسز ملک بارون شاہد صفدر اینڈ کمپنی کے نام کی سفارش کی ہے۔

4-30 جون 2022ء کو ختم ہونے والے سال کے لئے بورڈ آف ڈائریکٹرز کی سفارشات کے مطابق حتمی منافع منقسم بشرط 20% یعنی 21 روپے فی شیئر کی ادائیگی کی منظوری دینا ہے۔

خصوصی امور

5- بورڈ آف ڈائریکٹرز کی سفارشات کے مطابق 30 جون 2022ء کو ختم ہونے والے سال کے لیے 20% کی شرح سے بونس شیئرز یعنی ہر 25 عام حصص کے لیے 5 عام حصص جاری کرنے کی منظوری دینا۔ یہ سٹے حصص 30 جون 2022ء کو ختم ہونے والے سال کے لیے حتمی منافع منقسم کے حقدار نہیں ہوں گے اور اگر مناسب سمجھا جائے تو بونس شیئرز کے اجراء کے لیے ترمیم، اضافہ یا حذف کے ساتھ یا اس کے بغیر درج ذیل عام قراردادوں کو پاس کرنا:

"قرارداد کیا کہ کمپنی مفت ذخائر/ غیر موزوں منافع میں سے مجموعی رقم - 10,781,300/- (دس ملین سات سو اکیاسی ہزار تین سو روپے صرف) کی سرمایہ کاری کرے گی اور ہر ایک - 10 روپے کے 1,078,130 عام حصص کی الاٹمنٹ اور جاری کرنے پر خرچ کی جائے گی جو ہر ایک رکن جن کے نام 20 اکتوبر 2022ء کو کاروبار کے اختتام پر ارکان کے رجسٹر پر درج ہوں گے منسلکتی ہر کیس (25) عام شیئرز کے لئے پانچ (5) عام شیئرز (یعنی شرح 20%) کے تناسب میں مکمل طور پر ادا شدہ بونس شیئرز کے تناسب میں مکمل طور پر ادا شدہ بونس شیئرز ہیں۔ اور بونس شیئرز موجودہ حصص کے ساتھ بر لحاظ سے مساوی درجہ کے ہوں گے۔

"مزید قرارداد کیا کہ 30 جون 2022ء کو ختم ہونے والے سال کے لئے جاری کردہ بونس شیئرز 30 جون 2022ء کو ختم ہونے والے حتمی منافع منقسم کے حقدار نہیں ہوں گے۔

"مزید قرارداد کیا کہ بونس شیئرز کے جزوی استحقاق کو جمع اور پاکستان انکلیچ لمیٹڈ پر فروخت کیا جاسکتا ہے اور اس جزوی استحقاق کی فروخت سے حاصل ہونے والی رقم کو جزوی بونس شیئرز کے حقدار ارکان کو ادا کی جائے گی۔"

"مزید قرارداد کیا کہ چیف ایگزیکٹو آفیسر یا کمپنی سیکریٹری کو اس قرارداد کو نوٹ بنانے اور تمام افعال کرنے یا اس کی وجہ سے کئے گئے افعال، کام اور چیزیں جو اجراء الاٹمنٹ اور مذکورہ شیئرز کی تقسیم، جزوی فروخت، جزوی حصص کی فروخت سے حاصل ہونے والی آمدنی کی ادائیگی کے لیے ضروری یا درکار ہو سکتے ہیں۔"

6- غور و خوض اور اگر مناسب سمجھا جائے تو کمپنیز ایکٹ، 2017ء کے سیکشن 199 کے تحت درج ذیل خصوصی قراردادوں کو ترمیم، اضافہ اور یا حذف کے ساتھ یا اس کے بغیر پاس کرنا:

قرارداد کیا کہ کمپنی کے حصص داران کی منظوری سے اور کمپنیز ایکٹ، 2017ء ("ایکٹ") سیکشن 199 اور کمپنیز (شریک کمپنیوں یا شریک انڈر ٹیکنگ میں سرمایہ کاری) ریگولیشنز 2017ء (ریگولیشنز) کے ریگولیشن (5) کے مطابق اور تمام قانونی اور ریگولیشن تقاضوں کی تعمیل سے شریک انڈر ٹیکنگ کی حیثیت سے پریسیر گارنٹس لمیٹڈ ("PGL") کو حصص یافتگان کی طرف سے منظوری کی تاریخ سے دو سال کی مدت کے لیے 5.5 ملین روپے (صرف پانچ ملین پانچ ہزار روپے) تک قرض دینا ایک منسلک اقدام ہے۔

مزید قرارداد کیا کہ مذکورہ قراردادوں کی منظوری کی تاریخ سے شروع ہونے والے دو سال تک کارآمد ہوگی اور کمپنی کے چیف ایگزیکٹو آفیسر یا کمپنی سیکریٹری مذکورہ سرمایہ کاری کا فیصلہ اور جب ضرورت ہو اور تمام ضروری اقدامات اور عوامل، متعلقہ اور درج ذیل اقدامات کی بھی صورت میں ہوں اور تمام دستاویزات اور معاہدوں پر عمل درآمد جو درکار ہوں اور عمل درآمد کے مقصد کے لیے ضروری یا مناسب تمام اعمال، معاملات میں مداخلت کرنے کے مشورے اور یا درکار ہیں۔

7 کمپنیز ایکٹ 2017ء کے سیکشن 208 کے مطابق کاروبار کے معمول کے دوران شریک کمپنیوں/ انڈر ٹیکنگ کے ساتھ قابل رسائی لین دین کی توثیق اور منظوری دینا:

قرارداد کیا کہ 30 جون 2018ء کو ختم ہونے والے سال کے دوران شریک کمپنیوں کے ساتھ معمول کے کاروبار میں کی گئی ٹرانزیکشنز کی بذریعہ توثیق اور منظوری دی گئی ہے۔



Punjab Oil Mills Limited

”مزید قرار پایا کہ کمپنی کے چیف ایگزیکٹو بذریعہ ہذا 30 جون 2022ء کو ختم ہونے والے سال کے دوران شریک کمپنیوں/انڈر ٹیکنگ کو ساتھ معمول کے کاروبار میں کی گئی اور کی جانے والی تمام فراز و نشیب کو منظور کرنے کے با اختیار ہیں اور اس سلسلہ میں چیف ایگزیکٹو بذریعہ ہذا کوئی اور تمام ضروری عوامل کرنے اور کمپنی کی جانب سے اس سلسلہ میں جو بھی ضروری ہوں کوئی اور تمام ایسے دستاویزات پر رگی معاہدات دستخط/کھل کرنے کے بھی با اختیار ہیں۔

دیگر امور:-

3۔ صاحب صدر کی اجازت سے کوئی دیگر امور سر انجام دینا۔

بحکم بورڈ
کمپنی سیکرٹری
رانا تھیل شوکت

لاہور:

106 اکتوبر 2022ء

سالانہ اجلاس عام میں سر انجام دیے جانے والے خصوصی امور پر مشتمل کمپنیز ایکٹ 2017 کی دفعہ (3) 134 کے تحت مادی حقائق کا بیان نوٹس ہذا کے ساتھ لف ہے۔

نوٹ:-

1۔ کمپنی کے ارکان کارجر اور حصص منتقلی کتابیں 21 اکتوبر 2022 تا 28 اکتوبر 2022ء (بشمول ہر دو ایام) بند رہیں گی اور اس عرصہ کے دوران حصص کی کوئی منتقلی قابل قبول نہیں ہوگی۔ ہمارے شیئر رجسٹرار کے دفتر میسرز کاپ لنک پرائیویٹ لمیٹڈ، نگر آرکائیڈ، 1-K کمرشل ماڈل ناڈن لاہور میں 20 اکتوبر 2022ء کو کاروبار کے اختتام تک موصول ہونے والی منتقلیاں ڈیو پریڈ، پونس شیئر ز اور AGM میں شرکت کے استحقاق کیلئے بروقت تصور ہوگی۔

2۔ تمام ارکان اجلاس میں شرکت اور ووٹ دینے کے اہل ہیں۔ اجلاس عام میں شرکت اور ووٹ دینے کے لئے کسی دیگر رکن کو اپنا اپنی پراکسی مقرر کر سکتا ہے۔ کارپوریٹ ادارے کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی نمونہ دستخط کے ساتھ کمپنی کو جمع کرائی جائے گی۔ پراکسی کمپنی کا ممبر ہونا ضروری ہے۔ ایک رکن کسی اجلاس میں شرکت کے لیے ایک سے زیادہ پراکسی مقرر کرنے کا حقدار نہیں ہوگا۔ پراکسی کے آلے کو کمپنی کے رجسٹرار دفتر میں اجلاس کے وقت سے 48 گھنٹے پہلے جمع کرایا جانا چاہئے۔ پراکسی فارم گواہوں کے پتے اور CNIC نمبر کے ساتھ گواہی شدہ ہونا ضروری ہے، ممبر اور پراکسی ممبر کے CNIC کی مصدقہ کاپیاں منسلک ہونی چاہئیں اور پراکسی کے فارم پر ریویو سٹیٹپ چسپاں اور ڈی فیسڈ ہونا چاہیے۔

3۔ اراکین کو چہایت کی جاتی ہے کہ وہ اپنا اصل کپیولڈراڈ قومی شناختی کارڈ (CNIC) ساتھ لائیں اور وہ اراکین جنہوں نے سینٹرل ڈپازٹری سسٹم میں اپنے حصص جمع کرائے ہیں انہیں بھی اجلاس کے مقام پر اپنے CDC کے شرکت کنندہ کی شناخت اور اکاؤنٹ نمبر کا علم ہونا چاہیے۔ کارپوریٹ ادارے کی صورت میں، اجلاس کے وقت بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی جس میں نامزد شخص کے دستخط ہوں گے۔

4۔ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) نے اپنے سرکلر نمبر 4 آف 2021 مورخہ 15 فروری 2021 کے ذریعے تمام سہولت کمپنیوں کو چہایت کی ہے کہ وہ الیکٹرانک ذرائع (یعنی ویڈیو لنک، ویڈیو، زومنگ وغیرہ) کے ذریعے اس سرگرمی تاریخ سے اگلے اکامات تک ایک باقاعدہ خصوصیت کے طور پر عام اجلاس میں اراکین کی شرکت کو یقینی بنائیں۔ اس سلسلے میں دلچسپی رکھنے والے شیئر ہولڈرز ای میل ایڈریس: cs@punjaboilmills.com پر AGM کے وقت سے کم از کم 48 گھنٹے پہلے کمپنی سیکرٹری کو درج ذیل معلومات فراہم کر کے درخواست کر سکتے ہیں۔

(a) شیئر ہولڈر کا نام

(b) CNIC نمبر

(c) فوٹو/ای سی ڈی سی پاریسپنٹ آئی ڈی نمبر

(d) موبائل نمبر

(e) ای میل ایڈریس

5۔ شیئر ہولڈرز کی یہ بھی حوصلہ افزائی کی جاتی ہے کہ وہ CS@punjaboilmills.com پر AGM کے ایجنڈا آئٹمز سے متعلق اپنے تبصرے اور تجاویز بھیجیں، جن پر اجلاس میں تبادلہ خیال کیا جائے گا۔

6۔ کمپنیز ایکٹ 2017 کی دفعہ (2) 132 کی بیرونی میں، اگر کمپنی جغرافیائی عمل وقوع میں سکونتی مجموعی %10 یا زیادہ شیئر ہولڈنگ کے مالک ارکان سے ووٹوں کا نمبر کے ذریعے اجلاس میں شرکت کیلئے اجلاس کی تاریخ سے کم از کم 7 اگست قبل رضامندی فارم (فارم بعنوان ”رضامندی برائے ووٹوں کا نمبر“ کمپنی کی ویب سائٹ پر دستیاب ہے) موصول ہوتا ہے تو کمپنی اس شہر میں ایسی سہولت کی دستیابی کے حوالے سے اس شہر میں ووٹوں کا نمبر سہولت کا انتظام کرے گی۔ کمپنی ارکان کو ووٹوں کا نمبر سہولت کے مقام بارے اطلاع مہ سہولت تک رسائی کے قابل بنانے کے لئے ضروری مکمل معلومات اجلاس عام کی تاریخ سے اس شہر میں ووٹوں کا نمبر سہولت کا انتظام کرے گی۔

سے کم از کم 5 یوم قبل پہنچائے گی۔

7 ستمبر 2017 کے سیکشن 242 کے مطابق، ملنگ کمپنیوں کے لیے لازمی ہے کہ وہ ڈیوٹیڈ وارنٹس کے ذریعے ڈیوٹیڈ ادا کرنے کے بجائے براہ راست شیئرز ہولڈرز کے نامزد بینک اکاؤنٹ میں نقد منافع منقسمہ کی ادائیگی کریں۔ اس لیے، ہمارے تمام قابل قدر شیئرز ہولڈرز کے لیے یہ ضروری ہو گیا ہے کہ وہ بین الاقوامی بینک اکاؤنٹس نمبر ("IBAN") اور اپنے نامزد کردہ بینک اکاؤنٹ کی دیگر تفصیلات فراہم کریں۔ اس سلسلے میں، براہ کرم اپنے بینک اکاؤنٹ کی مکمل تفصیلات بشمول IBAN اپنے CNIC کی موثر کاپی کمپنی کے شیئرز رجسٹرار کے پتے پر بھیجیں۔ "الیکٹرانک ڈیوٹیڈ مینڈیٹ فارم" کے عنوان سے فارم کمپنی کی ویب سائٹ پر دستیاب ہے، اسے اپنے موثر CNIC کی کاپی کے ساتھ کمپنی کے شیئرز رجسٹرار کو بھیجیں۔ اگر سی ڈی سی اکاؤنٹ میں حصص رکھے گئے ہیں تو پھر "الیکٹرانک سالانہ رپورٹ 2022- ڈیوٹیڈ مینڈیٹ فارم" براہ راست متعلقہ بروکر ای ڈی سی انویسٹر اکاؤنٹ سروس کو بھیجا جائے جہاں نمبر کا سی ڈی سی اکاؤنٹ برقرار رکھا جا رہا ہے۔

8۔ قابل اطلاق ٹیکس قوانین کی پیروی میں، ڈیوٹیڈ کی ادائیگی کے وقت ٹیکس کی دہ بولڈنگ کرنا ضروری ہے اور یہ ہدایت کی گئی ہے کہ اگر ٹیکس گوشوارے جمع نہ کرانے والوں پر زیادہ شرح (یعنی 30%) پر ٹیکس عائد کیا جائے گا۔ جبکہ اگر ٹیکس گوشواروں کے فائلرز کے لئے عام شرح (یعنی 15%) پر ٹیکس لگایا جائے گا۔ اگر ٹیکس گوشواروں کے مان فائلرز وہ افراد ہیں جن کے نام ایف بی آر کی ویب سائٹ پر 20 اکتوبر 2022 تک فراہم کی گئی ایکٹو ٹیکس ریزسٹ (اے ٹی ایل) میں ظاہر نہیں ہو رہے ہیں (یعنی کتابوں کی بندش کی تاریخ شروع ہونے سے ایک دن پہلے)۔ اگر اس حقیقت کے باوجود کہ ممبران نے اگر ٹیکس گوشوارے جمع کرانے میں پھر بھی ان کا نام ATL میں ظاہر نہیں ہو رہا ہے تو پھر بھی انہیں مان فائلرز کے طور پر سمجھا جائے گا، اور انہیں فوری طور پر اس بات کو یقینی بنانے کی ہدایت کی جاتی ہے کہ ان کے نام 20 اکتوبر 2022 تک ATL میں درج اور ظاہر ہوں۔ ممبران کو یہ بھی ہدایت کی جاتی ہے کہ اگر وہ اگر ٹیکس آرڈیننس 2001 کی کسی بھی شق کے تحت ڈیوٹیڈ پر ٹیکس کی کٹوتی سے استثنیٰ حاصل کر رہے ہیں تو باضابطہ اور موثر ٹیکس استثنیٰ کا حقیقت کتابوں کی بندش کی تاریخ سے پہلے یعنی 20 اکتوبر 2022 کو کاروباری اوقات کے اختتام سے پہلے کمپنی کے شیئرز رجسٹرار کو بھیج دیں، تاکہ ان کے ڈیوٹیڈ سے دہ بولڈنگ ٹیکس کی کٹوتی کو روکا جاسکے۔

9۔ جوائنٹ ہولڈرز کے معاملے میں، دہ بولڈنگ ٹیکس کا تعین سینئر/پرنسپل شیئرز ہولڈرز کے ساتھ ساتھ جوائنٹ ہولڈرز کے فائلر/مان فائلر اسٹینڈس پر ان کے شیئرز ہولڈنگ کے تناسب کی بنیاد پر الگ سے کیا جائے گا۔ اس سلسلے میں، تمام ممبران جو مشترکہ حصص یافتگان کے ساتھ حصص رکھتے ہیں ان سے درخواست کی جاتی ہے کہ وہ اپنے حصص کے سلسلے میں سینئر/پرنسپل شیئرز ہولڈرز اور جوائنٹ ہولڈرز کے شیئرز ہولڈنگ تناسب (کمپنی کی ویب سائٹ پر دستیاب "شیئرز ہولڈنگ تناسب" کے عنوان کے مطابق) کمپنی کے شیئرز رجسٹرار کو فراہم کریں۔

10۔ جو ممبران اپنے ڈیوٹیڈ کی ادائیگی سے زکوٰۃ کی کٹوتی نہ کروانے کے خواہشمند ہیں ان سے بھی درخواست کی جاتی ہے کہ وہ زکوٰۃ کی ٹان ڈیکلن کے لیے موثر اطلاع جمع کرائیں۔ "زکوٰۃ و دیگر ٹیکس فارم" کمپنی کی ویب سائٹ پر دستیاب ہے۔

11۔ ممبران سیکٹرز ایکٹ 2017 کے سیکشن 143-145 اوپنٹیک (پوسٹل بیلٹ) ریگولیشنز، 2018 کی قابل اطلاق شقوں کے ساتھ شرط دارانے شماری کا مطالبہ کرنے کا پابند استعمال کر سکتے ہیں۔

12۔ سیکٹرز ایکٹ 2017 کے سیکشن 72 کے مطابق، ہر ملنگ کمپنی کو اپنے فزیکل سرٹیفیکیشن کو جس کا کمیشن کی طرف سے بیان کیا گیا اور مطلع کردہ تاریخ سے، اس ایکٹ کے آغاز سے چار سال کی مدت کے اندر ہر ایک ایس ای ڈی سی کے ساتھ اس طریقے سے تبدیل کرنا ہوگا۔ ایس ای ڈی سی کی ہدایت کی تعمیل میں، کمپنی نے پہلے ہی 20 اپریل 2021 کو تمام فزیکل شیئرز ہولڈرز کو فائلر/پرنسپل شیئرز رکھنے والے شیئرز ہولڈرز سے ایک بار پھر درخواست کی جاتی ہے کہ وہ اپنے فزیکل سرٹیفیکیشن کو اسکرپٹ لیس فارم میں رکھنے کے لیے کسی بھی بروکر کے ہاں سی ڈی سی سب اکاؤنٹ یا براہ راست CDC کے ہاں انویسٹر اکاؤنٹ کھولیں۔

13۔ وہ شیئرز ہولڈرز جو اپنے ڈیوٹیڈ/فزیکل شیئرز حاصل نہیں کر سکے انہیں مشورہ ہدایت کی جاتی ہے کہ وہ کمپنی کے رجسٹرار آفس میں کمپنی سیکرٹری سے رابطہ کریں تاکہ وہ اپنے غیر معمولی شدہ ڈیوٹیڈ یا شیئرز، اگر کوئی ہیں تو اس کے بارے میں معلومات حاصل کریں۔

14۔ راکٹین سے درخواست کی جاتی ہے کہ وہ اپنے پتے میں کسی بھی تبدیلی کے بارے میں کمپنی/شیئرز رجسٹرار کو مطلع کریں۔

28 اکتوبر 2022 کو منعقد ہونے والے کمپنی کے سالانہ اجلاس عام میں سرانجام دیئے جانے والے خصوصی امور سے متعلق سیکٹرز ایکٹ 2017 کی دفعہ (3) 134 کے تحت مادی حقائق کا بیان

ایجنڈا نمبر 5

بورڈ آف ڈائریکٹرز نے 30 ستمبر 2022 کو منعقد ہونے والے اجلاس میں ارکان کے ملکی برہمنوں (25) عام حصص کے لیے پانچ (5) عام حصص کے تناسب میں بونس حصص جاری کرنے کی سفارش کی اور فیصلہ کیا کہ 1,078,130 بونس شیئرز کے اجراء کے لئے فری ذخائر/غیر موزوں منافع میں سے مجموعی رقم - 10,781,300 روپے (دس ملین سات سو اسی ہزار تین سو روپے صرف) مناسب ہے۔ بونس شیئرز کے اجراء کے بعد کمپنی کا بیڈ اپ سرمایہ 64,687,820 روپے (چونسٹھ ملین چھ سو ستاسی ہزار آٹھ سو اور میں روپے صرف) تک بڑھ جائے گا جو کہ ہر ایک - 10 روپے کے 6,468,782 عام حصص میں منقسم ہوگا۔ ڈائریکٹرز کی یہ رائے ہے کہ کمپنی کے فری ذخائر/غیر موزوں منافع مجوزہ بونس شیئرز کے اجراء کے لئے - 10,781,300 روپے کی کچھلاؤ نیشن کے لئے کافی ہیں۔



ڈائریکٹرز کی دلچسپی

کمپنی کے چیئرمین ڈائریکٹر/ چیف ایگزیکٹو، ڈائریکٹرز اور ان کے رشتہ داروں کو کمپنی کے چیئرمین ڈائریکٹر/ چیف ایگزیکٹو یا ڈائریکٹرز یا ممبران اور بونس شیئرز کے ان کے متعلقہ استحقاق کے سوائے بونس شیئرز کے مجوزہ اجراء میں براہ راست یا بلا واسطہ کوئی دلچسپی نہیں ہے۔

ایجنڈا نمبر 6

شریک کمپنی کو قرض

کمپنی (ایسوسی ایٹ کمپنیاں یا ایسوسی ایٹڈ انٹرپرائزنگز میں سرمایہ کاری) ریگولیشنز 2017 کے ضابطہ 3 کے تحت معلومات۔

(A) متعلقہ کمپنی یا متعلقہ انٹرپرائزنگ کے بارے میں:

نمبر 6

پری میجر گارنٹس لمیٹڈ (PGL)

متعلقہ کمپنی مع 38% ہولڈنگ اور مشترکہ ڈائریکٹر شپ

2021 (26.44)

2020 (10.94)

2019 (8.47)

(223.44)

حالیہ آڈٹ شدہ مالیاتی بیانات پر مبنی بریک اپ ویلیو فی حصص

مالیاتی پوزیشن، بشمول مالیاتی پوزیشن کے بیان کے اہم آئٹمز اور اس کے حالیہ مالی بیانات کی بنیاد پر 30 جون 2021 کو ختم ہونے والے سال کے آڈٹ شدہ مالیاتی گوشواروں میں ذیل ہیں:

منافع اور نقصان کے اکاؤنٹس۔

	2021	2020
Notes	Rs	Rs
Lease Rent	18	1,390,000
		1,390,000
Operating expenses		
Administrative expenses	19	2,777,106
Operating (Loss) / profit		
Other income	20	797,974
(Loss) / Profit before taxation		
	(1,879,876)	(179,122)
Taxation		
(Loss) / profit after taxation		
Accumulated loss brought forward		
	(21,794,396)	(21,387,381)
Transfer from surplus on realisation of property, plant and equipment in respect of:		
- Incremental depreciation charged in current year	174,661	179,979
- Disposal of property, plant & equipment	-	75,669
	174,661	255,648
Accumulated loss transferred to balance sheet		
	(21,619,735)	(21,131,733)
Earnings per share Basic		
	(29.44)	(19.94)

The amount notes form an integral part of these accounts

عمومی انکشاف

قرض کی زیادہ سے زیادہ رقم تک کی جائے گی۔

بیشیش بینک لمیٹڈ کو قابل ادائیگی قرض کی ادائیگی کے لیے 5.5 ملین روپے

بینک کی سیکورٹی ضروریات کو پورا کرنا

قابل اطلاق نہیں ہے۔

قرض کا مقصد

سرمایہ کاری کے لیے استعمال کیے جانے والے فنڈز کا ذریعہ

مجوزہ سرمایہ کاری کے حوالے سے متعلقہ کمپنی یا متعلقہ انٹرپرائزنگ کے ساتھ معاہدے کی نمایاں NIL

خصوصیات (اگر کوئی ہو)



Punjab Oil Mills Limited

ڈائریکٹرز، سپانسرز، اکثریتی شیئر ہولڈرز اور ان کے رشتہ دار، اگر کوئی ہیں، ایسوسی ایشن کمپنی یا ایسوسی ایٹڈ کمپنی (PGL) میں کمپنی (پنجاب آئل ملز لمیٹڈ) کے مندرجہ ذیل ڈائریکٹرز اور اکثریتی شیئر ایس اٹنڈرنکنگ یا زیر غور لین دین، ہولڈرز ذریعہ ذیل ہیں:

جناب طاہر جہانگیر 39,836 شیئرز 0.74%

جناب جیلانی جہانگیر 340,893 شیئرز 6.32%

مسز منیزے جہانگیر 263,946 شیئرز 4.90%

39% ہولڈنگ کے ساتھ ایسوسی ایٹڈ کمپنی

ایسوسی ایٹڈ کمپنی میں پہلے سے ہی سرمایہ کاری

PGL کمپنی کی ایسوسی ایٹڈ ہے۔ کراس کارپوریٹ گارنٹی کا مجوزہ اجراء بینک کی سیکورٹی ضروریات کو پورا کرنے کے لیے ہے۔

لین دین کو سمجھنے کے لیے ممبر کے لیے ضروری کوئی دوسری اہم تفصیلات

(a) گارنٹی کی شکل میں سرمایہ کاری کی صورت میں

سرمایہ کاری کی زمرہ دار رقم

5.5 ملین روپے تک کی کراس کارپوریٹ گارنٹی

سرمایہ کاری کرنے والی کمپنی کی قرض لینے کی اوسط لاگت

شرح سود، مارک اپ، منافع، فیس یا کمیشن وغیرہ وصول کیے جائیں گے۔

بینک کی شرح کے مطابق

متعلقہ کمپنی کے ڈیمانڈ پرومیسری نوٹ

مجوزہ سرمایہ کاری کے سلسلے میں حاصل کی جانی والی حفاظتی ضمانت کی تفصیلات

قابل اطلاق نہیں ہے۔

اگر سرمایہ کاری میں تہہ ملی کی خصوصیات موجود ہیں:

- زیادہ سے زیادہ پانچ سال کی مدت کے لیے کراس کارپوریٹ گارنٹی۔

اور ایسٹی کا شیڈول اور قرضوں یا لیکچر وائس کی شرائط وضو اب

- سرمایہ کی بنیاد پر کمیشن۔

- ڈیمانڈ پرومیسری نوٹ کے طور پر متعلقہ کمپنی کی طرف سے کو لیٹرل سیکورٹی۔

- کمپنی کے حصص یافتگان کی طرف سے منظور شدہ کوئی اور شرائط۔

ریگولیشنز کے ریگولیشن (3) کی ضرورت کے مطابق، پری میٹر گارنٹس لمیٹڈ کے درج ذیل مالی بیانات اجلاس میں ممبران کے معائنہ کے لیے دستیاب کیے جائیں گے، یعنی:

30 جون 2021 کو ختم ہونے والے سال کے لیے سالانہ آڈٹ شدہ اکاؤنٹس

30 جون 2020 کو ختم ہونے والے سال کے لیے سالانہ آڈٹ شدہ اکاؤنٹس

30 جون 2019 کو ختم ہونے والے سال کے لیے سالانہ آڈٹ شدہ اکاؤنٹس

ایجنڈا آئٹم نمبر 7

تمام متعلقہ فریقین کے ساتھ کی گئی ڈائریکٹرز/کمپنیز (کوآف کارپوریٹ گورننس) ریگولیشنز 2019ء کی شق 15 کی بیرونی میں سرمایہ بنیاد پر آڈٹ کمپنی کی سفارشات کے مطابق بورڈ کی طرف سے منظور کی گئی ہیں۔

کمپنی اپنے متعلقہ فریقوں کے ساتھ کاروبار کے معمول کے دوران متعلقہ فریقوں کے ساتھ لین دین کے حوالے سے منظور شدہ پالیسی کے مطابق قابل رسائی کی بنیاد پر لین دین کرتی ہے۔ متعلقہ فریقوں کے ساتھ کیے گئے تمام لین دین کے لیے کمپنی کی آڈٹ کمپنی کی منظوری درکار ہوتی ہے، جس کی صدارت کمپنی کے ایک غیر جانبدار ڈائریکٹر کرتے ہیں۔ آڈٹ کمپنی کی سفارش پر، اس طرح کے لین دین کو بورڈ آف ڈائریکٹرز کے سامنے منظوری کے لیے رکھا جاتا ہے۔

نام	لین دین کی تفصیل	رقم روپوں میں
ہال انڈر پرائز لمیٹڈ	آفس کے اخراجات کا اشتراک	3,009,476
جناب جیلانی جہانگیر	ہیڈ آفس کرایہ	1,878,116

کمپنی 30 جون 2022-2023 کو ختم ہونے والے سال کے دوران اپنی متعلقہ پارٹیوں کے ساتھ لین دین کرے گی جو کہ منظور شدہ پالیسی کے مطابق کاروبار کے معمول میں متعلقہ فریقوں کے ساتھ لین دین کے حوالے سے قابل رسائی بنیاد پر کرے گی۔ ڈائریکٹرز کی اکثریت ان لین دین میں دلچسپی رکھتی ہے کیونکہ ان کی ذیلی کمپنی/متعلقہ کمپنیوں میں مشن ڈائریکٹرز شپ ہے۔ شفاف کاروباری طریقوں کو فروغ دینے کے لیے، حصص یافتگان بورڈ آف ڈائریکٹرز کو متعلقہ فریقوں کے ساتھ 30 جون 2022-2023 کو ختم ہونے والے سال کے لیے وقتاً فوقتاً کس نوٹس کی بنیاد پر لین دین کی منظوری دینے کا اختیار دینا چاہتے ہیں۔ جسے شیئر ہولڈرز کی طرف سے منظور شدہ سمجھا جاتا ہے۔ اس طرح کے متعلقہ فریق لین دین کی نوعیت اور دائرہ کار کو بیان کیا گیا ہے۔ ان لین دین کو اگلی AGM میں شیئر ہولڈرز کے سامنے ان کی باضابطہ منظوری/توثیق کے لیے رکھا جائے گا۔ ڈائریکٹرز اس قرارداد میں صرف اس حد تک دلچسپی رکھتے ہیں کہ اس طرح کی متعلقہ پارٹیوں میں ان کی مشن ڈائریکٹرز شپ ہے۔

**Directors' Report for the year ended 30th June 2022**

The Directors of your Company take pleasure in presenting the 41st Annual Report on the operations of the Company along with Audit Financial Statements for the year ended 30th June, 2022.

Operating and Financial Results

Following is the summary of comparative financial results

	Rupees		% Change	
	2022	2021	2022	2021
Sales (net of sales tax)	8,837,676,009	5,981,842,659	47.74	13.54
Gross Profit	816,403,384	699,217,615	16.76	(11.39)
Operating Profit	210,896,245	65,581,927	221.58	(70.81)
Financial Cost & Other Charges	(62,419,519)	(23,059,609)	170.69	(35.13)
Operating Income	32,725,208	23,675,455	38.22	33.93
Profit before taxation	181,201,934	66,197,773	173.73	(67.99)
Provision for taxation	(113,892,719)	(83,159,385)	36.96	(32.18)
Profit / (Loss) after tax	67,309,215	(16,961,612)	496.83	(79.85)
Un-appropriated Profit brought forward	826,956,503	840,708,734	(1.64)	9.70
EPS (in Rupees)	12.49	(3.15)		
Appropriates:-	Rupees			
	2021-2022	2010-2021		
Un-Appropriated Profit brought forward	826,956,503	840,708,734		
Profit / (Loss) for the year	67,309,215	(16,961,612)		
Effect of Charges in Equity				
In respect of Staff Retirement benefit obligation -net of tax	4,362,223	(4,079,115)		
On revaluation of Property, Plant & Equipment	7,637,082	7,288,496		
10% Final dividend for the year 2021	(5,390,652)	-		
Balance as at June 30, 2021/2022	900,874,371	826,956,503		

Operating Performance

Sales revenue for the year under review increased by 47.74% compared to the same period last year. This is a continuation of the trend seen in the first 3 quarters, where higher selling prices, spurred by large increase in international edible oil prices, led to the growth in revenue.

However, the rise in input oil cost could not be fully covered by the selling price increase – price increases were limited keeping market trend and competition in mind – and consequently gross margins for the period clocked in at 9.24%, a decrease from last year. Nevertheless, due to the higher revenue achieved for the period, the gross profit showed an increase of 16.76% compared to last year.

At the operating level, the administrative costs increased by 2.02 % for the year, combination of some cost heads increasing owing to general inflation and rising energy costs, and some items showing a decrease for the year. Over-all the operating costs decreased by 4.44%, as the selling and distribution head fell by 8.34%. This fall in selling and distribution can mainly be attributed to lower marketing expenses which were scaled back by 17.53% for the year under review. This was a deliberate decision to shore up margins in the face of rapidly escalating costs. As a result, our operating margin improved to 2.39% from 1.10% and the operating profit increased by 221.58% for the year under review.

Other operating charges increased by 190.11% from last year, mostly because heads based on operating profits increased by corresponding amounts. Finance charges also continued their upwards trend due to higher interest rates as well as higher bank borrowing to finance our working capital needs which increased in line with higher revenue and costs.

With higher operating profits the profit before tax (PBT) also showed an increase of 173.73% for the year under



review, clocking in at PKR 181.202 mn. Minimum turnover tax and imposition of extra 1% super tax meant the company paid out 62.85% of the PBT to the national exchequer, yielding a profit after tax of PKR 67.31 mn for the year under review.

Contribution to the National Exchequer:-

During the year the Company contributed PKR 636.840 Million to the National Exchequer in the forms of various duties & taxes.

Composition of the Board

The Board comprises of seven elected members. The composition of the Board is in compliance with the requirements of the listed companies (Code of Corporate Governance) Regulations, 2019. The composition as at the close of the financial year was as follows:

- a) Male 5
- b) Female 2

Composition

- Independent Directors 1
- Non-Executive Directors 4
- Executive Director 2

Meetings of Board of Directors

During the year under review, 04 Meetings of the Board of the Directors were held from July 2021 to June 2022. All written notices of the Board Meetings, along with the agenda and working papers, were circulated at least seven days before the meetings. Attendance by each Director was as under:-

Sr. No.	Name	Designation	28.09.2021	28.10.2021	28.02.2022	28.04.2022	2021-2022
1	Mr. Tahir Jahangir	Chairman	P	P	P	P	4/4
2	Mr. Usman Iahi Malik	Chief Executive Officer	P	P	P	P	4/4
3	Mr. Jilani Jahangir	Executive Director	P	P	P	A	3/4
4	Mrs. Munizae Jahangir	Non-Executive Director	P	P	P	P	4/4
5	Mr. Furqan Anwar Batla	Non-Executive Director	P	P	P	P	4/4
6	Mr. Firasat Ali	Non-Executive Director	P	P	P	P	4/4
7	Miss Mehrunisa Malik	Non-Executive Director	A	P	P	P	3/4
Quorum Of Meetings			6/7	7/7	7/7	6/7	
P	Present in the Meeting						
A	Leave of Absence						

The Minutes of the Meetings were appropriately recorded and circulated within the stipulated time in accordance with the CCG. The Chief Financial Officer and the Company Secretary attended all the meetings during the year June 30, 2022.

Leave of absence was granted to the directors who not attended the Board Meeting.

Audit Committee:

The Board of Directors of the Company has set up an Audit Committee comprising of three Members in accordance with the Code of Corporate Governance; during the year June 30, 2022, Four Meetings of the Committee were held. Attendance by each member was as under:



Sr. No.	Name	Designation	28.09.2021	28.10.2021	28.02.2022	28.04.2022	2021-2022
1	Mr. Firasat Ali	Chairman/Independent Director	P	P	P	P	4/4
2	Miss Mehrunisa Malik	Non-Executive Director	A	P	P	P	3/4
3	Mr. Furqan Anwar Batla	Non-Executive Director	P	P	P	P	4/4
	Quorum of Meetings		2/3	3/3	3/3	3/3	
P	Present in the Meeting						
A	Leave of Absence						

In compliance with the Code of Corporate Governance, Audit Committee also met with the External Auditors without the Chief Financial Officer and Head of Internal Audit once in a year.

Terms of Reference of Audit Committee:

The Board of Directors of every Company shall determine the terms of reference of the Audit Committee. The Board of Directors shall provide adequate resources and authority to enable the Audit Committee to carry out its responsibilities effectively. The terms of reference of the Audit Committee shall explicitly documented and shall also include the following:

- a) Determination of appropriate measures to safeguard the Company's Assets;
- b) Review of Annual and Interim Financial Statements of the Company, prior to their approval by the Board of Directors, focusing on following:
 - i. Major Judgment Areas;
 - ii. Significant Adjustments resulting from the Audit;
 - iii. Going Concern Assumption;
 - iv. Any changes in Accounting Policies and Practice;
 - v. Compliance with applicable Accounting Standards;
 - vi. Compliance with these regulations and other statutory and regulatory requirements; and
 - vii. All related party transactions.
- c) Review of Preliminary announcements of results prior to external communication and publications
- d) Facilitating the External Audit and discussion with the External Auditors of major observations arising from interim and final audit and any matter that the auditors may wish to highlight (in the absence management, where necessary)
- e) Review of Management Letter issued by the External Auditors and Management's response thereto;
- f) Ensuring coordination between the Internal & External Auditors of the Company;
- g) Review of the scope and extent of Internal Audit, Audit Plan, Reporting framework and procedures and ensuring that the Internal Audit Function has adequate resources and is appropriately placed within the Company;
- h) Consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto;
- I) Ascertaining that the Internal Control System including Financial and Operational Control, Accounting System for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and the reporting structure are adequate and effective;
- j) Review of the Company's Statement on internal control system prior to endorsement by the Board of Directors and Internal Audit Reports;
- k) Instituting special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consideration with the Chief Executive Officer and to consider remittance of any matter to the External Auditors or to any other external body.
- l) Determination of compliance with relevant statutory requirements;
- m) Monitoring compliance with the these regulations and identification of significant violations thereof;
- n) Review of management for staff and management to report to Audit Committee in confidence, concerns, if any, about actual and potential improprieties in financial and other matters and recommend instituting



- remedial and mitigating measures;
- o) Recommend to the Board of Directors the appointment of External Auditors, their removal, Audit Fee, the provision of any service permissible to be rendered to the Company by the External Auditors in addition to Audit of its Financial Statements The Board of Directors shall give due consideration to the recommendations of Audit Committee and where it acts otherwise it shall record the reasons thereof.
- p) Consideration of any other issue or matter as may be assigned by The Board of Directors.

Human Resource and Remuneration Committee:

The Board has established a Human Resource & Remuneration Committee comprising of five Members during the year under review two meetings were held attendance by each member was as under:

Sr. No.	Name of Members	Designation	29.09.2021	10.03.2022	2021-2022
1	Mr. Firasat Ali	Chairman/ Member	P	P	2/2
2	Mr. Usman Ilahi Malik	Member	P	P	2/2
3	Jilani Jahangir	Member	P	P	2/2
4	Mrs. Munizae Jahangir	Member	P	P	2/2
5	Mr. Furqan Anwar Batla	Member	P	P	2/2
	Quorum of Meetings		5/5	5/5	
P	Present in the Meeting				
A	Leave of Absence				

Terms of Reference of HR & R Committee

The terms of reference of HR & R Committee shall determine by the Board of Directors which may include the following:

- I. Recommend to the Board for consideration and approval a policy framework for determining remuneration of Directors (Executive Directors and members of senior management);
 - The definition of senior management will be determine by the Board which shall normally include the first layer of management below the Chief Executive Officer level;
- ii. Undertaking annually a formal process of evaluation of performance of the Board as a whole and its committees either directly or by engaging External Independent Consultant and if so appointed, a statement to that effect shall be made in the Directors' report disclosing name, qualification and major terms of appointment;
- iii. Recommending Human Resource Management Polices to the Board;
- iv. Recommending to the Board the selection, evaluation, development, compensation (including retirement benefits) of the Chief Operating Officer, Chief Financial Officer, Company Secretary and Head of Internal Audit;
- v. Consideration and approval on recommendation of Chief Executive Officer on such matters for key management positions who report directly to Chief Executive Officer or Chief Operating Officer; and
- vi. Where Human Resource and remuneration consultants are appointed, their credentials shall be known by the Committee and a statement shall be made by them as to whether they have any other connection with the Company.

Management Committee:

The Board has established a Management Committee comprising of five Directors of the Board.



Performance Evaluation of Board of Directors and Committees of the Board.

The evaluation of Board's role of oversight and its effectiveness is a continual process, which is appraised by the HR & Remuneration Committee in the Meeting held on September 30, 2022. The core areas of focus are:

- Alignment of corporate goals and objectives with the vision and mission of the Company;
- Strategy formulation for sustain operation;
- Board Independence;
- Evaluation of Board's Committees performance in relation to discharging their responsibilities set out in respective terms of reference.

Director's Remuneration

The remuneration of the directors is recommended by the HR & Remuneration Committee, and forwarded to the board for their approval. However, in accordance with the Code of Corporate Governance, it is ensured that no directors takes part in deciding his/her own remuneration. The Company does not pay managerial remuneration to Non-Executive Directors and Independent Directors except meeting fee for attending the meetings. The Board has fixed the monthly honorarium of Chairman of the Company for their extra services offered to the Company. In order to retain the best talent, the Company's remuneration policies are structured in line with prevailing industry trend and business practices. For information on remuneration of Directors and CEO in 2021-2022, please refer notes to the Financial Statements.

External Auditors

The present External Auditors M/s. Malik Haroon Shahid Safdar & Co. Chartered Accountants, will retire at the conclusion of the upcoming Annual General Meeting and being eligible, offer themselves for re-appointment. The Audit Committee of the Company has suggested and the Board has approved & recommended their reappointment to the shareholders as auditors of the Company for the year ending on June 30, 2023.

Adequacy of Internal Financial Control

The Board of Directors has established an efficient system of internal financial controls, for ensuring effective and efficient conduct of operations, safeguarding of Company assets, compliance with applicable laws and regulations and reliable financial reporting. The independent Internal Audit function of the Company regularly appraises and monitors the implementation of financial controls, whereas the Audit Committee reviews the effectiveness of the internal control framework and financial statements on quarterly basis.

Material Changes

There have been no material changes since June 30, 2022 to date of the report and the Company has not entered any material commitment during the year, which would have an adverse impact on the Financial Position of the Company.

Pattern of Shareholding

Pattern of shareholding of the Company in accordance with the Companies Act, 2017 as at June 30, 2022 is annexed to this report.

Related Party Transactions

The Company has made disclosures about related party transactions in its financial statements annexed with this annual report. Such disclosure is in line with the requirements of the 4th Schedule to the Companies Act, 2017 and applicable International Financial Reporting Standards. All transactions or arrangements with all related parties were carried out in the ordinary course of business on an arm's length basis. All transactions with related parties have been executed at arm's length and have been disclosed in the Financial Statements under relevant notes.

Communication

The Company focuses on the importance of the communication with the Shareholders. The Annual, Half Yearly and Quarterly Reports are distributed to them within the time specified in the Companies Act, 2017. The activities of the Company are updated on its website at www.punjaboilmills.com on timely basis.



Corporate Governance

The Board gives prime importance to conducting the Company's business in accordance with the best international and local corporate governance practices and is committed to inculcating healthy corporate culture, ethical business practices, reliable and transparent financial reporting, and open communication channels with the stakeholders, and compliance with applicable laws and regulations. As a result, good corporate governance principles have been deeply ingrained in Company's decision making and operating set up as well as monitoring processes.

The Company recognizes and respects the rights of each and every stakeholder including shareholders, employees, financiers, creditors, business partners, local communities and others. The Company encourages active participation of shareholders in all general meetings of the Company and values their views towards better governance and operational management. The Company is also cognizant of its legal and ethical obligations towards its business partners, local communities and other stakeholders; and takes appropriate actions to timely respond to their expectations after taking into account a pragmatic view of interests associated with the Company. The status of each Director on Company's Board whether non-executive or independent has been disclosed in this report in accordance with the revised Code of Corporate Governance, 2017 (CCG) issued by the Securities and Exchange Commission of Pakistan.

The Code of Conduct for directors and employees of the Company has been approved by the Board and changes were made in line with new requirements stated in revised CCG. The said Code of Conduct strengthens the standard for professional business-like behavior expected of directors and employees and binds them to demonstrate ethical, honest and responsible attitude. The Code has been disseminated across the Company to all directors and employees for their information compliance.

Before each meeting of the board of directors a closed period is declared by the company during which directors, CEO, Executives of the Company and their spouses are not allowed to trade in shares of the Company in any manner, whether directly or indirectly. The Board has reviewed the status of executives in terms of clause (xvi) of CCG and has set a threshold defining categories of management employees as executives consequent to which they are subject to additional regulatory requirements for trading and disclosing their transactions in Company shares.

The Directors of the Company are fully aware of their duties and responsibilities and strive to discharge their fiduciary responsibilities in the best possible manner in compliance with all applicable corporate laws and regulations.

During the year, the Board was actively involved in performance their duties including those required to be performed under various laws and the Memorandum and Articles of Association of the Company with the ultimate objective of safeguarding the interests of the shareholders, enhancing the profitability of the Company, increasing shareholder's wealth and promoting market confidence.

Corporate and Financial Reporting Framework

- I. The Financial Statements, prepared by the Management of the Company, present its state of affairs fairly, the result of its operations, Cash Flows and change in equity.
- II. Proper Books of Accounts of the Company have been maintained.
- III. Appropriate Accounting Policies have been applied in preparation of Financial Statements and any changes in Accounting Policies have been disclosed in the Financial Statements. The Accounting Estimates are based on reasonable and prudent judgment.
- IV. International Financial Reporting Standards as applicable in Pakistan have been followed in preparation of Financial Statements and any departure therefrom has been adequately disclosed and explained.
- V. The system of Internal Control is sound in design and has been effectively implemented and monitored.



- VI. There are no significant doubts upon the Company's ability to continue as a Going Concern.
- VII. Key operating and Financial Data of last six years has been given in the Annual Report.
- VIII. Information about outstanding taxes, duties, levies and charges is given in Notes to the Accounts.
- IX. Significant plans and decisions regarding Corporate Restructuring, Business Expansion and discontinuance of operations along with future prospects, risks and uncertainties have been disclosed in relevant sections of Directors Report.
- X. The value of investment in employee retirement fund based on the latest Audited Accounts as of 30 June, 2022 is as follows:

Gratuity Fund PKR 134 Million

- I. Details of number of Board and Committees' meetings held during the year and attendance by each Director has been disclosed in the Annual Report. Leave of absence was granted to Directors/Members who could not attend some of the Board and Committee meetings.
- II. A statement of the pattern of shareholding in the Company as at 30 June, 2022 of certain classes of shareholders whose disclosure is required under the revised CCG and the statement of purchase and sale of shares by Directors, executives and their minor children during the year is shown in the Annual Report.

Code of Conduct

The Company has prepared a "Code of Conduct Directors and Employee" and approved by the Board.

Priority Standards of Conduct

- I. **Safety:** There can be no production without safety.
- II. **Quality:** To achieve total customer satisfaction by manufacturing and marketing products that achieve the highest quality levels for any given price and provide the customers with the best value for their money. We stand to maximize customer utility for all users of our products by strictly conforming to all relevant foods laws and standards, adapting, enhancing and innovating product attributes to better serve customer needs, continually improving our quality management systems, and controlling our costs and prices.
- III. **Productivity:** With safety and quality each of us will strive to excel the performance in all fields of our activities i.e. Production, Sales & Marketing, Planning & Development, Finance, Import, Supply Chain Management, Human Resources & Administration etc.

Safety, Health and Environment

Punjab Oil Mills Limited, aim to become the leader in edible oil products. POML is aware that operating its business in production services has significant health, safety and environmental aspects to be handled. It is therefore essential that all stakeholders concerned with the operations of the company take appropriate steps to protect environment as well as personnel from harm.

- To this end we at POML commit to the following statements:
- To operate our business with regards to the HSE in order to prevention of work-related injury, ill health and environmental impacts through our operations.
- To use appropriate safety equipment's to approved systems when undertaking our work.
- To integrate HSE issues into our decision making.
- To continually look for ways to and improve our HSE systems.
- Identify and implement opportunities to use resources efficiently, prevent pollution and minimize emissions by applying the principles of "reduce, reuse, and recycle" in all processes.
- To ensure elimination of hazards and reducing OH&S risks along with monitoring the use of chemicals and reduce their impact on the environment.
- To ensure compliance with relevant HSE legislation and other requirements related to our operations
- To set and achieve our HSE objectives and targets



We also strive to continually improve our system with the help of a team of competent, dependable and hardworking employees.

Compliance with the Code of Corporate Governance

The Statement of Compliance with the Code of Corporate Governance is annexed with the Annual Report.

Compliance with the Code of Corporate Governance

The Statement of Compliance with the Code of Corporate Governance is annexed with the Annual Report.

Corporate Social Responsibility

Punjab Oil Mills is cognizant of its legal and ethical responsibilities towards the local communities where it operates. As such the Board has authorized the management to exercise its Corporate Social Responsibilities by serving the local communities in the areas of health and education. While contributing to the society POML is giving special discounts of 50% on all purchases of SOS villages/orphan homes. POML is also collaborating with the Pakistan National Heart Association in providing free medicines and medical camps and raising awareness of Heart Diseases in the Public.

Water Filtration Plant

Punjab Oil Mills Limited has installed free water filtration plant outside of the Boundry wall of the Company in 2015. People of surrounding areas of the Plant are happy and enjoying clean water.

ISO 9001: AND FSSC 22000 CERTIFICATIONS

The Company has fully documented and independently management and Food Safety Management Systems as per rules of ISO 9001 and FSSC 22000. This ensures that the products made by us conform to the highest quality standards and are free from all types of Food Safety Hazards to safeguard the health of our consumers. We are the only Pakistan Company that regularly tests its premium cooking oils for pesticides and other harmful chemicals as per International Standards from an accredited laboratory in Germany.

Director Training Program

The Company takes keen interest in the professional development of its Board members and management team and has carried out necessary trainings as per the requirements of the Code of Corporate Governance and ensures that all the Directors of the Board comply with the requirements of Directors Training Certification. Five Directors have awarded Directors Training Program and the company is arranging DTP for two female directors.

Staff Retirement Benefits

The Company operates an un-funded gratuity scheme covering all employees whose period of services with the Company is more than one year. Provision is made annually to cover the liability under the scheme. The Company pays a lump-sum gratuity to members on leaving the Company after completion of one year of continuous service.

Future Outlook

The year under review was a highly challenging one, with not only the usual stiff competition from other players, but also an unprecedented rise in international edible oil prices; compounded by unexpected shocks to the markets such as the Ukraine war and a temporary ban on export sales by Indonesia, the world's largest producer of palm oil. The PKR also continued to depreciate, adding to the cost pressures.

While the edible oil prices have now come down from the highs established in the near past, the depreciation and volatility of the PKR remains a cause of concern and has kept the rupee value of our pending imports falling in line with international prices. At the same time the electricity rates have also gone up substantially and show no signs of abating.



There is also pressure from the government, based more on political than economic grounds, to reduce selling prices of the industry, adding to the uncertainty.

Even with reduced international oil prices, we foresee higher average selling prices for the next year, signaling higher working capital needs. However, with the country in a balance of payments crisis and reduced availability of foreign exchange, the banks' willingness and ability to lend further support for financing of the same remains subdued. To counter this the management is striving to tighten working capital management and conserve cash wherever possible until the current situation of uncertainty dissipates.

Going forward, we feel it is prudent to maintain a cautious approach. This, however, needs to be balanced with the need to invest where necessary, such as solar energy and renewed marketing of our key products. To this end the management is continually reviewing its pricing and sales policies to enable recovery in sales along with better profitability while maintaining cash flows for efficient operations.

Acknowledgements

We would like to take this opportunity to thank our customers, suppliers and bankers for their continued support and cooperation towards the progress of the company. We hope that this support would continue in the future as well.

We would also like to thank our dedicated and talented team of executives, staff and workers for the hard work put in during the period. We expect continued efforts from our employees to achieve better results in the next year.

And last, but not the least, the management is thankful to the board for its usual support and guidance in executing the vision and objectives set for the company.

(TAHIR JAHANGIR)
CHAIRMAN

Date: September 30, 2022

For & on Behalf of the Board

(USMAN ILAHI MALIK)
CHIEF EXECUTIVE OFFICER



30 جون 2022ء کو ختم ہونے والے سال کے لئے ڈائریکٹرز کی رپورٹ

آپ کی کمپنی کے ڈائریکٹرز 30 جون 2021 کو ختم ہونے والے سال کے لئے نظر ثانی شدہ مالیاتی گوشواروں کے ساتھ کمپنی کے امور پر مبنی 40 ویں سالانہ رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

آپریٹنگ اور مالیاتی نتائج

تفصیلی مالیاتی نتائج کا خلاصہ درج ذیل ہے:

فیصد تبدیلی		روپے		
2021	2022	2021	2022	
13.54	47.74	5,981,842,659	8,837,676,009	فروخت (سیلز ٹیکس کے علاوہ)
(11.39)	16.76	699,217,615	816,403,384	مجموعی منافع
(70.81)	221.58	65,581,927	210,896,245	آپریٹنگ منافع
(35.13)	170.69	(23,059,609)	(62,419,519)	مالی لاگت اور دیگر چارجز
33.93	38.22	23,675,455	32,725,208	آپریٹنگ آمدنی
(67.99)	173.73	66,197,773	181,201,934	ٹیکس سے قبل منافع
(32.18)	36.96	(83,159,385)	(113,892,719)	ٹیکسیشن
(79.85)	496.83	(16,961,612)	67,309,215	ٹیکس کے بعد منافع
9.70	(1.64)	840,708,734	826,956,503	غیر موزوں منافع جو آگے آیا
		(3.15)	12.49	فی شیئر نقصان / آمدنی (روپے میں)
				مصرفات
				روپے
		2020-2021	2021-2022	
		826,956,503	840,708,734	غیر موزوں منافع جو آگے آیا
		67,309,215	(16,961,612)	ٹیکس کے بعد منافع



ایکویٹی میں تبدیلیوں کے اثرات			
	4,362,223	(4,079,115)	اشاف ریٹائرمنٹ بینیفٹ ذمہ داری کی بابت اکاؤنٹنگ پالیسی میں ٹیٹ کے بعد خالص
	7,637,082	7,288,496	پراپرٹی، پلائٹ اور آلات کی کمر قدر قیمت کے تعین پر
	(5,390,652)	-	10% حتمی منافع منقسمہ برائے سال 2021
	900,874,371	826,956,503	30 جون، 2021-2022 کو بتایا

آپریٹنگ کارکردگی

زیر جائزہ سال کی فروخت آمدنی گزشتہ سال کی اسی مدت کے مقابلے 48 فیصد اضافہ ہوا۔ یہ اضافہ پہلی تین ماہیوں میں پائے گئے رجحان کا تسلسل ہے، جہاں فروخت کی زیادہ قیمتوں، بین الاقوامی خوردنی تیل کی قیمتیں بہت زیادہ بڑھ جانے کی وجہ سے آمدنی میں اضافہ ہوا ہے۔

تاہم، تیل کی لاگت میں اضافہ فروخت قیمت کے اضافہ سے مکمل طور پر پورا نہیں کیا جاسکتا تھا کیونکہ قیمتوں میں اضافہ مارکیٹ رجحانات اور مقابلہ کو ذہن میں رکھتے ہوئے محدود تھا، اور اس کے نتیجے میں زیر جائزہ مدت کے مجموعی منافع جات گزشتہ سال سے کم، 9.2% پر رہے۔ اس کے باوجود، اس مدت میں زیادہ آمدنی حاصل ہونے کی وجہ سے، مجموعی منافع نے گزشتہ سال کے مقابلے 16.8% کا اضافہ ظاہر کیا۔

آپریٹنگ سٹج پر، سال کے لیے انتظامی اخراجات میں 2% اضافہ ہوا، عام افراط زر اور توانائی کے بڑھتے ہوئے اخراجات کی وجہ سے کچھ اہم اخراجات کے ساتھ، اور کچھ ایشیا، سال کے لیے کمی کو ظاہر کرتی ہیں۔ مجموعی طور پر آپریٹنگ اخراجات میں 4.4% کمی واقع ہوئی، کیونکہ سیٹنگ اور ڈسٹری بیوشن میں 8.3% کمی واقع ہوئی۔ فروخت اور تقسیم میں اس کمی کو بنیادی طور پر مارکیٹنگ کے کم اخراجات سے منسوب کیا جاسکتا ہے جو زیر جائزہ سال کے لیے 17.5 فیصد کم کیے گئے تھے۔ یہ تیزی سے بڑھتے ہوئے اخراجات کے پیش نظر مارجن کو سہارا دینے کا دانستہ فیصلہ تھا۔ نتیجتاً، ہمارا آپریٹنگ مارجن 1.1% سے بہتر ہو کر 2.4% ہو گیا اور زیر جائزہ سال کے لیے آپریٹنگ منافع میں 222% کا اضافہ ہوا۔

دیگر آپریٹنگ چارجز میں پچھلے سال سے 190% اضافہ ہوا، زیادہ تر اس وجہ سے کہ آپریٹنگ منافع پر مبنی ہیڈ زری مقدار میں بڑھے ہیں۔ زیادہ شرح سود کے ساتھ ساتھ ہماری ورکنگ کیمپنل کی ضروریات کو پورا کرنے کے لئے بینک سے زیادہ قرض لینے کی وجہ سے فنانس چارجز نے بھی بڑھنے کے رجحان کو جاری رکھا جس میں زیادہ آمدنی اور اخراجات کے مطابق اضافہ ہوا۔

زیادہ آپریٹنگ منافع کے ساتھ ٹیکس سے پہلے کے منافع (PBT) میں بھی زیر جائزہ سال کے لیے 174% کا اضافہ ہوا، جو کہ 181.2 ملین روپے پر پہنچ گیا۔ کم از کم ٹرن اوور ٹیکس اور اضافی 1% پیر ٹیکس کے نفاذ کا مطلب ہے کہ کمپنی نے PBT کا 63% قومی خزانے میں ادا کیا، جس سے زیر جائزہ سال کے لیے 67.3 ملین روپے کا بعد از ٹیکس منافع حاصل ہوا۔



قومی خزانہ میں شراکت:-

سال کے دوران کمپنی نے مختلف ڈیویڈنڈ اور ٹیکسوں کی شکل میں 636.840 ملین روپے کی قومی خزانہ میں شراکت کی۔

بورڈ کی تشکیل

بورڈ سات منتخب ارکان پر مشتمل ہے۔ بورڈ کی تشکیل درج ذیل کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کی ضروریات کے مطابق ہے۔ مالی سال کے اختتام

پر کمپوزیشن مندرجہ ذیل تھی۔

(a) مرد 5

(b) خواتین 2

کمپوزیشن:

آزاد ڈائریکٹرز 1

نان-ایگزیکٹو ڈائریکٹرز 4

ایگزیکٹو ڈائریکٹرز 2

بورڈ آف ڈائریکٹرز کے اجلاس

زیر جائزہ سال کے دوران، جولائی 2021 سے جون 2022 تک بورڈ آف ڈائریکٹرز کے 104 اجلاس منعقد کئے گئے۔ ایجنڈا اور ورکنگ پیپرز کے ساتھ بورڈ

اجلاسوں کے تمام تحریری نوٹس، اجلاسوں سے کم از کم سات دن پہلے ترسیل کیے گئے تھے۔ ہر ڈائریکٹر کی حاضری درج ذیل ہے:

نمبر شمار	نام ڈائریکٹر	مہدہ	تعداد حاضری
1	جناب طاہر جہانگیر	چیئر مین	4/4
2	جناب عثمان الہی ملک	چیف ایگزیکٹو آفیسر	4/4
3	جناب جیلانی جہانگیر	ایگزیکٹو ڈائریکٹر	3/4
4	محترمہ منیرے جہانگیر	نان-ایگزیکٹو ڈائریکٹر	4/4
5	جناب فرقان انوار بانلا	نان-ایگزیکٹو ڈائریکٹر	4/4
6	جناب فراست علی	نان-ایگزیکٹو ڈائریکٹر	4/4
7	محترمہ مہر النساء ملک	نان-ایگزیکٹو ڈائریکٹر	3/4

CCG کے مطابق اجلاسوں کے امور کو مقررہ وقت کے اندر مناسب طریقے سے ریکارڈ اور ترسیل کئے گئے۔ چیف فنانشل آفیسر اور کمپنی سیکرٹری نے 30 جون 2022 کو

ختم ہونے والے سال کے دوران تمام اجلاسوں میں شرکت کی۔

بورڈ کے اجلاس میں شرکت نہ کرنے والے ڈائریکٹر کو غیر حاضری کی رخصت عطا کی گئی۔

آڈٹ کمیٹی

کمپنی کے بورڈ آف ڈائریکٹرز نے کارپوریٹ گورننس کے کوڈ کے مطابق تین ممبروں پر مشتمل ایک آڈٹ کمیٹی تشکیل دی ہے۔ سال 30 جون، 2021 کے دوران، کمیٹی کے چار اجلاس ہوئے۔ ہر ممبر کی حاضری درج ذیل ہے:

نمبر شمار	نام ڈائریکٹر	عہدہ	تعداد حاضری
1	جناب فراس ت علی	چیئر مین / ایگزیکٹو ڈائریکٹر	4/4
2	محترمہ مہر النساء ملک	نان۔ ایگزیکٹو ڈائریکٹر	3/4
3	جناب فرقان انوار بانٹلا	نان۔ ایگزیکٹو ڈائریکٹر	4/4

کارپوریٹ گورننس کے ضابطہ اخلاق کی تعمیل میں، آڈٹ کمیٹی نے سال میں ایک بار چیف فنانشل آفیسر اور انٹرنل آڈٹ کے سربراہ کے بغیر بیرونی آڈیٹرز سے بھی ملاقات کی۔

آڈٹ کمیٹی کے ریفرنس کی شرائط:

ہر کمپنی کا بورڈ آف ڈائریکٹرز آڈٹ کمیٹی کے ریفرنس کی شرائط طے کرے گا۔ بورڈ آف ڈائریکٹرز آڈٹ کمیٹی کو اپنی ذمہ داریوں کو موثر طریقے سے پورا کرنے کے لئے مناسب وسائل اور اختیار فراہم کرے گا۔ آڈٹ کمیٹی کے ریفرنس کی شرائط واضح طور پر دستاویزی بنائی جائیں گی اور ان میں مندرجہ ذیل بھی شامل ہوں گی:

(a) کمپنی کے اثاثوں کی حفاظت کے لئے موزوں اقدامات کا تعین۔

(b) بورڈ آف ڈائریکٹرز کی منظوری سے قبل کمپنی کے سالانہ اور عبوری مالی حسابات کا جائزہ، ان پر توجہ مرکوز کرتے ہوئے:

i۔ اہم فیصلے والے شعبے؛

ii۔ آڈٹ کے نتیجے میں اہم ایڈجسٹمنٹ۔

iii۔ جاری تشریح کا مفروضہ،

iv۔ اکاؤنٹنگ پالیسیوں اور پریکٹس میں کوئی تبدیلی۔

v۔ قابل اطلاق اکاؤنٹنگ معیارات کی تعمیل۔

vi۔ ان ضوابط اور دیگر قانونی قواعد و ضوابط سے متعلق تعمیل؛ اور

vii۔ پارٹی سے متعلق تمام لین دین۔

(c) بیرونی مواصلاے اور اشاعت سے قبل نتائج کے ابتدائی اعلانات کا جائزہ



(d) عبوری اور حتمی آڈٹ سے پیدا ہونے والے بڑے مشاہدات کے بیرونی آڈٹ کے ساتھ خارجی آڈٹ کی سہولت فراہم کرنا اور کسی بھی معاملے پر جو آڈیٹر جا کر کرنا چاہیں (انتظامیہ کی غیر موجودگی میں، جہاں ضروری ہو)

(e) بیرونی آڈیٹرز اور انتظامیہ کے جوابات کے ذریعہ جاری کردہ منجمنٹ لیٹر کا جائزہ۔

(f) کمپنی کے اندرونی اور بیرونی آڈیٹرز کے مابین ہم آہنگی کو یقینی بنانا؛

(g) اندرونی آڈٹ، آڈٹ پلان، فریم ورک اور طریقہ کار کی اطلاع دہندگی اور اس بات کو یقینی بنانا کہ اندرونی آڈٹ فنکشن کے پاس کافی وسائل موجود ہیں اور مناسب طریقے سے کمپنی کے اندر رکھے گئے ہیں۔

(h) دھوکہ دہی، بدعنوانی اور طاقت اور انتظامیہ کے جواب کے غلط استعمال کی خصوصیت والی سرگرمیوں کی داخلی تفتیش کے بڑے نتائج پر غور کرنا۔

(i) اس بات کا پتہ لگانا کہ اندرونی کنٹرول سسٹم جس میں مالیاتی اور آپریشنل کنٹرول، خریداری اور فروخت، وصولیوں اور ادائیگیوں، اثاثوں اور ذمہ داریوں اور رپورٹنگ ڈھانچے کی بروقت اور مناسب ریکارڈنگ کے لئے اکاؤنٹنگ سسٹم شامل ہے۔

(j) بورڈ آف ڈائریکٹرز اور اندرونی آڈٹ رپورٹس کی توثیق سے قبل داخلی کنٹرول سسٹم کے بارے میں کمپنی کے بیان کا جائزہ۔

(k) چیف ایگزیکٹو آفیسر کے ساتھ غور و فکر کرنے، بورڈ آف ڈائریکٹرز کے ذریعہ کسی بھی معاملے پر رقم کے مطالعہ یا دیگر تحقیقات کے لئے خصوصی منصوبوں کا قیام، اور بیرونی آڈیٹرز یا کسی بھی بیرونی ادارہ کو کسی بھی معاملے کی ترسیل پر غور کرنا،

(l) متعلقہ قانونی تقاضوں کی تعمیل کا تعین؛

(m) ان ضوابط کی تعمیل اور اس کی نمایاں خلاف ورزیوں کی نشاندہی کی نگرانی۔

(n) مالی اور دیگر معاملات میں اصل اور مکمل غلطیوں کے بارے میں اعتماد، خدشات، اگر کوئی ہے تو، اعتماد میں آڈٹ کمیٹی کو رپورٹ کرنے کے لئے عملے اور انتظامیہ کے انتظام کے بارے میں جائزہ اور اس کے حل اور تخفیف کے اقدامات کی سفارش کرنا،

(o) بورڈ آف ڈائریکٹرز کو بیرونی آڈیٹرز کی تقرری، ان کی برطرفی، آڈٹ فیس، بیرونی آڈیٹرز کے ذریعہ کمپنی کو پیش کی جانے والی کسی بھی سروس کی فراہمی کی سفارش، اس کے مالیاتی حسابات کے آڈٹ کے علاوہ، بورڈ آف ڈائریکٹرز آڈٹ کمیٹی کی سفارشات پر جہاں ضروری ہو پر غور و خوض ورنہ وہ اس کی وجوہات درج کرے گا۔

(p) بورڈ آف ڈائریکٹرز کے ذریعہ تفویض کردہ کسی بھی دوسرے معاملے یا مسئلے پر غور کرنا۔

انسانی وسائل اور ریمیزیشن کمیٹی

بورڈ نے پانچ ممبروں پر مشتمل ایک انسانی وسائل اور ریمیزیشن کمیٹی قائم کی ہے، زیرِ جائزہ سال کے دوران ایک اجلاس منعقد کیا گیا، ہر ممبر کی شرکت درج ذیل ہے:

نمبر شمار	نام ڈائریکٹر	عہدہ	تعداد حاضری
1	جناب فراست علی	چیئر مین ارکن	2/2
2	جناب عثمان الہی ملک	رکن	2/2
3	جناب جیلانی جہانگیر	رکن	2/2
4	محترمہ منیزے جہانگیر	رکن	2/2
5	جناب فرحان انور باغلا	رکن	2/2

ایچ آراینڈ آرکمیٹی کے ریفرنس کی شرائط

ایچ آراینڈ آرکمیٹی کے ریفرنس کی شرائط بورڈ آف ڈائریکٹرز طے کریں گے جس میں درج ذیل شامل ہیں:

- i۔ ڈائریکٹرز (ایگزیکٹو ڈائریکٹرز اور سینئر مینجمنٹ کے ممبران) کے معاوضے کے تعین کے لئے پالیسی فریم ورک پر غور اور منظوری کے لئے بورڈ کو سفارش کرنا۔ سینئر مینجمنٹ کی وضاحت بورڈ کرے گا جس میں عام طور پر چیف ایگزیکٹو آفیسر سطح سے نیچے انتظامیہ کی پہلی پرت شامل ہوگی۔
- ii۔ براہ راست یا بیرونی آزاد شیری کی مشاورت سے مجموعی طور پر بورڈ اور اس کی کمیٹیوں کی کارکردگی کی جانچ کے باقاعدہ عمل کا سالانہ آغاز کرنا اور اگر اس کا تقرر کیا جاتا ہے تو، اس کا بیان ڈائریکٹرز کی رپورٹ میں نام، قابلیت اور تقرری کی شرائط کا اہم انکشاف کیا جائے گا۔
- iii۔ بورڈ کو ہیومن ریسورس مینجمنٹ کی پالیسیاں تجویز کرنا۔
- iv۔ بورڈ کو چیف آپرینگ آفیسر، چیف فنانشل آفیسر، کمپنی سیکرٹری اور ہیڈ آف انٹرنل آڈٹ کا انتخاب، تنفیص، ترقی، معاوضہ (رینائرمنٹ فوائد سمیت) سفارش کرنا۔
- v۔ انتظامی انتظامی عہدوں کے لئے ایسے معاملات پر چیف ایگزیکٹو آفیسر کی سفارش پر غور اور منظوری دینا جو براہ راست چیف ایگزیکٹو آفیسر یا چیف آپرینگ آفیسر کو رپورٹ کرتے ہیں۔ اور
- vi۔ جہاں انسانی وسائل اور ریمیزیشن کے کنسلٹنٹس مقرر کئے جاتے ہیں، ان کی اسناد کمیٹی کو معلوم ہوں گی اور ان کے ذریعہ ایک بیان دیا جائے گا کہ آیا ان کا کمپنی سے کوئی دیگر تعلق ہے یا نہیں۔

بورڈ آف ڈائریکٹرز اور کمیٹیوں کی کارکردگی کا جائزہ

بورڈ کے کردار کا جائزہ اور اس کے اثرات کا اندازہ ایک مستقل عمل ہے، جس کا 30 ستمبر 2022 کو ہونے والے اجلاس میں ایچ آراینڈ آرکمیٹی نے خود ہی جائزہ لیا ہے۔

توجہ کے بنیادی شعبے یہ ہیں:

۔ کمپنی کے وژن اور مشن کے ساتھ کارپوریٹ اہداف اور مقاصد کا تعین؛

۔ مستحکم آپریشن کے لئے حکمت عملی تیار کرنا

۔ بورڈ کی آزادی؛

۔ بورڈ کی کمیٹیوں کی اپنی ذمہ داریوں کو نبھانے کے سلسلے میں کارکردگی کا جائزہ لینے کی متعلقہ شرائط۔

ڈائریکٹرز کا معاوضہ

ڈائریکٹرز کے معاوضے کی سفارش ایچ آراینڈ آرکمیٹی کرتا ہے اور عام اجلاس میں شیئر ہولڈرز کے ذریعہ اس کی منظوری دی جاتی ہے۔ تاہم، کارپوریٹ گورننس کے کوڈ کے مطابق، اس بات کو یقینی بنایا جاتا ہے کہ کوئی بھی ڈائریکٹرز خود اپنے معاوضے کا فیصلہ کرنے میں حصہ نہ لے۔ کمپنی اجلاس میں شرکت کرنے کے لئے فیس کے علاوہ نان ایگزیکٹو ڈائریکٹرز اور آزاد ڈائریکٹرز کو معاوضہ ادا نہیں کرتی ہے۔ بورڈ نے کمپنی کو پیش کردہ اضافی خدمات کے لئے کمپنی کے چیئرمین کا ماہانہ معاوضہ مقرر کیا ہے۔ بہترین ہنر کو برقرار رکھنے کے لئے، کمپنی کی معاوضہ پالیسیاں مروجہ انڈسٹری کے رجحانات اور کاروباری طریقوں کے مطابق تشکیل دی گئی ہیں۔ 2021-2022 میں ڈائریکٹرز اور سی ای او کی معاوضے سے متعلق معلومات کے لئے، برائے مہربانی مالی حسابات کا نوٹ ملاحظہ کریں۔



بیرونی آڈیٹ

موجودہ بیرونی آڈیٹرز میسرز ملک ہارون شاہد صفدر اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس، ریٹائر ہو گئے، اور اہل ہونے کی بناء پر، خود کو دوبارہ تقرری کے لئے پیش کرتے ہیں۔ آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز 30 جون، 2023 کو ختم ہونے والے سال کے لئے میسرز ملک ہارون شاہد صفدر اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کی دوبارہ تقرری کی سفارش کرتے ہیں۔

اندرونی آڈٹ اور کنٹرول

بورڈ آف ڈائریکٹرز نے ایک اندرونی مالیاتی کنٹرول کا موثر نظام قائم کیا ہے۔ بورڈ آڈٹ کمیٹی سے ماہی بنیاد پر اس عمل کے وسائل کی مناسبات اور اتھارٹی کا جائزہ لیتی ہے۔ اندرونی آڈٹ کا سربراہ ہی آڈٹ کمیٹی کو فعال طور پر رپورٹ کرتا ہے۔ بورڈ آڈٹ کمیٹی آپریٹنگ شعبوں کے سالانہ اور سہ ماہی تشخیص کی بنیاد پر آڈٹ پلان کی منظوری دیتی ہے۔ اندرونی آڈٹ عمل بورڈ آڈٹ کمیٹی، چیف ایگزیکٹو آفیسر اور ڈویژنل مینجمنٹ کو مالی، آپریشنل اور تعمیل کنٹرول اور رپورٹس کے نتائج پر جائزہ دیتا ہے۔

مادی تبدیلیاں

30 جون، 2022 سے رپورٹ کی تاریخ تک کوئی مادی تبدیلیاں نہیں ہوئیں اور کمپنی اس عرصے کے دوران کسی بھی قسم کی مادی وابستگی میں داخل نہیں ہوئی ہے، جس سے کمپنی کے مالیاتی مقام پر منفی اثرات مرتب ہوں۔

شیر ہولڈنگ کا نمونہ

کمپنیز ایکٹ 2017 کے مطابق 30 جون 2022 تک کمپنی کی شیر ہولڈنگ کا نمونہ اس رپورٹ میں منسلک کیا گیا ہے۔

متعلقہ پارٹی لین دین

کمپنی نے اس سالانہ رپورٹ کے ساتھ منسلک اپنے مالی حسابات میں متعلقہ پارٹی لین دین کے بارے میں انکشافات کیے ہیں۔ اس طرح کا انکشاف کمپنیز ایکٹ 2017 کے چوتھے شیڈول اور قابل اطلاق بین الاقوامی مالیاتی رپورٹنگ کے معیارات کے مطابق ہے۔ تمام متعلقہ فریقوں کے ساتھ تمام لین دین یا انتظامات قابل رسائی قیمتوں کی بنیاد پر کاروبار کے عام معمول میں کئے گئے تھے۔ متعلقہ فریقوں کے ساتھ تمام لین دین قابل رسائی قیمتوں پر عمل میں لائے گئے ہیں اور متعلقہ نوٹس کے تحت مالی حسابات میں انکشاف کیا گیا ہے۔

مواصلات

کمپنی کے حصص یافتگان کے ساتھ رابطے کو بہت اہمیت دیتی ہے۔ سالانہ، ششماہی اور سہ ماہی رپورٹس انھیں کمپنیز ایکٹ، 2017 میں متعین وقت کے اندر ترسیل کی جاتی ہیں۔ کمپنی کی سرگرمیاں بروقت بنیاد پر www.punjaboilmills.com.pk پر اپنی ویب سائٹ پر اپڈیٹ کی جاتی ہیں۔

کارپوریٹ گورننس

بورڈ کمیٹی کے کاروبار کو بہترین بین الاقوامی اور مقامی کارپوریٹ گورننس طریقوں کے مطابق چلانے کو اولین ترجیح دیتی ہے اور قابل اطلاق قوانین اور ضوابط کے ساتھ صحتمند کارپوریٹ کلچر، اخلاقی کاروباری طریقوں، قابل اعتماد اور شفاف مالیاتی رپورٹنگ، اور اسٹیک ہولڈرز کے ساتھ کھلی مواصلاتی چینلز، اور تعمیل کی پابندی کرتی ہے۔ اس کے نتیجے میں، کارپوریٹ گورننس کے اچھے اصول کمپنی کے فیصلے سازی اور آپریٹنگ سیٹ اپ کے ساتھ ساتھ مینجنگ کے عمل میں بھی گہرائی کے قابل ہیں۔

کمپنی شیر ہولڈرز، ملازمین، فنانسیرز، قرض دہندگان، کاروباری شراکت داروں، مقامی کمیونٹیز اور دیگر سمیت ہر ایک کے اسٹیک ہولڈرز کے حقوق کو تسلیم اور اس کا احترام



کرتی ہے۔ کپینی کپینی کے تمام عمومی اجلاسوں میں حصص یافتگان کی فعال شرکت کی حوصلہ افزائی کرتی ہے اور بہتر حکمرانی اور آپریشنل مینجمنٹ کے خیالات کی قدر کرتی ہے۔ کپینی اپنے کاروباری شراکت داروں، مقامی کمیونٹیز اور دیگر اسٹیک ہولڈرز کی اپنی قانونی اور اخلاقی ذمہ داریوں سے بھی آگاہ ہے۔ اور کپینی سے وابستہ مفادات کے عملی نظریات کو مد نظر رکھنے کے بعد ان کی توقعات کے بروقت جواب دینے کے لئے مناسب اقدامات کرتی ہے۔

سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے جاری کردہ نظر ثانی شدہ کوڈ آف کارپوریٹ گورننس 2017 (سی سی جی) کے مطابق اس رپورٹ میں کپینی کے بورڈ میں ہر ڈائریکٹر آئی این اے ایگزیکٹو یا آزاد کی حیثیت کا انکشاف کیا گیا ہے۔

بورڈ کی طرف سے کپینی کے ڈائریکٹرز اور ملازمین کے لئے ضابطہ اخلاق کی منظوری دی گئی ہے اور اس میں تبدیلیاں نظر ثانی شدہ سی سی جی میں بتائے گئے نئی تقاضوں کے مطابق کی گئیں۔ مذکورہ ضابطہ اخلاق ڈائریکٹرز اور ملازمین سے متوقع پیشہ ورانہ اور باہمی طرز عمل کے معیار کو مضبوط کرتا ہے اور اخلاقی، دیانتدار اور ذمہ دارانہ رویہ کا مظاہرہ کرنے کا پابند ہے۔ ضابطہ کو تمام کپینیوں میں ان کی معلومات کی تعمیل کے لئے تمام ڈائریکٹرز اور ملازمین کو ترسیل کیا گیا ہے۔

بورڈ آف ڈائریکٹرز کے ہر اجلاس سے قبل کپینی کی بندش مدت کا اعلان کیا گیا جس کے دوران کپینی کے ڈائریکٹرز، ای او، ایگزیکٹوز اور ان کے شریک حیات کو براہ راست یا بالواسطہ کسی بھی طرح سے کپینی کے حصص میں تجارت کرنے کی اجازت نہیں دی گئی ہے۔ بورڈ نے سی سی جی کی شق (xvi) کی شرائط کے مطابق ایگزیکٹوز کی حیثیت کا جائزہ لیا ہے اور انتظامیہ کے ملازمین کی اقسام کی وضاحت کی حد مقرر کی ہے جس کے نتیجے میں وہ کپینی کے حصص میں ان کے لین دین کا انکشاف اور انکشاف کرنے کے لئے اضافی ریگولیٹری ضروریات کے تابع ہیں۔

کپینی کے ڈائریکٹرز اپنے فرائض اور ذمہ داریوں سے پوری طرح واقف ہیں اور تمام قابل اطلاق کارپوریٹ قوانین اور قواعد و ضوابط کی تعمیل میں ان کی ذمہ داریوں کو پوری طرح سے ادا کرنے کی کوشش کرتے ہیں۔

سال کے دوران، بورڈ اپنے فرائض کی انجام دہی میں فعال طور پر شامل رہا جس میں مختلف قوانین کے تحت انجام دینا اور کپینی کے ممبرانڈم اور آرٹیکل آف ایسوسی ایشن کے حتمی مقصد کے ساتھ حصص یافتگان کے مفادات کا تحفظ، کپینی کے منافع میں اضافہ، حصص یافتگان کی قدر میں اضافہ اور مارکیٹ کے اعتماد کو فروغ ملا۔

کارپوریٹ اور مالیاتی رپورٹنگ کا دائرہ کار

- I۰ کپینی کی انتظامیہ کی طرف سے تیار کردہ، مالیاتی حسابات، اس کے امور، آپریشنز کے نتائج، نقدی بہاؤ اور ایکویٹی میں تبدیلیوں کو منصفانہ طور پر ظاہر کرتے ہیں۔
- II۰ کپینی کے کھاتہ جات بالکل صحیح طور سے بنائے گئے ہیں۔
- III۰ مالی حسابات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو تسلیم کے ساتھ لاگو کیا گیا ہے اور اکاؤنٹنگ کے تخمینہ جات مناسب اور دانشمندانہ فیصلوں پر مبنی ہیں۔
- IV۰ مالی حسابات کی تیاری میں پاکستان میں لاگو بین الاقوامی مالیاتی رپورٹنگ کے معیارات کی پیروی کی گئی ہے اور کسی انحراف کا واضح انکشاف اور وضاحت کی گئی ہے۔
- V۰ اندرونی کنٹرول کے نظام کا ڈیزائن مستحکم ہے اور اسکی مؤثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔
- VI۰ کپینی کے گولنگ کنٹریں ہونے کی صلاحیت پر کوئی قابل ذکر شکوک و شبہات نہیں ہیں۔
- VII۰ گزشتہ چھ سالوں کے کلیدی آپریشنل اور مالی اعداد و شمار سالانہ رپورٹ میں دئے گئے ہیں۔
- VIII۰ میکسر، ڈیوشیز، بیویز اور بٹالیا چارجز کی مد میں معلومات اکاؤنٹ کے نوٹس میں دی گئی ہیں۔

IX۰ کارپوریٹ ری سٹرکچرنگ، کاروباری وسعت اور آپریشن کی معطلی مع مستقبل کے امکانات، خطرات اور غیر یقینی حالات کی بابت اہم منصوبوں اور فیصلوں کا ڈائریکٹری رپورٹ کے متعلقہ

سیکشن میں انکشاف کیا گیا ہے۔



X* 30 جون 2022 کے گزشتہ نظر ثانی شدہ حسابات پر مبنی ایسپلائی ریٹائرمنٹ فنڈ میں سرمایہ کاری کی قیمت درج ذیل ہے:

گر پچھلی فنڈ 134 ملین روپے

I- سال کے دوران ہونے والے بورڈ اور کمیٹیوں کے اجلاسوں کی تفصیلات اور ہر ڈائریکٹر کی حاضری سالانہ رپورٹ میں بیان کی گئی ہے۔ غیر حاضری کی رخصت ان ڈائریکٹرز/ممبروں کو دی گئی جو بورڈ اور کمیٹی کے اجلاسوں میں شرکت نہیں کر سکتے تھے۔

II- کمیٹی میں شیئر ہولڈنگ کے نمونہ کا بیان جس میں 30 جون 2022 تک حصص یافتگان کے یقینی درصوں کا انکشاف نظر ثانی شدہ سی سی جی کے تحت ضروری ہے اور سال کے دوران ڈائریکٹرز، ایگزیکٹوز اور ان کے نائبین بچوں کی طرف سے حصص کی خرید و فروخت سالانہ رپورٹ میں ظاہر کی گئی ہے۔

ضابطہ اخلاق

کمیٹی نے "ڈائریکٹرز اور ملازمین کے لئے ضابطہ اخلاق" تیار کیا ہے اور بورڈ نے اس کی منظوری دی ہے۔

ضابطہ اخلاق کے ترجیحی معیارات

I- حفاظت: حفاظت کے بغیر کوئی پیداوار نہیں ہو سکتی ہے۔

II- کوآپٹیو: مینوفیکچرنگ اور مارکیٹنگ پر ڈیکس کے ذریعہ گاہکوں کے مکمل اطمینان کو حاصل کرنے کے لئے جو کسی بھی قیمت پر اعلیٰ معیار کی سطح حاصل کرتے ہیں اور صارفین کو ان کے شیوں کے عوض بہترین قیمت مہیا کرتے ہیں۔ ہم کھانے پینے کے تمام متعلقہ قوانین اور معیارات پر سختی سے عمل کرتے ہوئے، صارفین کی ضروریات کو بہتر طور پر پیش کرنے، مصنوع کو بہتر بنانے اور متنوع بنانے، اپنے معیار کے نظام کو مسلسل بہتر بنانے، اور اپنے اخراجات اور قیمتوں پر قابو پانے کے ذریعے اپنے صارفین کے لئے صارفین کی افادیت کو بڑھانے کے لئے پرعزم ہیں۔

III- پیداواری صلاحیت: حفاظت اور معیار کے ساتھ ہم میں سے ہر ایک اپنی سرگرمیوں یعنی پیداوار، سٹریٹجی، مارکیٹنگ، پلاننگ، اینڈ ڈویلپمنٹ، فنانس، ایمپورٹ، سپلائی چین مینجمنٹ، ہیومن ریسورسز اینڈ ایڈمنسٹریشن وغیرہ کے تمام شعبوں میں کارکردگی کو بہتر بنانے کی کوشش کرتا ہے۔

حفاظت، صحت اور ماحولیات

پنجاب آئل ملز لمیٹڈ اپنی کاروباری ذمہ داری ادا کرتی ہے اور ایک طرح سے اپنے ساتھیوں اور معاشرے کے ماحولیاتی پہلوؤں سے صحت، حفاظت اور تحفظ کو یقینی بناتی ہے۔ ہم ایسے پروگراموں کو نافذ اور برقرار رکھتے ہیں جو مناسب یقین دہانی فراہم کرتے ہیں کہ کاروبار مندرجہ ذیل کام کرے گا:

1- تمام قابل اطلاق حکومتی اور داخلی صحت، حفاظت اور ماحولیاتی ضروریات کی تعمیل کرنا۔

2- سہولیات کو ڈیزائن اور اس انداز سے کام سرانجام دیں جو انسانی صحت، حفاظت اور ماحولیات کے خطرہ سے محفوظ ہوں۔

کارپوریٹ گورننس کے ضابطہ اخلاق کی تعمیل

کارپوریٹ گورننس کے ضابطہ اخلاق کی تعمیل کا بیان سالانہ رپورٹ کے ساتھ منسلک ہے۔

کارپوریٹ سماجی ذمہ داری

پنجاب آئل ملز جہاں کام کرتی ہے وہاں کی مقامی کمیونٹی کے بارے میں اپنی قانونی اور اخلاقی ذمہ داریوں کا علم رکھتی ہے۔ چونکہ بورڈ نے انتظامیہ کو صحت اور تعلیم کے شعبوں میں مقامی کمیونٹی کی خدمت کر کے اپنی کارپوریٹ سماجی ذمہ داریوں کو استعمال کرنے کا اختیار دیا ہے۔ جبکہ معاشرے میں شراکت کرتے ہوئے پی او ایم ایل SOS دیہات/یتیم گھروں کی تمام خریداری پر 50 فیصد کی خصوصی

رعایت دے رہا ہے۔ پی او ایم ایل پاکستان پمٹل ہارٹ ایسوسی ایشن کو بھی مفت دوا کیں اور میڈیکل کمپ میپا کرنے اور عوام میں دل کی بیماریوں سے آگاہی بڑھانے میں تعاون کر رہی ہے۔

واٹر فلٹریشن پلانٹ

پنجاب آئل ملز لیمنٹ نے 2015 میں کمپنی کی بیرونی دیوار کے باہر ایک فری واٹر فلٹریشن پلانٹ نصب کیا ہے۔ پلانٹ کے ارد گرد کے علاقوں کے لوگ صاف پانی سے لطف اندوز ہوتے ہیں۔

سرٹیفیکیشنز SO 9001: FSSC 22000

کمپنی نے ISO 9001 اور FSSC 22000 کے قواعد کے مطابق مکمل طور پر دستاویزی اور آزادانہ منجمنٹ اور فوڈ سینیٹیٹی منجمنٹ سسٹمز تیار کیے ہیں۔ یہ یقینی بناتا ہے کہ ہماری تیار کردہ مصنوعات اعلیٰ معیار کے مطابق ہیں اور ہر طرح کے فوڈ سینیٹیٹی خطرات سے آزاد ہیں تاکہ ہمارے صارفین کی صحت کی حفاظت کی جاسکے۔ ہم واحد پاکستانی کمپنی ہیں جو جرمنی میں ایک تسلیم شدہ لیبارٹری سے بین الاقوامی معیار کے مطابق کیڑے ماراویات اور دیگر نقصان دہ کیمیکلز کے لئے اپنے پری میم کھانا پکانے والے تیلوں کا باقاعدگی سے جانچ کرتے ہیں۔

ڈائریکٹرز ٹینگ پروگرام

کمپنی اپنے بورڈ ممبران اور انتظامی ٹیم کی پیشہ وارانہ ترقی میں گہری دلچسپی لیتی ہے اور کوڈ آف کارپوریٹ گورننس کے تقاضوں کے مطابق ضروری ٹریننگز کا انتظام کیا ہے اور یقینی بناتی ہے کہ بورڈ کے تمام ڈائریکٹرز ڈائریکٹرز ٹینگ سرٹیفیکیشن کے تقاضوں کی تعمیل کرتے ہیں۔ پانچ ڈائریکٹرز نے ڈائریکٹرز ٹینگ پروگرام مکمل کر لیا ہے اور کمپنی دو فی میل ڈائریکٹرز کے لئے DTP کا انتظام کر رہی ہے۔

عملے کی ریٹائرمنٹ فوائد

کمپنی ایک ایسے فنڈ سے چلنے والی گریجویٹ اسکیم چلاتی ہے جس میں اس کے تمام ملازمین کا احاطہ کیا جاتا ہے جن کی کمپنی کے ساتھ خدمات کی مدت ایک سال سے زیادہ ہے۔ اس اسکیم کے تحت ذمہ داری کو پورا کرنے کے لئے ہر سال فراہمی کی جاتی ہے۔ کمپنی مسلسل ملازمت کے ایک سال مکمل ہونے کے بعد کمپنی چھوڑنے پر ممبروں کو ایک ایک لاکھ روپے کی گریجویٹ ادائیگی کرتی ہے۔

مستقبل کا نقطہ نظر

زیر جائزہ سال ایک انتہائی چیلنجنگ تھا، دوسرے حریفوں کی طرف سے نہ صرف معمول کی سخت مسابقت، بلکہ کھانے کے تیل کی بین الاقوامی قیمتوں میں غیر متوقع اضافہ، یوکرین جنگ اور پام آئل کے دنیا کے سب سے بڑے پروڈیوسر انڈونیشیا کی طرف سے برآمدی فروخت پر عارضی پابندی جیسے مارکیٹ کو غیر متوقع چیلنجوں کی وجہ سے ہوا۔ پاکستانی روپیہ کی قدر بھی مسلسل کم ہوئی، جس نے اخراجات کے دباؤ میں مزید اضافہ کیا۔

اگرچہ خوردنی تیل کی قیمتیں ماضی قریب میں قائم ہونے والی بلند یوں سے اب نیچے آگئی ہیں، لیکن پاکستانی روپیہ کی قدر میں کمی اور اتار چڑھاؤ تیل کی قیمتوں کا باعث رہی اور اس نے ہماری زیر التوا درآمدات کی قدر کو بین الاقوامی قیمتوں کے مطابق کم کر دیا ہے۔ اس کے ساتھ ساتھ بجلی کے نرخ بھی کافی زیادہ ہو گئے ہیں اور اس میں کمی کی کوئی آگاہی نظر نہیں آتی۔

حکومت کی طرف سے دباؤ بھی ہے، جو معاشی وجوہات سے زیادہ سیاسی بنیادوں پر ہے، تاکہ صنعت کی فروخت قیمتوں کو کم کیا جائے، جس سے غیر یقینی صورتحال میں اضافہ ہو رہا ہے۔

بین الاقوامی سطح پر تیل کی قیمتوں میں کمی کے باوجود، ہم اگلے سال کے لیے فروخت کی اوسط زیادہ قیمتوں کی پیش گوئی کرتے ہیں، جو کہ زیادہ ورنگل سرمائے کی ضروریات کا اشارہ ہے۔ تاہم، ملک میں ادائیگیوں کے توازن کے بحران اور غیر ملکی زرمبادلہ کی کم دستیابی کے ساتھ، مالی اعانت کے لیے مزید مدد فراہم کرنے کے لیے بینکوں کی آمدگی اور صلاحیت کم ہو گئی ہے۔ اس کا مقابلہ کرنے کے لیے انتظامیہ ورنگل کیمپول منجمنٹ کو سخت کرنے کی کوشش کر رہی ہے اور جہاں بھی ممکن ہونے کی کوشش کر رہی ہے جب تک کہ غیر یقینی کی موجودہ صورتحال ختم نہیں ہو جاتی۔



آگے بڑھتے ہوئے، ہم محسوس کرتے ہیں کہ محتاط انداز کو برقرار رکھنا کھمداری ہے۔ تاہم، سرمایہ کاری کرنے کی ضرورت کے ساتھ جہاں ضروری ہو، جیسے کہ کٹھنی توانائی اور ہماری اہم مصنوعات کی تجدید شدہ مارکیٹنگ سے متوازن کرنے کی ضرورت ہے۔ اس مقصد کے لیے انتظامیہ اپنی قیمتوں اور فروخت کی پالیسیوں کا مسلسل جائزہ لے رہی ہے تاکہ موثر آپریشنز کے لیے نقد بہاؤ کو برقرار رکھتے ہوئے بہتر منافع کے ساتھ فروخت میں ریکوری کو ممکن بنایا جاسکے۔

اظہار تشکر

ہم اپنے تمام صارفین، سپلائرز اور فنکاروں کے مسلسل تعاون اور کٹھنی کی ترقی میں ان کی مدد کا شکریہ ادا کرتے ہیں۔ ہم یہ امید ہیں کہ یہ تعاون اور معاونت مستقبل میں بھی ہمیں حاصل رہے گی۔ ہم اپنے چیف ایگزیکٹو آفیسر کی پُر عزم، جھنکی اور متحرک ٹیم، کٹھنی کے تمام عملے اور کارکنوں کے بھی شکر گزار ہیں جنہوں نے زیر جائزہ سال کے دوران انتہائی محنت اور لگن کے ساتھ اپنی ذمہ داریاں سرانجام دیں۔ ہم توقع کرتے ہیں کہ سال رواں میں بھی بہتر نتائج کے لئے ہمارے اسٹاف میمبرز کی کوششیں جاری رہیں گی۔

آخر میں، کٹھنی کی انتظامیہ اپنے بورڈ کا شکریہ ادا کرتی ہے جنہوں نے مقاصد کے حصول کے لئے ہمیں اپنے بھرپور تعاون سے نوازا اور ہمیں حسب معمول ہر مرحلے پر ان کی راہنمائی اور معاونت حاصل رہی۔

بحکم بورڈ

(طاہر جہانگیر)

چیئرمین

30 ستمبر 2022ء

(عثمان الہی ملک)

چیف ایگزیکٹو آفیسر



STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 AS ON, JUNE 30, 2022

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

1. The total number of Directors are Seven (7) as per the following:

a. Male	Five
b. Female	Two

2. The composition of Board of Directors is as follows:

Category	Number	Names
Independent Director	1	Mr. Firasat Ali
Non-Executive Directors	4	Mr. Tahir Jahangir Mrs. Munizae Jahangir Miss Mehrunisa Malik Mr. Furqan Anwar Batla
Executive Directors	2	Mr. Usman Ilahi Malik Mr. Jilani Jahangir
Female Directors	2	Mrs. Munizae Jahangir Miss Mehrunisa Malik

- The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.
- The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
- The Board has developed a vision/mission statement, overall Corporate Strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company.
- All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/shareholders as empowered by the relevant provisions of the Act and these regulations.
- The meetings of the Board were presided over by the Chairman and, in absence, by a director elected by the board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.
- The Board have a formal policy and transparent procedures for remunerations of directors in accordance with the Act and these Regulations.
- The Board have done Director's Training Programme.

Name	Designation
Mrs. Munizae Jahangir	Non-Executive Director
Miss Mehrunisa Malik	Non-Executive Director
Mr. Jilani Jahangir	Executive Director
Mr. Firasat Ali	Independent Director
Mr. Furqan Anwar Batla	Non-Executive Director
Name of Directors Exempted under Clause xi of the Code	Designation
Mr. Tahir Jahangir	Chairman
Mr. Usman Ilahi Malik	Chief Executive Officer



10. The board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. Chief 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 Committee

Name	Designation
i) Mr. Firasat Ali	Chairman
ii) Miss Mehrunisa Malik	Member
iii) Mr. Furqan Anwar Batla	Member

b) HR and Remuneration Committee

Name	Designation
i) Mr. Firasat Ali	Chairman
ii) Mr. Usman Ilahi Malik	Member
iii) Mrs. Munizae Jahangir	Member
iv) Mr. Furqan Anwar Batla	Member
v) Mr. Jilani Jahangir	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance,
14. The frequency of meetings (quarterly/half yearly/yearly) of the committee were as per following:

Meeting	Frequency
Audit Committee	Four meetings of Audit Committee were held during the financial year ended June 30, 2022.

15. The Board has set up an effective Internal Audit Function which is considered suitable qualified and experienced for the purpose and are converted with the policies and procedures of the Company.
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company.
17. The Statutory Auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all other requirements of the Regulations have been complied with.

(USMAN ILAHI MALIK)
CHIEF EXECUTIVE OFFICER



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KEY FINANCIAL DATA LAST SIX YEARS

PARTICULARS	2017	2018	2019	2020	2021	2022
Issued, Subscribed and paid up capital	53,906,520	53,906,520	53,906,520	53,906,520	53,906,520	53,906,520
Capital Reserves	23,137,159	23,137,159	23,137,159	23,137,159	23,137,159	23,137,159
General Reserves	8,600,000	8,600,000	8,600,000	8,600,000	8,600,000	8,600,000
Deferred Liabilities	86,700,393	93,038,292	99,819,739	142,716,824	140,260,068	197,697,763
Current Liabilities	822,222,804	793,643,904	856,306,600	985,311,696	1,081,949,229	1,704,967,536
Operating Fixed Assets	654,904,327	644,451,088	685,598,237	662,687,107	676,081,418	2,134,294,725
Current Assets	1,375,741,612	1,375,489,892	1,481,133,521	1,715,099,793	1,765,425,082	2,468,031,725
Sales	4,441,220,968	4,950,808,026	5,504,226,272	5,268,462,350	5,981,842,659	8,837,676,009
Gross Profit	695,054,052	739,662,775	808,226,206	789,097,517	699,217,615	816,403,384
Operating Profit	221,320,317	189,507,206	250,135,554	224,667,434	65,581,927	210,896,245
Profit before taxation	208,195,369	174,288,264	228,481,386	206,799,347	66,197,773	181,201,934
Profit after taxation	143,777,070	69,155,642	107,377,820	84,178,161	(16,961,612)	67,309,215



Independent Auditors' Review Report of Punjab Oil Mills Limited
Review Report on 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 Punjab Oil Mills Limited (the Company) for the year ended 30 June 2022 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

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

Further, we highlighted below instance(s) of non-compliance(s) with the requirement(s) of the Regulations as reflected in the paragraph 2 of the statement of compliance:

Sr. No.	Paragraph Reference	Description
1.	Regulation 6 of CCG, 2019	There is only one independent director on the Board of Directors of the Company.

Date: September 30, 2022
Lahore

UDIN: CR202210055FvCVc3Jon

Malik Haroon Shahid

Malik Haroon Shahid Safder & Co.
Chartered Accountants



Independent Auditor's Report

To the members of Punjab Oil Mills Limited
Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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



Following are the Key audit matters:

Key Audit Matters

1. Sales

(Reference note No. 35)

The Company generates revenue from the sales of cooking oil, banaspati ghee, speciality fats, soap coffee and mushroom for Rs. 8.83 billion which is 1.89 times of the total assets.

We identified recognition of sales as a key audit matter because sales is one of the key performance indicator of the Company and give to an inherent risk of misstatement to meet expectations or target.

How the matter was addressed in our audit

Our audit procedures amongst others included the following:

- Obtaining an understanding of the process relating to recording of sales and testing the design, implementation and operating effectiveness of key internal controls over recording of revenue;
- Assessing the appropriateness of the Company's accounting policies for recording of sales and compliances of those policies with applicable accounting standards;
- Comparing a sample of sale transactions recorded during the year with sales orders, sales invoices, delivery challans and other relevant underlying documents;
- Comparing a sample of sale transactions recorded around the year with sales orders, sales invoices, delivery challans and other relevant underlying documents to assess if the sales are recorded in the appropriate accounting period;
- Comparing, on a sample basis, specific sale transactions recorded just before and just after the financial year end date to determine whether the revenue has been recognized in the appropriate financial period; and
- Scanning for any manual journal entries relating to sales raised during the year which were considered to be material or met other specific risk based criteria for inspecting underlying documentation.



2. Revaluation of Property Plant and Equipment

(Reference note No. 21)

During the year company has made valuation of its land, building, plant and machinery amounting to Rs. 1,485,923,780/-

We identified revaluation of property plant and equipment as a key audit matter because its amount is material to the financial statements as it covers 32% of total assets. In addition, process of valuation is a highly complex and judgmental process which involves assumptions and methods affected by future economic and market conditions.

Our audit procedures amongst others included the following:

- Assessing competence, capability and objectivity of independent valuer;
- Obtaining revaluation report from valuer and discussing with management and expert the appropriateness of assumptions and methodologies used;
- Checking relevance, completeness and accuracy of source data;
- Recalculating the revaluation surplus in accordance with the provisions of IAS 16, property plant and equipment to confirm the correctness of the accounting entries; and
- Ensuring that revaluation is properly accounted for and disclosed in financial statements.

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

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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



concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit



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

Report on Other Legal and Regulatory Requirements

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

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

Date: September 30, 2022
Lahore
UDIN: AR202210055TuoiVIwtK

Malik Haroon Shahid Safder & Co.
Chartered Accountants

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CANOLIVE[®]

	Canola Oil	Mustard Oil	Almond Oil
1. Hydrolyzable Polyphenol Antioxidant Present in Oil	Yes	No	No
2. Presence of Oleic Acid	High	Low	High
3. Rich in Omega-3	Yes	No	No
4. Rich in Omega-6	Low	High	Low
5. Rich in Vitamin E	High	Low	Low

- Hydrolyzable Polyphenol Antioxidant Present in Oil is known to have numerous health properties attributed to Olive Oil
- Presence defined as more than 1%
- Rich defined as greater than 5% per TBSP

Sources: Canola Council of Canada, Indian Oil Corporation, National Food Safety and Standards Authority of India (FSSAI)

Ingredients: Blend of 90% Canola Oil, 10% Sunflower Oil, Natural Olive Extract, Vitamin A, D, E, & C, Antioxidant (BHT)

Manufactured By: PUNJIB OIL MILLS LIMITED
 100, Industrial Area, Phase-III, Ludhiana, Punjab, India
 Phone: 91-181-2222222
 Fax: 91-181-2222222

Manufactured by: GONDA OILS, E.A.
 100, Industrial Area, Phase-III, Ludhiana, Punjab, India
 Phone: 91-181-2222222
 Fax: 91-181-2222222

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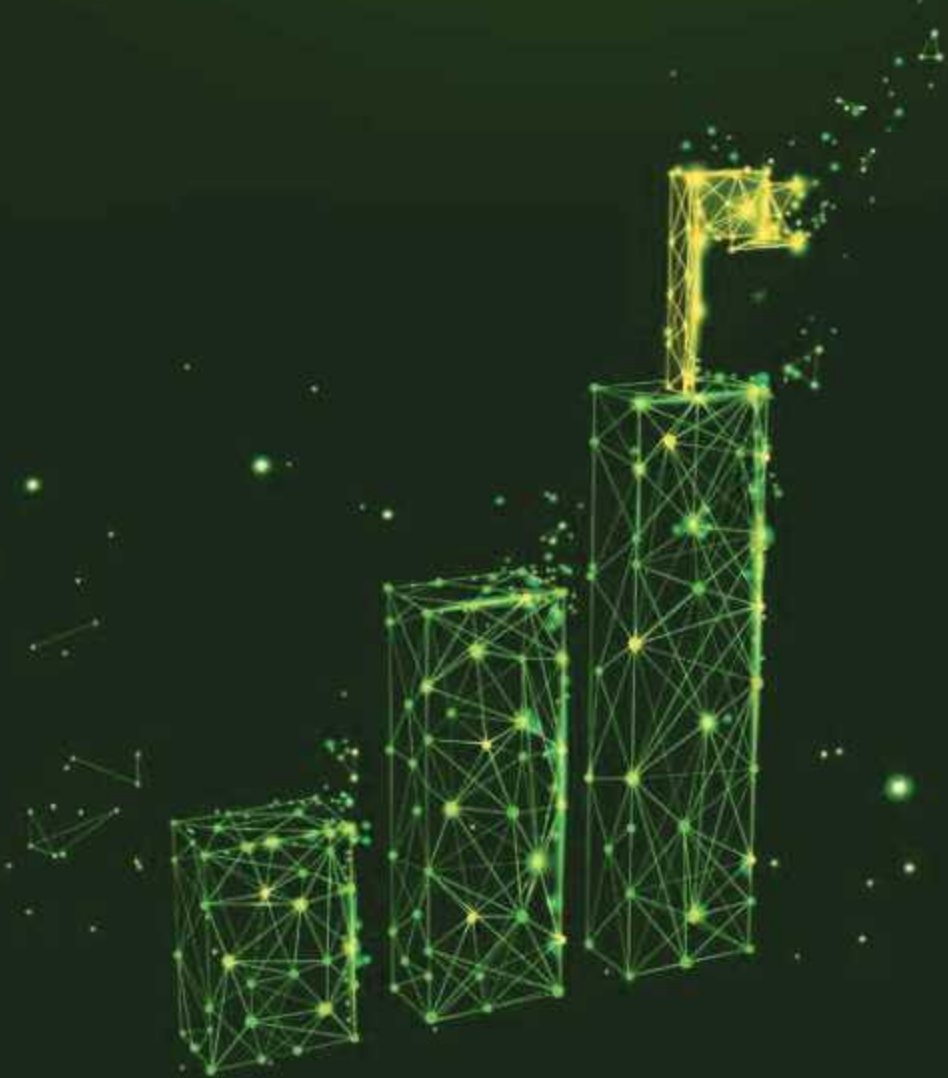
Enriched with Olive Extract

SEHAT PAR AB
NO SAMJHOTA

SEHAT PAR AB
NO SAMJHOTA



Punjab Oil Mills Limited



Statement of Financial Position

ANNUAL REPORT 2022



STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

EQUITY AND LIABILITIES	Note	2022 Rupees	2021 Rupees
SHARE CAPITAL AND RESERVES			
Authorized share capital			
10,000,000 (2021: 10,000,000) ordinary shares of Rs. 10/- each		100,000,000	100,000,000
Issued, subscribed and paid-up capital	8	53,906,520	53,906,520
Capital reserves	9	23,137,159	23,137,159
Surplus on revaluation of property, plant and equipment- net of tax	10	1,782,650,951	355,504,971
Revenue reserves	11	909,474,371	835,556,503
		<u>2,769,169,001</u>	<u>1,268,105,153</u>
NON-CURRENT LIABILITIES			
Deferred liabilities	12	193,482,102	131,203,390
Long term borrowings	13	-	9,056,678
Liabilities against assets subject to finance lease	14	4,215,661	-
		<u>197,697,763</u>	<u>140,260,068</u>
CURRENT LIABILITIES			
Trade and other payables	15	1,035,110,975	624,814,399
Short term borrowings	16	413,412,029	218,499,258
Current portion of non-current liabilities	17	11,082,599	21,154,291
Accrued mark up	18	6,840,235	2,159,235
Unclaimed dividend		9,102,088	8,789,596
Provision for taxation	19	229,419,610	206,532,450
		<u>1,704,967,536</u>	<u>1,081,949,229</u>
Contingencies and commitments	20	-	-
		<u>4671,834,300</u>	<u>2,490,314,450</u>
ASSETS			
NON-CURRENT ASSETS			
Tangible fixed assets			
Property, plant and equipment	21	2,124,245,065	636,426,057
Right of use assets	22	5,127,764	-
Capital work in progress	23	-	27,318,665
		<u>2,129,372,829</u>	<u>663,744,722</u>
Intangible assets	24	4,921,896	12,336,696
Investment in associate	25	-	-
Long term deposits	26	69,507,850	48,807,950
		<u>2,203,802,575</u>	<u>724,889,368</u>
CURRENT ASSETS			
Stores, spare parts and loose tools	27	137,349,995	133,127,179
Stock in trade	28	832,322,595	505,054,831
Trade debts	29	1,058,124,372	786,637,417
Loans and advances	30	76,597,371	69,786,897
Trade deposits and short term prepayments	31	29,665,367	22,149,113
Short term investment		8,000,000	-
Other receivables	32	49,079,364	43,230,014
Advance income tax	33	213,296,936	178,765,577
Cash and bank balances	34	63,595,725	26,674,054
		<u>2,468,031,725</u>	<u>1,765,425,082</u>
		<u>4,671,834,300</u>	<u>2,490,314,450</u>

The annexed notes from 01 to 55 form an integral part of these financial statements.

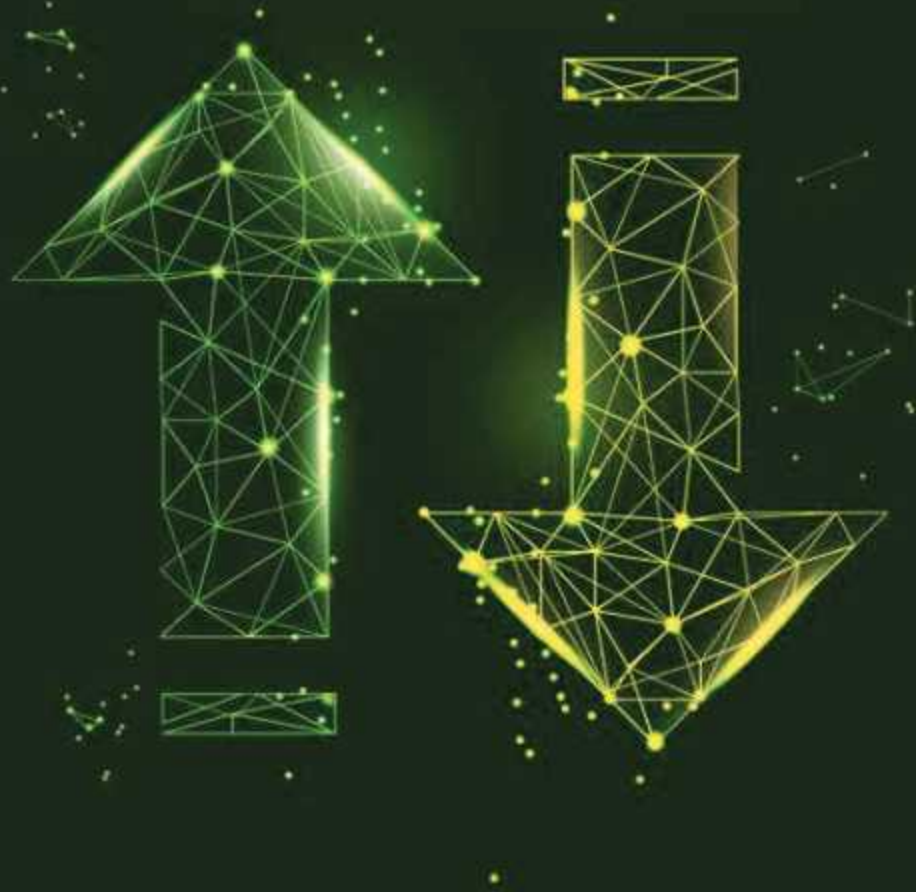
CHAIRMAN / DIRECTOR

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE OFFICER



Punjab Oil Mills Limited



Statement of Profit or Loss

ANNUAL REPORT 2022



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

	Note	2022 Rupees	2021 Rupees
Sales - net	35	8,837,676,009	5,981,842,659
Cost of sales	36	8,021,272,625	5,282,625,044
Gross profit		816,403,384	699,217,615
Operating expenses:			
Selling and distribution cost	37	361,945,551	394,896,448
Administrative expenses	38	243,561,588	238,739,240
		605,507,139	633,635,688
Operating profit		210,896,245	65,581,927
Finance cost	39	48,269,571	18,182,103
Other charges	40	14,149,948	4,877,506
		62,419,519	23,059,609
		148,476,726	42,522,318
Other income	41	32,725,208	23,675,455
Profit before taxation		181,201,934	66,197,773
Taxation	42	113,892,719	83,159,385
Net profit / (loss) for the year		67,309,215	(16,961,612)
Earnings / (loss) per share - basic and diluted	43	12.49	(3.15)

Appropriations have been reflected in the statement of changes in equity.

The annexed notes from 01 to 55 form an integral part of these financial statements.

CHAIRMAN / DIRECTOR

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE OFFICER



Punjab Oil Mills Limited



Statement of Comprehensive Income

ANNUAL REPORT 2022



**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022**

Note	2022 Rupees	2021 Rupees
Profit / (loss) for the year	67,309,215	(16,961,612)
Other comprehensive income:		
Items that will not be reclassified to the statement of profit or loss:		
Remeasurement gain/(losses) on defined benefit plans	6,143,976	(5,745,233)
Deferred tax thereon	(1,781,753)	1,666,118
	4,362,223	(4,079,115)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	71,671,438	(21,040,727)

The annexed notes from 01 to 55 form an integral part of these financial statements.

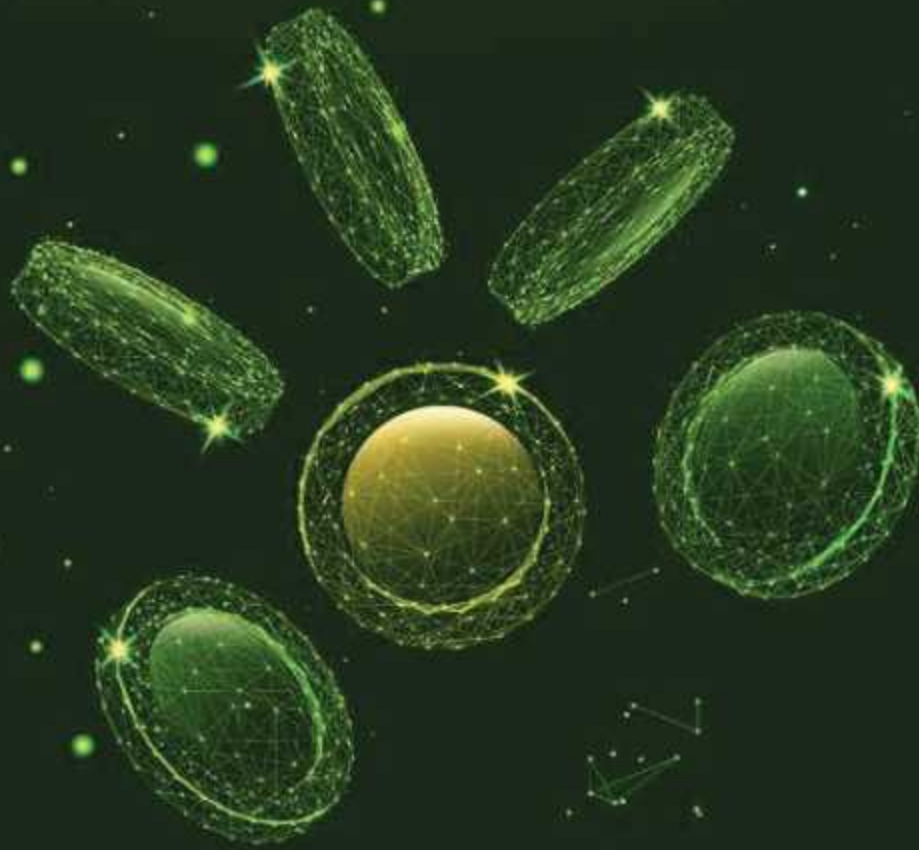
CHAIRMAN / DIRECTOR

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE OFFICER



Punjab Oil Mills Limited



Statement of Cash Flows

ANNUAL REPORT 2022



Punjab Oil Mills Limited

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

CASH FLOW FROM OPERATING ACTIVITIES	Note	2022 Rupees	2021 Rupees
Profit for the year before taxation		181,201,934	66,197,773
Adjustments for following items:			
Workers' profit participation fund	40	9,692,783	3,498,550
Workers' welfare fund	40	2,869,113	-
Provision for staff retirement benefits	12.01	18,495,944	15,630,595
Depreciation	21.01	40,457,144	40,400,856
Amortization of intangible assets	37	7,414,800	7,422,547
Finance cost	39	48,269,571	18,182,103
		<u>127,199,355</u>	<u>85,134,651</u>
Operating profit before working capital changes		308,401,289	151,332,424
(Increase) / decrease in current assets:			
Stores, spare parts and loose tools		(4,222,816)	(19,336,704)
Stock in trade		(327,267,764)	(101,050,761)
Trade debts		(271,486,955)	28,977,431
Loan and advances		(6,810,474)	18,726,518
Trade deposits and short term prepayments		(7,516,254)	(2,476,072)
Short term investment		(8,000,000)	-
Other receivables		(5,849,350)	(25,838,597)
		<u>(631,153,613)</u>	<u>(100,998,185)</u>
Increase / (decrease) in current liabilities:			
Trade and other payables		401,203,767	91,697,710
Cash generated from operations		<u>78,451,443</u>	<u>142,031,949</u>
Workers' profit participation fund paid		(3,560,924)	(11,261,820)
Workers' welfare fund paid		-	(1,617,110)
Staff retirement benefits paid		(4,700,542)	(3,633,984)
Finance cost paid		(43,495,294)	(18,250,591)
Income tax paid		(123,762,991)	(90,411,392)
Dividend paid		(5,078,160)	(89,474)
		<u>(180,597,911)</u>	<u>(125,264,371)</u>
Net cash generated from / (used in) operating activities		(102,146,468)	16,767,578
CASH FLOW FROM INVESTING ACTIVITIES			
Fixed capital expenditure	21	(7,378,857)	(4,250,136)
Payment against lease liabilities	14	(775,699)	-
Capital work in progress	23	(6,803,454)	(42,137,982)
Intangibles	24	-	(14,829,596)
Long term deposits	26	(20,699,900)	(9,420,450)
Net cash used in investing activities		(35,657,910)	(70,638,164)
CASH FLOW FROM FINANCING ACTIVITIES			
Long term borrowings	13	(20,186,722)	3,183,890
Short term borrowings	16	194,912,771	44,400,689
Net cash flow generated from financing activities		174,726,049	47,584,579
Net increase / (decrease) in cash and cash equivalents		36,921,671	(6,286,007)
Cash and cash equivalents at the beginning of the year		26,674,054	32,960,061
Cash and cash equivalents at the end of the year	34	<u>63,595,725</u>	<u>26,674,054</u>

The annexed notes from 01 to 55 form an integral part of these financial statements.

CHAIRMAN / DIRECTOR

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE OFFICER



Punjab Oil Mills Limited



Statement of Changes in Equity



**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022**

	(Rupees)					
	Share Capital	Capital Reserves	Revaluation Surplus	Revenue Reserves		Total
				General Reserves	Un-appropriated Profit	
Balance as at 01 July 2020	53,906,520	23,137,159	362,793,467	8,600,000	840,708,734	1,289,145,880
Loss for the year ended 30 June 2021	-	-	-	-	(16,961,612)	(16,961,612)
Other comprehensive loss for the year	-	-	-	-	(4,079,115)	(4,079,115)
Total comprehensive loss for the year	-	-	-	-	(21,040,727)	(21,040,727)
Transfer from surplus on revaluation of property, plant and equipment on account of - Incremental depreciation - net of deferred tax	-	-	(7,288,496)	-	7,288,496	-
Balance as at 01 July 2021	53,906,520	23,137,159	355,504,971	8,600,000	826,956,503	1,268,105,153
Profit for the year ended 30 June 2022	-	-	-	-	67,309,215	67,309,215
Surplus on revaluation of property, plant and equipment - net of deferred tax	-	-	1,434,783,062	-	-	1,434,783,062
Other comprehensive income for the year	-	-	-	-	4,362,223	4,362,223
Total comprehensive income for the year	-	-	1,434,783,062	-	71,671,438	1,506,454,500
Transfer from surplus on revaluation of property, plant and equipment on account of - Incremental depreciation - net of deferred tax	-	-	(7,637,082)	-	7,637,082	-
Transaction with owners recorded directly in Equity - Distributions						
10% Final dividend for the year 2021	-	-	-	-	(5,390,652)	(5,390,652)
	-	-	-	-	(5,390,652)	(5,390,652)
Balance as at 30 June 2022	53,906,520	23,137,159	1,782,650,951	8,600,000	900,874,371	2,769,169,001

Appropriations of dividend are disclosed in note No. 53 to these financial statements.
The annexed notes from 01 to 55 form an integral part of these financial statements.

CHAIRMAN / DIRECTOR

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE OFFICER

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

1 LEGAL STATUS AND NATURE OF BUSINESS

Punjab Oil Mills Limited ('the Company') was incorporated in Pakistan as a Public Limited Company on 05 February 1981. The Company is listed on Pakistan Stock Exchange Limited. The registered office and Plant of the Company are located at Plot No. 26, 27 and 28, Industrial Triangle, Kahuta Road, Islamabad, Pakistan. The head office of the Company is located at 19-A/1, Block E-II, Gulberg III, Lahore, Punjab, Pakistan.

The Company is principally engaged in the manufacturing and sale of Banaspati Ghee, Cooking Oil, Specialty Fats, Laundry Soap, Mushroom and Coffee.

2 SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING THE COMPANY'S FINANCIAL POSITION AND PERFORMANCE

All significant transactions and events that have affected the Company's statement of financial position and performance during the year have been adequately disclosed in the notes to these financial statements. For a detailed discussion about these significant transactions and events please refer to the Directors' report.

3 BASIS OF PREPARATION

3.01 Statement of compliance

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

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

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

3.02 Standards, interpretations and amendments to published approved accounting standards

The following amendments to existing standards have been published that are applicable to the Company's financial statements covering annual periods, beginning on or after the following dates:

- Standards, amendments to published standards and interpretations effective in current year

The Company has adopted the following revised standards and amendments of IFRSs which became effective for the current year:

- IAS 1 - Presentation of Financial Statements - Amendments regarding the definition of material
- IAS 8 - Accounting policies, changes in accounting estimates and errors - Amendments regarding the definition of material
- IAS 41 & IFRS 9 - Financial Instruments - Amendments regarding pre-replacement issues in the context of the IBOR reform
- IAS 41 - Agriculture - Amendments resulting from Annual Improvements to IFRS Standards 2018-2020 (taxation in fair value measurements)
- IFRS 3 - Business combinations - Amendments to clarify the definition of a business
- IFRS 7 - Financial Instruments: Disclosures - Amendments regarding pre-replacement issues in the context of the IBOR reform
- IFRS 11 - Joint arrangements - Amendments resulting from Annual Improvements 2015-2017 Cycle (remeasurement of previously held interest)
- IFRS 16 - Leases - Amendment to provide lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification
- IFRS 4 - Insurance contracts - Amendments regarding replacement issues in the context of the IBOR reform



IFRS 7, IFRS 9 & IAS 39 -	Financial Instruments: Disclosure - Amendments regarding replacement issues in the context of the IBOR reform	01 January 2021
IFRS 16 -	Leases - Amendments regarding replacement issues in the context of the IBOR reform	01 January 2021

- Standards, interpretations and amendments to existing standards that are not yet effective

The following amendments and interpretations to existing standards have been published and are mandatory for accounting periods beginning on or after their respective effective dates.

Standard or Interpretation		Effective Date (Annual periods beginning on or after)
IAS 1 -	Presentation of Financial Statements - Amendment to defer the effective date of the January 2020 amendments	01 January 2023
	Presentation of Financial Statements - Amendments regarding the classification of liabilities	01 January 2023
	Presentation of Financial Statements - Amendments regarding the disclosure of accounting policies	01 January 2023
IAS 8 -	Accounting policies, changes in accounting estimates and errors - Amendments regarding the definition of accounting estimates	01 January 2023
IAS 12 -	Income Taxes - Amendments regarding deferred tax on leases and decommissioning obligations	01 January 2023
IAS 16 -	Property, Plant and Equipment - Amendments prohibiting a Company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Company is preparing the asset for its intended use	01 January 2022
IAS 37 -	Provisions, Contingent Liabilities and Contingent Assets - Amendments regarding the costs to include when assessing whether a contract is onerous	01 January 2022
IFRS 1 -	First-time Adoption of International Financial Reporting Standards Amendments resulting from Annual Improvements to IFRS Standards 2018-2020 (subsidiary as a first-time adopter)	01 January 2022
IFRS 3 -	Business combinations (Amendments)	01 January 2022
IFRS 4 -	Insurance contracts - Amendments regarding the expiry date of the deferral approach	01 January 2023
IFRS 17 -	Insurance contracts - Amendments to address concerns and implementation challenges that were identified after IFRS 17 was published (includes a deferral of the effective date to annual periods beginning on or after 1 January 2023)	01 January 2023
IFRS 9 -	Financial Instruments - Amendments resulting from Annual Improvements to IFRS Standards 2018-2020 (fees in the '10 per cent')	01 January 2022

The above standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements except for the increased disclosures in certain cases.

In addition to the above, the following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standard or Interpretation	Effective Date (Annual periods beginning on or after)
IFRS 14 - Regulatory Deferral Accounts	01 January 2016
IFRS 17 - Insurance contracts	01 January 2021

The Company expects that above new standards will not have any material impact on the Company's financial statements in the period of initial application.



4 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention except for certain items of property, plant and equipment that are stated at revalued amounts, staff retirements benefits and certain long term borrowings at present value, and investment in associates on equity basis. In these financial statements, except for the amounts reflected in the cash flow statement, all transactions have been accounted for on accrual basis.

5 JUDGMENT, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with approved accounting standards which requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and related assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The estimates and related assumptions are reviewed on an ongoing basis. Accounting estimates are revised in the period in which such revisions are made and in any future periods affected.

Significant management estimates in these financial statements relate to the useful life of property, plant and equipment, provisions for staff retirement benefits, doubtful receivables, slow moving inventory and taxation. However, the management believes that the change in outcome of estimates would not have a material effect on the amounts disclosed in the financial statements.

Judgment made by management in the application of approved standards that have significant effect on the financial statements and estimates with a risk of material adjustment in subsequent year are as follows:

5.01 Depreciation method, rates and useful lives of property, plant and equipment

The management of the Company reassesses useful lives, depreciation method, and rates for each item of property, plant and equipment annually by considering expected pattern of economic benefits that the Company expects to derive from those items.

5.02 Fair value of financial instruments having no active market

Fair value of financial instruments having no active market is determined using discounted cash flow analysis after incorporating all factors that market participants would consider in setting a price and using inputs that reasonably represent market expectations and measures of the risk-return factors inherent in the financial instrument.

5.03 Taxation

The Company takes into account income tax law and decisions taken by appellate authorities. Instances where the Company's view differs from the view taken by tax department at the assessment stage and where the Company considers that its view of items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

5.04 Provisions

Provisions are based on best estimate of the expenditure required to settle the present obligation at the reporting date, that is, the amount that the Company would rationally pay to settle the obligation at the reporting date or to transfer it to a third party.

5.05 Revaluation of property, plant and equipment

Revaluation of property, plant and equipment is carried out by independent professional valuers. Revalued amounts of non-depreciable items are determined by reference to local market values and that of depreciable items are determined by reference to present market and depreciated replacement values. Revaluation is made with sufficient regularity to ensure that the carrying amount does not differ materially from that which is determined using fair value at the end of reporting period.

5.06 Stores, spares and loose tools and stock-in-trade

The Company estimates the net realizable values of its stores, spares and loose tools and stock-in-trade to assess any diminution in the respective carrying values.



5.07 Staff retirement benefit obligations

The present values of these obligations depend on a number of factors that are determined on actuarial basis, using a number of assumptions. Any change in these assumptions will impact the carrying amounts of these obligations. The underlying assumptions and the present value of these obligations are disclosed in notes 7.03 and 12.01 respectively.

5.08 Expected credit losses

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

6 FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are prepared in Pak Rupee which is the Company's functional currency.

7 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

7.01 Tangible fixed assets and depreciation

a) Owned

Property, plant and equipment (except leasehold land, building on leasehold land, plant, machinery and equipment, laboratory equipments and, scales and weigh bridge) are stated at cost less accumulated depreciation and any accumulated impairment losses. Leasehold land is stated at revalued amounts and building on leasehold land, plant, machinery and equipment, laboratory equipments and, scales and weigh bridge are stated at revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the asset.

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

Residual value and the useful life of assets are reviewed annually at each financial year end and adjusted if impact on depreciation is significant.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and cost of the item can be measured reliably. All other repair and maintenance costs are charged to statement of profit or loss during the year in which these are incurred.

b) Depreciation

Depreciation on property, plant and equipment (except leasehold land) is charged to statement of profit or loss by applying the reducing balance method so as to write off the cost/depreciable amount of the assets over their estimated useful lives at the rates specified in note 21 to the financial statements. Depreciation on additions is charged from the month in which the asset was available for use up to the month prior to disposal. The residual values, depreciation method and useful lives of property, plant and equipment are reviewed by the management, at each financial year-end and adjusted if appropriate.

c) De-recognition

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use. Disposal of an asset is recognized when significant risk and rewards, incidental to the ownership of an asset, have been transferred to the buyer. Gains and losses on disposal of assets are taken to the statement of profit or loss, and the related surplus on revaluation of property, plant and equipment, if any, is transferred directly to retained earnings/unappropriated profits.

d) Surplus on revaluation

Surplus on revaluation of revalued assets is credited through OCI to the surplus on revaluation account. Revaluation is carried out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from the fair value. To the extent of the incremental depreciation charged on the revalued assets, the related surplus on revaluation of property, plant and equipment (net of deferred taxation, if any) is transferred directly to retained earnings/unappropriated profits.

7.02 Intangible assets

These are stated at cost less accumulated amortization and impairment losses, if any.



Costs associated with maintaining these assets are charged to the statement of profit or loss as and when incurred. However, costs that are directly attributable to the identifiable asset and have probable economic benefits exceeding one year, are recognized as intangible asset. Direct costs include purchase cost of the asset, salaries and other service benefits of staff deployed towards development of the asset and other related overheads. Expenditure incurred in respect of design, construction and testing of an intangible asset are also added to the carrying amount of that asset.

Expenditure which enhances or extends the performance of the asset beyond its original specifications is recognized as a capital improvement and added to the original cost of the asset.

Intangible asset is estimated to have definite useful life and is amortized from the month of purchase, made available for use or extended support cost is incurred, using the straight line method over specified rates.

7.03 Staff Retirement Benefits

Defined Benefit Plan

The Company operates an un-funded gratuity scheme covering all employees whose period of services with the Company is more than one year. Provision is made annually to cover the liability under the scheme. The Company pays a lump-sum gratuity to members on leaving the Company after completion of one year of continuous service. The benefit is calculated as follows:

Last drawn gross salary x Number of completed years of services

Six or more months of service in excess of completed years of services is counted as one complete year. However, less than six month of services is ignored.

During the year, the Company assessed its liabilities under the gratuity scheme through actuarial valuation under IAS-19 (Staff Retirement Benefits).

Amounts arising as a result of 'Remeasurement', representing the actuarial gains and losses are recognized in the statement of financial position immediately, with a charge or credit to 'Other Comprehensive Income' in the periods in which they occur.

As per actuarial valuation carried out as at 30 June 2022, the following significant assumptions were used:

	2022	2021
Discount factor used	13.25%	10.00%
Expected rate of eligible salary increase in future years	12.25%	9.00%
Actuarial valuation method	Projected Unit Credit Method	

7.04 Trade and other payables

Financial liabilities

These are classified as 'financial liabilities at amortized cost'. On initial recognition, these are measured at cost, being their fair value at the date the liability is incurred, less attributable transaction costs. Subsequent to initial recognition, these are measured at amortized cost using the effective interest method, with interest recognized in statement of profit or loss.

Non-financial liabilities

These, both on initial recognition and subsequently, are measured at cost.

7.05 Dividend and appropriation to reserves

Dividend and appropriation to reserve are recognized in the financial statements in the period in which these are approved by the shareholders and therefore, these are accounted for as non-adjusting post statement of financial position event.

7.06 Taxation

Current and prior years:

Provision for current taxation is based on applicable current rates of taxation after taking into account tax credits



and rebates available, if any, under the provisions of Income Tax Ordinance, 2001. The tax charge also includes adjustments, where necessary, relating to prior years which arise from assessments finalized during the year.

Deferred:

Deferred tax is accounted for using the statement of financial position liability method in respect of all temporary differences arising from differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of the taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profit shall be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized. Income subject to final tax regime is also considered in accordance with the requirements of Technical Release-27 of Institute of Chartered Accountants of Pakistan.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the statement of profit or loss, except in the case of items credited or charged to equity in which case it is included in equity.

7.07 Capital work in progress

Capital work in progress is stated at cost less identified impairment loss, if any, and includes the expenditures on material, labor and appropriate overheads directly relating to the construction, erection or installation of an item of property, plant and equipment. These costs are transferred to property, plant and equipment as and when related items become available for intended use.

7.08 Investment in related parties

Investment in associated companies where the Company has significant influence but not control over the financial and operating policies is accounted for using equity basis of accounting under which the investment in associate is initially recognized at cost and the carrying amounts are increased or decreased to recognize the Company's share of profit or loss for the associate after the date of acquisition, less impairment losses, if any. The Company's share of profit or loss of the associate is recognized in the Company's profit or loss. Distributions received from associated companies reduce the carrying amount of the investment. Adjustments to the carrying amounts are also made for changes in the associate's equity that have not been recognized in the associate's profit or loss. The Company's share of those changes is recognized directly in equity of the Company. Gain/(loss) on sale of above investments, if any, are recognized in the period of sale. The carrying amount of the investment is tested for impairment, by comparing its recoverable amount (higher of value in use and fair value less cost to sell) with its carrying amount and loss, if any, is recognized in statement of profit or loss.

7.09 Stores, spare parts and loose tools

Stores, spares and loose tools are stated at lower of cost and net realizable value. The cost of inventory is based on weighted average cost. Items-in-transit are stated at cost accumulated up to the statement of financial position date. The Company reviews the carrying amount of stores, spares and loose tools on a regular basis and provision is made for obsolescence, if any. Impairment is also made for slow moving items identified as surplus to the requirements of the Company.

7.10 Stock in trade

These are valued at lower of cost and net realizable value. Cost of raw materials and components represents invoice value plus other charges paid thereon. Cost of inventory is based on weighted average cost. Cost in relation to work-in-process and finished goods represents direct cost of raw materials, wages and appropriate manufacturing overheads. Goods-in-transit are stated at cost accumulated up to the statement of financial position date.

Net realizable value signifies the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

The Company reviews the carrying amount of stock-in-trade on a regular basis and as appropriate, inventory is written down to its net realizable value or provision is made for obsolete items, if any.

7.11 Impairment

Financial assets



The Company recognizes loss allowances for ECLs in respect of financial assets measured at amortized cost on date of initial recognition. The amount of expected credit loss is updated on each reporting date to reflect the changes in credit risk since initial recognition of the respective financial assets.

Impairment is recognized at an amount equal to lifetime expected credit losses for financial assets for which credit risk has increased significantly since initial recognition. For financial assets for which credit risk is low, impairment is recognized at an amount equal to 12 months' expected credit losses, with the exception of trade debts contract assets and lease receivables, for which the Company recognizes lifetime expected credit losses estimated using a provision matrix. The provision matrix is based on the Company's historical credit loss experience, adjusted for factors that are specific to counter parties, general economic conditions and an assessment for both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. All impairment losses are recognized in profit or loss. An impairment is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. An impairment loss is reversed only to the extent that the financial asset's carrying amount after the reversal does not exceed the carrying amount that would have been determined, net of amortization. If no impairment loss had been recognized.

The Company writes off a financial asset when there is information indicating that the counter party is in severe financial condition and there is no realistic prospect of recovery. Any recoveries made post write-off are recognized in profit or loss.

Non-financial assets

The carrying amount of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any objective evidence that an asset or group of assets may be impaired. If any such evidence exists, the asset's or group of assets' recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of value in use and fair value less cost to sell. Impairment losses are recognized in the statement of profit or loss.

7.12 Trade debts and other receivables

Financial assets

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

Non-financial assets

These, both on initial recognition and subsequently, are measured at cost.

7.13 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand and cash with banks in current and saving accounts.

7.14 Foreign currency transactions

Transactions in foreign currencies are accounted for in Pakistani Rupees at the foreign exchange rates prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies are re-translated into rupees at the foreign exchange rates approximating those prevailing at the reporting date. Exchange differences, if any, are charged instatement of profit or loss.

7.15 Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer. Revenue from operations of the Company are recognized when the goods are provided, and thereby the performance obligations are satisfied. The Company's contract performance obligations are fulfilled at the point in time when the goods are dispatched to the customer. Invoices are generated and revenue is recognized at that point in time, as the control has been transferred to the customers and is reduced for allowances such as taxes, duties, commissions, sales returns and discounts. Revenue from other sources is recognized on the following basis:



- Interest income on deposits with banks and other financial assets is recognized on accrual basis.
- Dividend income is recognized when the Company's right to receive dividend has been established.

7.16 Borrowing costs

Borrowing costs are charged to income as and when incurred except to the extent of costs directly attributable to the acquisition, construction or production of qualifying assets that are capitalized as part of the cost of relevant asset.

7.17 Financial instruments

Recognition

A financial instrument is recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial assets

(i) Initial Measurement

The Company classifies its financial assets in to following three categories:

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

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

(ii) Subsequent Measurement

Debt Investments at FVOCI: These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in the statement of profit or loss. Other net gains and losses are recognized in other comprehensive income. On de-recognition, gains and losses accumulated in other comprehensive income are reclassified to the statement of profit or loss.

Equity Investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognized as income in the statement of 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 other comprehensive income and are never reclassified to the statement of profit or loss.

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

Financial assets measured at amortized cost: These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest / markup income, foreign exchange gains and losses and impairment are recognized in the statement of profit or loss.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or 'at fair value through profit or loss' (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 recognized in the statement of profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in the statement of profit or loss. Any gain or loss on de-recognition is also recognized in the statement of profit or loss.

Financial liabilities are derecognized when the contractual obligations are discharged or cancelled or have expired or when the financial liability's cash flows have been substantially modified.

De-recognition

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.



7.18 Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

7.19 Regular way purchases or sales of financial assets

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention on the market place. Regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

7.20 Derivatives

Derivative instruments held by the Company comprise of future and forward contracts in the capital and money markets. These are stated at fair value at the date of statement of financial position. The fair value of the derivatives is equivalent to the unrealized gain or loss from marking the derivatives using prevailing market rates at the date of statement of financial position. The unrealized gains are included in other assets while unrealized losses are included in other liabilities in the statement of financial position. The corresponding gains and losses are included in the statement of profit or loss.

7.21 Contingencies and commitments

Capital commitments and contingencies, unless those are actual liabilities are not incorporated in the financial statements.

7.22 Provisions

Provisions are recognized in the statement of financial position when the Company has a present legal or constructive obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are measured at the present value of expected expenditure, discounted at a pre-tax rate that reflects current market assessment of the time value of money and the risk specific to the obligation. However, provisions are reviewed at each statement of financial position date and adjusted to reflect best estimate.

7.23 Related parties

- a) Hala Enterprises Limited, an associated Company
- b) Premier Garments Limited, an associated Company
- c) Teejay Corporation (Private) Limited, an associated Company
- d) Directors and key management personnel

7.24 Related party transactions and transfer pricing

Transactions with related parties are based on the transfer pricing policy that all transactions between the Company and the related party of the Company are at arm's length prices using the comparable uncontrolled

7.25 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as deduction, net of tax, from the proceeds.

7.26 Earnings per share (EPS)

Basic EPS is calculated by dividing the profit and loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is calculated by adjusting basic EPS by the weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares and post-tax effect of changes in profit and loss attributable to ordinary shareholders of the Company that would result from conversion of all dilutive potential ordinary shares into ordinary shares.

**7.27 Government grants**

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

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

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

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

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

8 ISSUED, SUBSCRIBED AND PAID UP CAPITAL	Note	2022 Rupees	2021 Rupees
2,854,543 (2021: 2,854,543) ordinary shares of Rs. 10/- each fully paid in cash		28,545,430	28,545,430
2,536,109 (2021: 2,536,109) ordinary shares issued as fully paid bonus shares		25,361,090	25,361,090
		53,906,520	53,906,520

- Fully paid ordinary shares, which have a par value Rs. 10/-, carry one vote per share and carry right to dividends.

- Ordinary shares of the Company held by associated undertakings as at the year end are 415,793 (2021: 415,793).

- There are no rights, preferences and restrictions attached to any class of shares including restrictions on the distribution of the dividends and the repayment of capital.

- There are no shares reserved for issue under options and contracts for the sale of shares.

9 CAPITAL RESERVES	Note	2022 Rupees	2021 Rupees
Share premium	9.01	23,137,159	23,137,159
9.01 This reserve can be utilized by the Company only for the purposes specified in Section 81 of the Companies Act, 2017.			

10 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT- NET OF TAX	Note	2022 Rupees	2021 Rupees
Land-Lease hold		1,599,576,476	290,000,000
Building-on Lease hold land		198,058,775	59,548,981
Plant, machinery and equipment		69,284,027	42,332,714
Scales and weigh bridge		1,265,025	644,315
		1,868,184,303	392,526,010
Related deferred taxation		(77,896,270)	(29,732,543)
		1,790,288,033	362,793,467



Punjab Oil Mills Limited

Incremental depreciation on revalued assets	(10,756,454)	(10,265,487)
Related deferred taxation	3,119,372	2,976,991
Transferred to retained earnings during the year	(7,637,082)	(7,288,496)
	1,782,650,951	355,504,971

10.01 The revaluation of land, building, plant and machinery, laboratory equipment, and scales and weigh bridge was carried out by an independent valuer "M/s Tristar International Consultant (Private) Limited" as at 30 June 2022 on the basis of market and depreciated replacement values and was duly certified by the statutory auditors. Previously, revaluation of land, building, plant and machinery, laboratory equipment, and scales and weigh bridge was carried out as at 23 June 2017.

10.02 The revaluation surplus on land and building is a capital reserve and is not available for distribution to the shareholders of the Company in accordance with section 241 of the Companies Act, 2017.

11 REVENUE RESERVES	Note	2022 Rupees	2021 Rupees
General reserves	11.01	8,600,000	8,600,000
Unappropriated profit		900,874,371	826,956,503
		909,474,371	835,556,503

11.01 The general reserves are used from time to time to transfer profits from retained earnings. There is no specific policy for such regular transfers.

12 DEFERRED LIABILITIES	Note	2022 Rupees	2021 Rupees
Staff retirement benefits	12.01	134,394,494	126,743,068
Deferred taxation	12.02	59,087,608	4,391,210
Deferred income - Government grant	12.03	-	69,112
		193,482,102	131,203,390

12.01 Staff retirement benefits

Statement of financial position liability

Opening balance	126,743,068	109,001,224
Amount recognized during the year	18,495,944	15,630,595
	145,239,012	124,631,819
Remeasurement chargeable in other comprehensive income	(6,143,976)	5,745,233
Benefits paid during the year	(4,700,542)	(3,633,984)
Closing balance	134,394,494	126,743,068

The amounts recognized in the statement of financial position are as follows

Present value of defined benefit obligation	110,011,454	126,243,068
Benefits due but not paid	24,383,040	500,000
	134,394,494	126,743,068

Charge for the defined benefit plan

Service cost	7,300,816	6,562,435
Gains and losses arising on plan curtailment / settlements	-	-
Interest cost	11,195,128	9,068,160
Charged to statement of profit or loss	18,495,944	15,630,595

Sensitivity analysis for actuarial assumptions

The calculation of defined benefit obligation is sensitive to assumptions set-out in note 7.03. The following table summarizes how the net defined benefit obligation at the end of the reporting period would have increased/ (decreased) as a result of change in respective assumptions.

	Change in assumptions	Increase Rupees	Decrease Rupees
Discount rate	1.00%	107,004,639	113,379,417



Increase in future salaries	1.00%	113,444,267	106,894,162
		2022	2021
Expected mortality rate		SLIC 2001 - 2005 Setback 1 Year	SLIC 2001 - 2005 Setback 1 Year
Retirement assumptions		60 years	60 years

A change in expected remaining working lives of employees is not expected to have a material impact on the present value of defined benefit obligation. Accordingly, the sensitivity analysis for the same has not been carried out.

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of defined benefit obligation as at the reporting date has been calculated using projected unit credit method, which is the same as that applied in calculating the defined benefit obligation to be recognized in these financial statements.

Risk factors

The defined benefit plan exposes the Company to the following actuarial risks:

Interest risk: The discount rate used in determination of present value of defined benefit obligation has been determined by reference to market yield at the reporting date on Pakistan Investment Bonds since there is no deep market in long term corporate bonds in Pakistan. An increase in market yield resulting in a higher discount rate will decrease in the defined benefit liability.

Longevity risk: The present value of defined benefit obligation is calculated by reference to the best estimate of the expected remaining working lives of the employees. An increase in the expected remaining working lives will increase the defined benefit obligation. However, the increase is not expected to be material.

Salary risk: The present value of defined benefit obligation is calculated by reference to future salaries of plan participants. An increase in salary of plan participants will increase the defined benefit obligation.

The average duration of the defined benefit obligation is 3 years.

12.02	Deferred taxation	Note	2022 Rupees	2021 Rupees
	Deferred taxation comprises of the following:			
	Deferred tax liability on taxable temporary differences in respect of the following:			
	- Accelerated tax depreciation allowance - PPE		22,288,339	26,319,330
	- Accelerated tax depreciation allowance - ROU		1,487,052	-
	- Accelerated tax amortization allowance		1,427,350	1,427,350
	- Surplus on revaluation of assets	10	77,896,270	26,755,552
	Deferred tax asset on deductible temporary differences in respect of the following:			
	- Staff retirement benefits	12.01	(38,974,403)	(36,755,490)
	- Provision for damaged stock		(902,331)	(899,703)
	- Investment accounted for under IAS- 28	25	-	-
	- Liabilities against assets subject to finance lease	14	(1,509,421)	-
	- Allowance for expected credit loss		(2,625,248)	(12,455,829)
			59,087,608	4,391,210
12.03	Deferred taxation has been recognized using rate of taxation applicable to tax year 2022 under the provisions of Income Tax Ordinance, 2001 to the extent of income of the Company chargeable under normal tax regime.			
12.04	Deferred income - Government grant		2022 Rupees	2021 Rupees
		Note		
	Balance as at beginning of the year		1,036,681	2,113,822
	Deferred government grant recognized during the year		-	927,108
			1,036,681	3,040,930
	Credited to profit or loss - amortized during the year		(967,569)	(2,004,249)
			69,112	1,036,681
	Current portion of deferred income - govt. grant	17	(69,112)	(967,569)
	Balance as at end of the year		-	69,112
12.05	This represents the differential between the loan proceeds and fair value of the loan recorded as deferred grant			



in accordance with IAS 20 and ICAP circular 11 of 2020. The fair value of the loan is the present value of loan proceeds received, discounted using prevailing market rates of interest for a similar instrument by using effective interest method. This long term financing facility is mentioned in note No. 13.01.

13 LONG TERM BORROWINGS			2022	2021
	Limit Sanctioned Rupees in million	Note	Rupees	Rupees
From Banking Companies - Secured:				
JS Bank Limited	40.37			
Balance as at beginning of the year			30,280,081	27,096,191
Disbursement during the year			-	13,277,252
			30,280,081	40,373,443
Repayments during the year			(20,186,722)	(10,093,362)
			10,093,359	30,280,081
Discounting of deferred government grant			(3,040,930)	(3,040,930)
Unwinding of discount on liability			2,971,818	2,004,249
			10,024,247	29,243,400
Current portion of long term borrowing		17	(10,024,247)	(20,186,722)
Balance as at end of the year			-	9,056,678

13.01 The Company has obtained the loan of Rs. 40.37 million (3 months' salaries) under Refinance Scheme at subsidized markup rate of 3% per annum. The loan is repayable in two years with 6 months grace period in 8 equal quarterly installments starting from January 2021. The economic benefit of subsidized markup rate is measured as the difference between the fair value of loan and its face value as at 30 June 2020 and has been recognized as deferred income - Government grant.

The above facility is secured against the following:

Pari passu charge of Rs. 534 million over all present and future current assets of the Company with 25% margin duly registered with SECP.

1st charge of Rs. 507 million over Company's present and future fixed assets duly registered with SECP by way of TRM of Rs. 100,000 and equitable mortgage of factory located at Plot No. 26, 27 and 28, situated at Industrial Triangle, Kahuta Road, Islamabad owned by the Company.

14 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE			2022	2021
		Note	Rupees	Rupees
Opening balance			-	-
Additions during the year		14.01	5,980,600	-
Payments during the year			(775,699)	-
			5,204,901	-
Less: Current maturity portion		17	(989,240)	-
			4,215,661	-

14.01 This represents vehicles under finance lease agreements. The principal plus financial charges are payable over the lease period in monthly installments as per respective agreements ending in the year 2026. The liability as at the date of financial position represents the present value of total minimum lease payments discounted at 6 month KIBOR plus 2% (2021: Nil) per annum being the interest rates implicit in leases. Reconciliation of minimum lease payments and their present values is given below:

14.02 Present value of minimum lease payments			2022	2021
		Note	Rupees	Rupees
Due not later than one year			989,240	-
Due later than one year but not later than five years			4,215,661	-
			5,204,901	-

15 TRADE AND OTHER PAYABLES			2022	2021
			Rupees	Rupees
Creditors			731,787,143	360,661,842
Accrued expenses			103,712,625	99,656,274



Punjab Oil Mills Limited

Workers' profit participation fund	15.01	19,648,444	13,424,748
Security deposits	15.02	375,000	375,000
Workers' welfare fund	15.03	5,639,199	2,770,086
Tax deducted at source		3,369,819	1,579,446
Advances from customers		168,412,398	144,541,883
Sales tax payable		2,166,347	1,805,120
		1,035,110,975	624,814,399

15.01 Workers' Profit Participation Fund (W.P.P.F.)

Opening balance		13,424,748	20,913,333
Provision for the year		9,692,783	3,498,550
Mark up on W.P.P.F.		91,837	274,685
		23,209,368	24,686,568
Payment during the year		(3,560,924)	(11,261,820)
		19,648,444	13,424,748

15.02 These security deposits are non utilizable. Further, the Company has not utilized any such deposits for the purpose of its business during the year. These security deposits are kept in a separate bank account.

15.03 Workers' Welfare Fund (W.W.F.)

	Note	2022 Rupees	2021 Rupees
Opening balance		2,770,086	4,387,196
Provision for the year	40.02	2,869,113	-
		5,639,199	4,387,196
Payment during the year		-	(1,617,110)
		5,639,199	2,770,086

16 SHORT TERM BORROWINGS

Limit Sanctioned
Rupees in million

Note

2022
Rupees

2021
Rupees

From Banking Companies - Secured:

JS Bank Limited

- Running finance	40.00	16.01	38,749,460	39,962,298
- Cash finance	25.00	16.02	25,000,000	-
- Finance against trust receipt	(180.00)	16.03	17,000,000	111,939,742
- Bank guarantee	100.00	16.04	-	-
- Letter of credit (sight)	400.00	16.05	-	-
- STF	100.00	16.06	-	-

Bank Al Habib Limited

- Running finance	50.00	16.07	42,511,940	24,401,768
- Finance against trust receipt	(300.00)	16.08	225,440,000	42,195,450
- Letter of credit (sight)	400.00	16.09	-	-
- STF	(300.00)	16.10	64,710,629	-
			413,412,029	218,499,258

16.01 This facility has been obtained to meet working capital requirements. It carries mark up @ 3 month KIBOR + 175 bps p.a. to be paid on quarterly basis. Out of total limit, an amount of Rs. 1.25 million (2021: Rs. 0.04 million) was not availed as at year end.

16.02 This facility has been obtained to finance already purchased stock of local edible oil / palm oil / seed oil. It carries mark up @ 3 month KIBOR + 175 bps p.a. to be paid on quarterly basis. It is secured against pledge of oil stock with 20% margin. It is also secured against charge of Rs. 31.250 million duly registered with SECP over pledged stock with 20% margin. The tenor of this facility is 45 days. Out of total limit, no amount (2021:



- Rs. 25.00 million) of the facility has been unavailed as at year end.
- 16.03** This facility has been obtained for the retirement of LC documents. It carries mark up @ 3 month KIBOR + 175 bps p.a to be paid on quarterly basis. The tenor of this facility is 45 days. Out of total limit, an amount of Rs. 163.00 million (2021: Rs. 18.06 million) was not availed as at year end.
- 16.04** This facility has been obtained for guarantee to Sui Northern Gas Pipe Lines Limited and Excise & Taxation and any other Government & semi Government organization. During the year, the limit of this facility has been increased from 60 million to 100 million. Enhanced limit of Rs. 40 million will only be secured by liquid security i.e. Cash Margin or lien over RP Account and will be utilised for issuance of guarantees in favor of Excise and Taxation. It carries commission @ 0.3% per quarter. Cash margin required to avail this facility is 30% for SNGPL, 100% for Excise & Taxation and 25% for other organizations. Out of total limit, an amount of Rs. 28.18 million (2021: Rs. 14.00 million) was not availed as at year end.
- 16.05** This facility has been obtained to import oil (Edible/Palm/Seed/Olive), coffee beans, olive extracts, agglomerated coffee, instant coffee, mushroom spawn, tin plates, chemicals/packaging material/vitamins, spare parts and plant & machinery. It carries commission @ 0.2% per quarter. It is secured against 10% cash margin for plant & machinery and 5% cash margin on other items and/or as required by SBP, and lien over import documents, whichever is higher. Out of total limit, an amount of Rs. 56.73 million (2021: Rs. 219.94 million) was not availed as at year end.
- 16.06** This facility has been obtained for procurement of oil/edible oil, canola and cotton seed through issuance of pay order. It carries mark up @ 3 month KIBOR + 475 bps p.a to be paid on quarterly basis. The tenor of this facility is 90 days. Out of total limit, an amount of Rs. 100.00 million (2021: Nil) was not availed as at year end.
- 16.07** This facility has been obtained during the year to meet working capital requirements. It carries mark up @ 3 months KIBOR + 1.50% p.a to be paid on quarterly basis. Out of total limit, an amount of Rs. 7.49 million (2021: Rs. 0.60 million) was not availed as at year end.
- 16.08** This facility has been obtained during the year for the retirement of LC documents. It carries mark up @ 1 month KIBOR + 1.50% p.a to be paid on quarterly basis. The tenor of this facility is one year. Out of total limit, an amount of Rs. 74.56 million (2021: Rs. 57.80 million) was not availed as at year end.
- 16.09** This facility has been obtained for the import of raw material mainly oil (Palm Oil/Palm Olien/Soyabean/Sunflower/Canola/Olive/Pomace Olive/Olive Extract/Extra Virgin Olive), mushroom spawn, tin plates, chemicals/packaging material/vitamins and spare parts/equipment for Company's own use. It carries commission @ 0.15% per quarter. It is secured against 5% cash margin on other items and/or as required by SBP, and lien over shipping documents, whichever is higher. Out of total limit, an amount of Rs. 332.70 million (2021: Rs. 159.17 million) was not availed as at year end.
- 16.10** This facility has been obtained for purchase of raw material mainly oil (Palm Oil/ Palm Olien/Soyabean/Sunflower/Canola/Olive/Pomace Olive /Olive Extra Virgin Olive), tin plates, chemicals/packaging material/vitamins for Company's own use. It carries a markup @ 3 month KIBOR + 1.7% p.a. The tenor of this facility is one year. Out of total limit, an amount of Rs. 235.29 million (2021: Nil) was not available as at year end.

The above mentioned facilities in note Nos. 16.01 to 16.06 and 16.07 to 16.10 will expire on 31 December 2022 and 28 February 2023 respectively.

Collateral Security:

The above mentioned facilities in note Nos. 16.01 to 16.06 are collaterally secured against the following:

1st Pari passu charge of Rs. 507 million over all present and future current assets of the Company with 25% margin duly registered with SECP.

1st pari passu charge of Rs. 534 million over Company's present and future fixed assets duly registered with SECP situated at Plot No. 26, 27 and 28 Industrial Triangle, Kahuta Road, Islamabad owned by the Company.

The above mentioned facilities in note Nos. 16.07 to 16.10 are collaterally secured against the following:

1st Pari passu Hypothecation charge on all present and future current assets of the Company for Rs. 547 million with 25% margin duly registered with SECP.



1st Pari passu Hypothecation charge over all present and future fixed assets (including but not limited to Land, Building and Machinery of Company) for Rs. 547 million duly registered with SECP located/installed at Plot No. 26, 27 and 28 Industrial Triangle, Kahuta Road, Islamabad owned by the Company.

		2022 Rupees	2021 Rupees
17 CURRENT PORTION OF NON-CURRENT LIABILITIES	Note		
Current portion of long term borrowings	13	10,024,247	20,186,722
Current portion of deferred income - Government grant	12.04	69,112	967,569
Current portion of lease liabilities	14	989,240	-
		11,082,599	21,154,291
18 ACCRUED MARKUP			
Accrued mark up on borrowings		6,840,235	2,159,235
19 PROVISION FOR TAXATION			
Opening balance		206,532,450	250,835,217
Add: Taxation - current		112,118,792	90,495,514
		318,651,242	341,330,731
Less: Tax payments /adjustments during the year		(89,231,632)	(134,798,281)
		229,419,610	206,532,450

20 CONTINGENCIES AND COMMITMENTS

20.01 CONTINGENCIES

- a) The Company challenged Infrastructure Development Cess levied under Sindh Finance Act, 1994 (as amended by Sindh (Amendment) Ordinance, 2001) in the Sindh High Court vide Suit No. 463/2003. Initially, Honourable Sindh High Court decided the levy of Infrastructure Development Cess on the carriage of goods against the Company. The Company has filed an appeal before Honourable Supreme Court of Pakistan against the decision of Honourable Sindh High Court. Pursuant to direction of Honourable Supreme Court, the Company paid 50% of the total amount and for the remaining 50%, the Company has provided bank guarantees amounting to Rs. 67.27 million (2020: Rs. 56.77 million) in favour of Excise and Taxation Authorities. The Company may be contingently liable for the payment of the said amount equal to 50% in case of unfavourable decision. However, the management is confident that the ultimate decision shall be in favour of the Company. Therefore, no provision has been made in these financial statements for an amount of Rs. 7.89 million.

The Company has provided bank guarantees amounting to 4.50 million (2020: Rs.4.50 million) and 67.27 million (2020: Rs. 56.77 million) in favour of Sui Northern Gas Pipelines Limited for industrial use of gas and Excise and Taxation Department respectively.

- b) The Company filed a writ petition No. 218471/2018 to Honorable High Court against the order dated 31 May 2018 passed by Punjab Food Authority (PFA) alleging that the label of CanOlive (a product of the Company) is misleading in terms of Punjab Pure Food Regulations, 2017. The Honorable Lahore High Court passed a stay order dated 08 June 2018 restraining the PFA from taking any coercive measures against the Company. According to the legal adviser of the Company, favorable outcome is expected. No adverse financial impact is also expected regarding this matter.
- c) The Company filed a writ petition No. 226294/2018 to Honorable High Court against the order dated 29 June 2018 passed by Punjab Food Authority (PFA) alleging the Company that the label of Naturelle (a product of the Company) is misleading in terms of Punjab Pure Food Regulations, 2017. The Honorable Lahore High Court passed a stay order dated 20 July 2018 restraining the PFA from taking any coercive measures against the Company. According to the legal adviser of the Company, favorable outcome is expected. No adverse financial impact is also expected regarding this matter.
- d) The Taxation Officer of Inland Revenue had issued assessment order vide DCR No. 02/53 on 31 October 2011 for the tax year 2009 incorporating the liability of Income Tax and WWF and raising demand for payment of Income Tax and WWF amounting to Rs. 448.22 million and Rs. 58.66 million respectively. The Company filed an appeal on 02 December 2012 before the Commissioner Income Tax (Appeals) {CIT(A)} against the order of Taxation Officer and the case was decided in favor of the Company vide Order No. 623/2011 on 20 January 2012. The tax department had filed an appeal in ITAT against the decision of the CIT(A). However, the management is confident that the ultimate decision shall be in favor of the Company. Therefore, no provision



has been made in these financial statements for the said amounts.

- e) The Taxation officer of Inland Revenue issued order u/s 122(1) and u/s 122(4) of the Income Tax Ordinance, 2001 for the tax year 2010, 2011 and 2012 on 31 August 2015 creating demand for Rs. 26.57 million. The Company filed appeal against the Commissioner Income Tax (Appeals) {CIT(A)} against the said order on 09 October 2015 and the case was decided in favor of the Company on 10 February 2016. However, Tax department filed an appeal in ITAT against the decision of the CIT(A). However, as a matter of prudence, the Company has not reversed the provision created in previous years. The management is hopeful that the said demand shall be waived off.
- f) The Taxation Officer of Inland Revenue had issued assessment orders vide DCR No. 37/53 and 38/53 on 17 June 2015 for the tax years 2006 and 2007 respectively incorporating liability of Income Tax and WWF amounting to Rs. 5,403,105 and Rs. 8,157,718 respectively. The Company filed an appeal before the Commissioner Income Tax (Appeals) {CIT(A)} against the order of Taxation Officer on 26 June 2015 and the case was decided in favor of the Company on 29 October 2015 vide Order No. 160/2015 and 161/2015. However, tax department filed an appeal in ITAT against the decision of the CIT(A) on 07 January 2016. The matter was again decided in favor of the Company. For tax years 2006 and 2007, department of inland revenue issued notices u/s 122(5A) of the Income Tax Ordinance, 2001. Subsequently, after the initial proceedings and vacation of stay order by Honorable Court, the department of inland revenue issued assessment order u/s 122(5A) of the Income Tax Ordinance, 2001 creating liability amounting to Rs. 13,560,823. The Company filed appeal to CIT(A) against the order and the CIT(A) had decided the case in favor of the Company. The Tax department has gone into appeal before the ITAT against this order. The Company as a matter of prudence has not reversed the provision for tax years 2006 and 2007 for an amount of Rs. 13,560,823 as aggregate liability which was created during the prior years. The management is hopeful that the ultimate decision shall be in favor of the Company.
- g) The Taxation officer of Inland Revenue issued order u/s 161/205 of the Income Tax Ordinance, 2001 on 30 June 2015 for the tax year 2009 creating demand of Rs. 1.27 million. The Company filed appeal before the Commissioner Income Tax (Appeals) {CIT(A)} against the said order on 30 July 2015. On 10 February 2016, CIT(A) maintained the demand of Rs. 614,016 under section 161, which has been paid by the Company whereas the default surcharge of Rs. 633,137 imposed under section 205 was waived off. However, Tax department filed an appeal in ITAT against the decision of the CIT(A). The management is hopeful that the ultimate decision shall be in favor of the Company. However, as a matter of prudence, the management has not reversed provision for Rs. 633,137 in these financial statements.

20.02 COMMITMENTS

Letters of credit other than for capital expenditure as at the statement of financial position date amounted to Rs. 557.67 million (2021: Rs. 270.89 million).



21 PROPERTY, PLANT AND EQUIPMENT

The following is a statement of operating fixed assets (table):

	Land-lease hold	Building on lease hold land	Plant and machinery	Laboratory equipment	Scales and weigh bridge	Guest house furniture and machinery	Office equipment	Furniture and fittings	Owned vehicles	Total
Rupees										
At 30 June 2020										
Cost/revalued amount	290,423,524	118,113,079	287,748,500	2,650,000	950,000	318,812	26,770,333	4,783,822	90,695,985	822,454,145
Accumulated depreciation	-	(32,375,294)	(69,737,075)	(1,555,322)	(399,076)	(398,771)	(8,893,926)	(2,333,656)	(60,478,274)	(166,991,394)
Net book value	290,423,524	85,737,785	227,011,515	1,094,678	640,924	10,041	17,876,407	2,450,166	30,217,711	655,462,751
Year ended 30 June 2021										
Additions	-	-	1,181,444	-	-	-	2,725,018	264,175	79,499	4,250,136
Transfers from capital work in progress during the year (Note 23)	-	4,431,760	12,682,266	-	-	-	-	-	-	17,114,026
Disposals (note 21.03)										
Cost	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-
Net book value	-	-	-	-	-	-	-	-	-	-
Depreciation charge for the year (note 21.01)	-	(8,610,710)	(23,277,879)	(273,670)	(76,911)	(1,004)	(1,855,173)	(254,017)	(6,051,492)	(40,400,856)
Net book value as at 30 June 2021	290,423,524	81,558,835	217,597,346	821,008	564,013	9,037	18,746,252	2,466,324	24,245,718	636,456,087
Year ended 30 June 2022										
Additions	-	-	5,187,536	-	-	-	2,024,821	114,500	52,000	7,378,857
Transfers from capital work in progress during the year (Note 23)	-	1,232,700	32,889,419	-	-	-	-	-	-	34,122,119
Revaluation surplus	1,309,576,476	144,464,692	27,317,444	3,867,140	698,028	-	-	-	-	1,485,923,780
Adjustment for surplus	-	(48,462,231)	(104,679,699)	(2,017,140)	(448,028)	-	-	-	-	(155,607,098)
Disposals (note 21.03)										
Cost	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-
Net book value	-	-	-	-	-	-	-	-	-	-
Depreciation charge for the year (note 21.01)	-	(9,307,727)	(22,855,729)	(281,898)	(74,041)	(904)	(1,971,901)	(256,604)	(4,856,944)	(39,605,748)
Elimination of accumulated depreciation on revaluation	-	48,462,231	104,679,699	2,017,140	448,028	-	-	-	-	155,607,098
Net book value as at 30 June 2022	1,600,000,000	217,948,500	260,136,016	4,466,250	1,188,000	8,133	18,799,172	2,318,220	19,440,774	2,124,245,065



	Land-lease hold	Building on lease hold land	Plant and machinery	Laboratory equipment	Scales and weigh bridge	Guest house furniture and machinery	Office equipment	Furniture and fittings	Owned vehicles	Total
At 30 June 2021										
Cost/revalued amount	290,423,524	122,544,839	301,612,300	2,650,000	950,000	318,812	29,495,351	5,047,997	90,775,484	843,118,307
Accumulated depreciation	-	(40,986,004)	(84,014,954)	(1,828,992)	(385,987)	(399,775)	(10,749,099)	(2,587,673)	(66,529,766)	(207,392,250)
Net book value in Rupees	290,423,524	81,558,835	217,597,346	821,008	564,013	9,037	18,746,252	2,460,324	24,245,718	636,426,057
Annual rates of depreciation 2021	10.00%	10.00-15.00%	10.00-15.00%	25.00%	12.00%	10.00%	10.00%	10.00%	20.00%	
At 30 June 2022										
Cost/revalued amount	1,600,000,000	268,242,231	367,006,699	6,317,140	1,648,028	318,812	31,520,172	5,162,497	90,827,484	2,371,243,063
Accumulated depreciation	-	(50,293,731)	(106,870,683)	(2,110,890)	(460,028)	(310,679)	(12,721,000)	(2,844,277)	(71,386,710)	(246,997,998)
Net book value in Rupees	1,600,000,000	217,948,500	260,136,016	4,206,250	1,188,000	8,133	18,799,172	2,318,220	19,440,774	2,124,245,065
Annual rates of depreciation 2022	10.00%	10.00-15.00%	10.00-15.00%	25.00%	12.00%	10.00%	10.00%	10.00%	20.00%	

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

	2022	2021
Depreciation on property plant and equipment	Rupees 39,605,748	Rupees 40,400,856
Depreciation on right of use	851,396	-
	40,457,144	40,400,856
Cost of sales	35,645,174	36,360,770
Administrative expenses	4,811,970	4,040,086
	40,457,144	40,400,856

21.02 The revaluation of land, building, plant machinery and equipment, laboratory equipment, and scales and weigh bridge was carried out by an independent valuer. Had there been no revaluation, the cost, accumulated depreciation and written down value of the revalued assets would have been as follows:

Particulars	AS ON 30 JUNE 2022	
	Cost	Accumulated Depreciation
Land-lease hold	423,524	423,524
Building on lease hold land	76,258,543	47,396,262
Plant, machinery and equipment	332,540,809	165,692,461
Laboratory equipment	4,328,107	3,578,495
Scales and weigh bridge	1,127,655	1,115,478
Rupees 2022	414,878,638	217,782,696
Rupees 2021	317,963,858	157,014,939

21.03 There were no disposal of assets during the year whose net book value exceeded Rs. 5,000,000 and individual net book value exceeded Rs. 500,000.



21.04 There are assets included in fixed assets which are secured with a bank as mentioned in note No. 13 and 16 against 1st parri passu charge for Rs. 547 million (2021: Rs. 563 million) over fixed assets (including land, building and, plant and machinery) of the Company.

21.05 Forced Sale Value as per last revaluation report as at June 30, 2022:

Asset Class	Forced sale value
Land-lease hold	1,360,000,000
Building on lease hold land	175,824,000
Plant and machinery	201,020,250
Total	1,736,844,250

21.06 Particulars of immovable assets of the Company are as follows:

Location	Addresses	Usage of immovable property	Total Area (Sq. ft.)	Covered Area (Sq. ft.)
Islamabad	Plot No. 26, 27 & 28, Industrial Triangle, Main Kahuta Road, Islamabad.	Production Plant	360,000	135,544

22 RIGHT OF USE ASSETS

Opening balance
 Additions during the year
 Less: Transfer to PPE
 Depreciation charge for the year
 Net book value

Gross carrying value

Cost
 Accumulated depreciation
 Net book value

Depreciation rate per annum

23 CAPITAL WORK IN PROGRESS

Opening balance
 Additions during the year
 Less: Transferred to property, plant and equipment
 Building
 Plant and machinery
 Net Book Value

Note

	2022 Rupees	2021 Rupees
	-	-
	5,979,160	-
	-	-
	5,979,160	-
	(851,396)	-
	5,127,764	-
	5,979,160	-
	(851,396)	-
	5,127,764	-
	20%	-
	27,318,665	2,294,709
	6,803,454	42,137,982
	34,122,119	44,432,691
	1,232,700	4,431,760
	32,889,419	12,682,266
	34,122,119	17,114,026
	-	27,318,665



24 INTANGIBLE ASSETS

Net carrying value

Motion picture film - Opening net book value	12,336,696	4,929,647
Motion picture film - Additions during the year	-	14,829,596
Amortization charge for the year		
Net book value	(7,414,800)	(7,422,547)
Gross carrying value	4,921,896	12,336,696
Cost	27,975,418	27,975,418
Accumulated amortization	(23,053,522)	(15,638,722)
Net book value	4,921,896	12,336,696
Amortization rate per annum	50%	50%

25 INVESTMENT IN ASSOCIATE

Premier Garments Limited - unlisted	2,720,000	2,720,000
Accumulated provision for the diminution in the value of investment	25.01 (2,720,000)	(2,720,000)
	-	-

25.01 27,200 (2021: 27,200) ordinary shares of Rs. 100/- each, represent 38.86% (2021: 38.86%) equity in Premier Garments Limited. The breakup value of shares of the investee Company is nil. The investment has been accounted for under IAS-28 (Investment in associates and joint ventures). Due to impairment, provision for diminution in the value of investment was made in 2006.

25.02 The summarized financial information of the associates over which the Company exercises significant influence, based on the latest audited financial statements for the year ended 30 June 2021, is as follows:

	2021 Rupees	2020 Rupees
Premier Garments Limited		
Total assets	5,059,212	5,756,725
Total liabilities	20,460,135	19,546,772
Net Assets	(15,400,923)	(13,790,047)
Company's share of net assets of associate	(5,984,799)	(5,358,812)
Total revenue	-	1,200,000

	2021 Rupees	2020 Rupees
Note		
Total (loss)/profit for the year	(1,850,876)	(765,597)
Company's share of (loss)/profit for the current year	(719,250)	(297,511)
Share of unrecognized accumulated losses	7,185,493	6,526,345

25.03 Investment in Associate is made in accordance with the provisions of the Companies Act, 2017.

26 LONG TERM DEPOSITS

Deposits against bank guarantees	18,522,450	48,807,950
Lease Key Money	955,400	-
	69,507,850	48,807,950

27 STORES, SPARE PARTS AND LOOSE TOOLS

Stores	124,748,230	118,379,850
Spare parts	13,097,526	11,797,863
Loose tools	3,274,382	2,949,466
	141,120,138	133,127,179
Less: Provision for stores spares and loose tools	3,770,143	-
	137,349,995	133,127,179

27.01 No identifiable stores and spares are held for specific capitalization.



Punjab Oil Mills Limited

28 STOCK IN TRADE

Raw materials			
- In hand	28.01	289,859,812	164,263,244
- In transit		125,755,637	19,883,514
Work in process		184,954,232	132,904,914
		600,569,681	317,051,672
Finished goods		234,864,399	191,105,583
Less: Provision for damaged stock		(3,111,485)	(3,102,424)
		231,752,914	188,003,159
		832,322,595	505,054,831

28.01 Stock in trade valuing Rs. 3.13 million (2021: Nil) is pledged with banking companies against short term borrowings.

29 TRADE DEBTS

	Note	2022 Rupees	2021 Rupees
Trade debts- unsecured but considered good		1,058,124,372	786,637,417
Considered doubtful- unsecured		9,052,580	42,951,135
		1,067,176,952	829,588,552
Less : Allowance for expected credit loss	29.01	(9,052,580)	(42,951,135)
		1,058,124,372	786,637,417

29.01 Allowance for expected credit loss

Opening balance	42,951,135	42,951,135
Allowance for expected credit loss during the year	4,480,964	-
	38,470,171	42,951,135
Less: ECL written off during the year	(29,417,591)	-
Closing balance	9,052,580	42,951,135

After considering past events, current conditions and forecasts, there is no indication of any shortfall in contractual cashflows of trade debts, therefore, expected credit loss is not charged during the year.

30 LOANS AND ADVANCES

Considered good:	Note	2022 Rupees	2021 Rupees
Advance to suppliers		49,265,337	44,136,243
Receivable from related party	30.01	3,732,073	3,021,503
Advances to Employees:			
- Executives	30.02	13,343,880	13,122,880
- Other employees	30.02	10,256,081	9,506,271
		76,597,371	69,786,897

30.01 Related parties - unsecured

	Note	2022 Rupees	2021 Rupees
Hala Enterprises Limited			
Nature of transaction:			
Sharing of office expenses		3,732,073	3,021,503

These are settleable in the ordinary course of business. The amount is receivable within one month, therefore, there is no indication of impairment of any past due balances. Further, balances receivable from related party (associated undertaking) are subject to mark up @ 15.73 % (2021: 10.50 %) per annum. The maximum aggregate amount outstanding at any time during the year was Rs. 3,747,574 (2021: Rs. 3,243,081).

30.02 Advances given to executives and other employees of the Company are for purchase of house, vehicles or for personal use in accordance with their terms of the employment. Any outstanding loan due from an employee at the time of leaving the Company is adjustable against final settlement of staff retirement benefits.

These advances are given to employees as per Company's HR policy.

31 TRADE DEPOSITS AND SHORT TERM PREPAYMENT

	Note	2022 Rupees	2021 Rupees
Security deposits		5,159,603	5,784,553
Letter of credit - margin		20,230,508	13,545,047
Prepayments		4,275,256	2,819,513
		29,665,367	22,149,113



Punjab Oil Mills Limited

32 OTHER RECEIVABLES

Sales tax receivable	45,709,037	40,905,693
Other receivables:		
- from fair price shop	3,370,327	2,324,321
	49,079,364	43,230,014

33 ADVANCE INCOME TAX

Opening balance	178,765,577	223,152,466
Payments during the year	123,762,991	90,734,899
	302,528,568	313,887,365
Adjustments during the year	(89,231,632)	(135,121,788)
	213,296,936	178,765,577

34 CASH AND BANK BALANCES

Cash in hand	4,988,290	5,899,576
Cash with banks:		
- In current accounts	35,153,600	13,928,347
- In deposit accounts	34.01 23,453,835	6,846,131
	63,595,725	26,674,054

34.01 These carry profit ranging from 5% to 6% (2021: 5.50% to 7.75%) per annum approximately.

35 SALES

	Note	2022 Rupees	2021 Rupees
- Export sales			
Banaspati Ghee		141,715,376	-
Cooking oil		50,764,772	109,954,063
Specialty fats		21,454,576	1,007,148
		213,934,724	110,961,211
- Local sales			
Banaspati Ghee		2,944,316,915	1,965,416,085
Cooking oil		5,655,658,410	4,035,516,722
Specialty fats		99,403,831	54,438,839
		8,699,379,156	6,055,371,646
		8,913,313,880	6,166,332,857
Soap		56,384,348	46,525,152
Gases		4,304	126,985
Coffee		4,048,873	1,807,377
Mushroom		11,932,880	9,467,792
		72,370,405	57,927,306
Less: Sales tax		10,079,940	8,002,263
		62,290,465	49,925,043
		8,975,604,345	6,216,257,900
Less: Trade discount		137,928,336	234,415,241
		8,837,676,009	5,981,842,659

36 COST OF SALES

Raw material consumed	36.01	7,258,333,482	4,661,066,177
Stores and spare parts consumed		28,254,186	25,277,042
Chemicals consumed		67,087,256	69,326,432
Packing materials consumed		363,886,564	298,821,393
Salaries, wages and benefits	36.02	78,970,933	70,582,448
Power, fuel and lubricants		199,891,388	150,312,908
Repair and maintenance		13,066,580	10,873,784
Filling and loading		65,658,711	24,053,369
Insurance		6,277,423	6,516,160
Provision for damaged stock		9,062	13,255
Depreciation	21.01	35,645,174	36,360,770



Tolling expenses	-	6,600,720
	8,117,080,759	5,359,804,458
Work in process:		
Opening	132,904,914	88,269,739
Closing	(184,954,232)	(132,904,914)
	(52,049,318)	(44,635,175)
Cost of goods manufactured	8,065,031,441	5,315,169,283
Finished goods:		
Opening	163,272,739	128,535,547
Closing	(209,829,050)	(163,272,739)
	(46,556,311)	(34,737,192)
	8,018,475,130	5,280,432,091
Finished goods purchased for resale:		
Opening	27,832,844	9,094,157
Purchases	-	20,931,640
	27,832,844	30,025,797
Closing stock	(25,035,349)	(27,832,844)
Cost of purchased goods sold	2,797,495	2,192,953
	8,021,272,625	5,282,625,044
36.01 Raw material consumed		
Opening	164,263,244	133,388,275
Purchases	7,383,930,050	4,691,941,146
	7,548,193,294	4,825,329,421
Closing	(289,859,812)	(164,263,244)
	7,258,333,482	4,661,066,177

36.02 Salaries, wages and other benefits include provision for staff retirement benefits for the year Rs. 10.17 million (2021: Rs. 8.60 million).

	Note	2022 Rupees	2021 Rupees
37 SELLING AND DISTRIBUTION COST			
Salaries, wages and benefits	37.01	62,587,499	64,180,926
Travelling and conveyance		7,968,376	8,567,222
Advertisement		178,463,563	216,406,390
Export charges		-	7,600
Carriage outward		57,406,874	50,816,591
Redistribution expenses		39,821,098	38,629,641
Amortization	24	7,414,800	7,422,547
Other selling expenses		8,283,341	8,865,531
		361,945,551	394,896,448

37.01 Salaries, wages and other benefits include provision for staff retirement benefits for the year Rs. 1.85 million (2021: Rs. 1.56 million).

	Note	2022 Rupees	2021 Rupees
38 ADMINISTRATIVE EXPENSES			
Directors' meeting fee		1,920,000	2,494,000
Directors' remuneration		26,551,659	46,970,055
Salaries, wages and benefits	38.01	88,866,635	77,095,729
Travelling and conveyance		14,166,001	15,230,618
Entertainment		1,287,780	931,034
Printing and stationary		1,847,261	1,817,016
Postage, telephone and telex		4,764,002	5,098,753
Rent, rates and taxes		24,534,286	32,196,075



Donations	38.02	3,215,673	3,688,139
Fees and subscription		430,361	436,607
Legal and professional charges		11,850,925	11,186,704
Vehicle running and maintenance		34,617,796	17,755,294
Repair and maintenance		4,355,527	3,624,595
Power, fuel and lubricant		3,044,031	2,289,029
Provision for stores, spares and loose tools		3,770,143	-
Zakat on dividend, receivable from government written off		-	76,962
Advertisement		7,435,982	9,016,933
Depreciation	21.01	4,811,970	4,040,086
Office expenses		6,091,556	4,791,611
		243,561,588	238,739,240

38.01 Salaries, wages and other benefits include provision for staff retirement benefits for the year Rs. 6.47 million (2021: Rs. 5.47 million).

	Note	2022 Rupees	2021 Rupees
38.02 Donation during the year:			
- Shaukat Khanum Memorial Cancer Hospital and Research Centre		1,110,000	3,000,000
- Pakistan National Heart Association (PANAHA)		1,316,000	480,000
- SOS Village		624,333	-
- Ramzan Charity		165,340	208,139
		3,215,673	3,688,139

- None of the directors or their spouses had any interest in the donee's fund.

	Note	2022 Rupees	2021 Rupees
39 FINANCE COST			
Mark up on short term borrowings		43,818,040	13,932,608
Mark up on long term borrowings - net of amortization of Government grant		530,938	1,284,464
Mark up charged on W.P.P.F.		91,837	274,685
Markup on lease liability		531,152	-
Bank charges		3,297,604	2,690,346
		48,269,571	18,182,103

		2022 Rupees	2021 Rupees
40 OTHER CHARGES			
Auditors' remuneration	40.01	1,588,052	1,378,956
Workers' profit participation fund		9,692,783	3,498,550
Workers' welfare fund	40.02	2,869,113	-
		14,149,948	4,877,506

40.01 Auditors' Remuneration

Audit fee	1,400,000	1,200,000
Half yearly review fee	100,052	90,956
Other attestation services	55,000	55,000
Out of pocket expenses	33,000	33,000
	1,588,052	1,378,956

40.02 Workers' Welfare Fund reversal / written back

Provision for the current year	3,875,277	1,763,922
Prior year excess provision written back	(1,006,164)	(1,763,922)
	2,869,113	-

		2022 Rupees	2021 Rupees
41 OTHER INCOME			
Income from financial assets			
Profit on bank deposits		8,900,450	8,844,364
Markup earned from related party		412,537	265,364
Provision for doubtful debts reverse - net		4,480,964	-



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Income from non financial assets

Scrap sale		3,931,257	6,593,432
Tolling income		-	7,972,295
Sale of KPT Plot		15,000,000	-
		32,725,208	23,675,455

42 TAXATION

Taxation			
- Current year	42.01	112,118,792	89,231,632
- Prior years		-	1,263,882
		112,118,792	90,495,514
Deferred taxation			
- Current year		1,773,927	(7,336,129)
		113,892,719	83,159,385

42.01 - Income tax return has been filed to the income tax authorities up to and including tax year 2021 under the provisions of the Income Tax Ordinance, 2001.

- Provision for current year income tax represents final tax on export under section 154, minimum tax on turn over under section 113 & super tax under section 4c of the income tax ordinance, 2001 respectively the numeric tax conciliation has not been presented being impracticable.

43 EARNINGS PER SHARE

	Note	2022	2021
Basic Earnings per share:			
Profit / (Loss) after taxation	Rupees	67,309,215	(16,961,612)
Weighted average number of ordinary shares	Number	5,390,652	5,390,652
Earnings / (Loss) per share - basic and diluted	Rupees	12.49	(3.15)

43.01 There has been no effect of dilution on earnings per share during the year as the Company had no such commitments.

44 TRANSACTIONS WITH RELATED PARTY

44.01 Disclosure of transactions between the Company and its related parties:-

Related parties comprise associated companies, directors and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Details of the transactions with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

Nature of transaction	Relationship with the Company	2022 Rupees	2021 Rupees
Sharing of office expenses	Associated Company	3,009,476	4,207,157
Markup earned from related party	Associated Company	412,537	265,364
Rent paid to related party	Director	1,878,116	3,369,960

44.02 The related party status of outstanding balances as at June 30, 2022 are included in loans and advances (note No. 30). These are to be settled in the ordinary course of business.

44.03 Following are the related parties with whom the Company had entered into transactions or have arrangements / agreements in place.

Name of Related Party	Basis of related party	Aggregate % of Shareholding in the Company
M/s Hala Enterprises Limited	Common directorship	0.96%
Mr. Jillani Jahangir	Director	6.32%



45 FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets as per statement of financial position

	Note	2022 Rupees	2021 Rupees
Long term deposits		69,507,850	48,807,950
Trade debts		1,058,124,372	786,637,417
Loans and advances		27,332,034	25,650,654
Trade deposits		5,159,603	5,784,553
Other receivables		49,079,364	43,230,014
Cash and bank balances		63,595,725	26,674,054
		1,272,798,948	936,784,642

Financial liabilities as per statement of financial position

Long term borrowings		-	9,056,678
Trade and other payables		855,148,212	473,742,864
Short term borrowings		413,412,029	218,499,258
Accrued interest/mark-up		6,840,235	2,159,235
Unclaimed dividend		9,102,088	8,789,596
		1,284,502,564	712,247,631

Fair values of financial assets and liabilities

- Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Company is going concern and there is no intention or requirements to curtail materially the scale of its operation or to undertake a transaction on adverse terms.
- The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

Fair value hierarchy

Following are three levels in fair value hierarchy that reflects the significance of the inputs used in measurement of fair values of financial instruments.

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

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

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

45.01 Financial Instruments measured at fair value

45.01.01 Recurring fair value measurements

There are no recurring fair value measurements as at the reporting date.

45.01.02 Non-recurring fair value measurements

There are no non-recurring fair value measurements as at the reporting date.

45.02 Financial Instruments not measured at fair value

The management considers the carrying amount of all financial instruments not measured at fair value at the end of each reporting period to approximate their fair values as at the reporting date.

45.03 Assets and liabilities other than financial instruments

45.03.01 Recurring fair value measurements

For recurring fair value measurements, the fair value hierarchy and information about how their fair values are determined are as follows:

Assets	Level 1	Level 2	Level 3	30-Jun-22 Rupees
Buildings	-	217,948,500	-	217,948,500
Plant and machinery including laboratory equipment, scales and weigh bridge	-	265,730,266	-	265,730,266

Assets	Level 1	Level 2	Level 3	30-Jun-21 Rupees
Buildings	-	81,558,835	-	81,558,835
Plant and machinery including laboratory equipment, scales and weigh bridge	-	217,597,346	-	217,597,346



Assets	Level 1	Level 2	Level 3	30-Jun-22 Rupees
Buildings	-	217,948,500	-	217,948,500
Plant and machinery including laboratory equipment, scales and weigh bridge	-	265,730,266	-	265,730,266

Assets	Level 1	Level 2	Level 3	30-Jun-21 Rupees
Buildings	-	81,558,835	-	81,558,835
Plant and machinery including laboratory equipment, scales and weigh bridge	-	217,597,346	-	217,597,346

The Company does not hold any instrument which could be included in Level 1 and Level 3. For fair value measurements categorised into Level 2 the following information is relevant:

	Valuation technique	Significant inputs	Sensitivity
Buildings	Cost approach that reflects the cost to the market participants to construct assets of comparable utility and age, adjusted for obsolescence and depreciation. There was no change in valuation technique during the year.	Estimated construction costs and other ancillary expenditure.	A 5% increase in estimated construction and other ancillary expenditure would result in a significant increase in fair value of buildings by Rs. 10.9 million (2021: 4.08 million).
Plant and machinery including laboratory equipment, scales and weigh bridge	Cost approach that reflects the cost to the market participants to acquire assets of comparable utility and age, adjusted for obsolescence and depreciation. There was no change in valuation technique during the year.	Estimated purchase price, including import duties and non-refundable purchase taxes and other costs directly attributable to the acquisition or construction, erection and installation.	A 5% increase in estimated purchase price, including import duties and non-refundable purchase taxes and other directly attributable costs would result in a significant increase in fair value of plant and machinery by Rs. 13.29 million (2021: 10.88 million).

There were no transfers between fair value hierarchies during the year.

45.03.02 Non-recurring fair value measurements

There are no non-recurring fair value measurements as at the reporting date.

The Company has investment in associate which is stated at cost (refer note No. 25).

46 FINANCIAL INSTRUMENTS

46.01 Financial risk factors

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

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

(a) Market risk

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company imports edible palm oil, tin plates and some items of chemicals and exports cooking oil and is exposed to currency risk, primarily with respect to liabilities denominated in US Dollars.

The Company manages its currency risk by close monitoring of currency markets. However, the Company does not hedge its currency risk exposure.

At reporting date, if the Pakistani Rupee had weakened by 5% (2021: 5%) against the US Dollar with all other variables held constant, post-tax profit for the year would have been lower by Rs. 14,555,960 (2021: 9,494,531) mainly as a result of foreign exchange losses on translation of US Dollar-denominated trade payables.



The Company's exposure to currency risk is as follows:

	Note	2022		2021	
		Rupees	US Dollars	Rupees	US Dollars
L/C Margin	31	20,230,508	98,762	13,545,047	86,203
Off-balance sheet commitments					
Letter of credit	20.02	557,666,500	2,722,449	176,345,578	1,122,300

The following significant exchange rates were applied during the year:

Rupees per US Dollar

	2022 Rupees	2021 Rupees
Reporting date rate	204.84	157.13
Average rate	180.98	162.59

Rupees per Dirham

	2022 Rupees	2021 Rupees
Reporting date rate	56.50	42.82
Average rate	49.66	44.28

(ii) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rate risk arises from short term borrowings and interest bearing assets. Borrowings obtained at variable rates exposes the Company to cash flow interest rate

At the statement of financial position date the interest rate profile of the Company's interest bearing financial instruments was:

	Note	2022 Rupees	2021 Rupees
Floating rate instrument			
Financial liabilities			
Long term borrowings		-	9,056,678
Short term borrowings		413,412,029	218,499,258
Current portion of long term borrowings		11,082,599	21,154,291
Financial assets			
Bank balances- saving accounts		23,453,835	6,846,131

Cash flow sensitivity analysis for floating rate

If interest rate at the year end date, fluctuates by 1% higher/lower with all other variables held constant, profit after taxation for the year would have been Rs. 3,899,582 lower/higher (2021: 2,207,098 lower/higher), mainly as a result of higher/lower interest income/expense on floating rate borrowings and bank balances. This analysis is prepared assuming the amounts of liabilities outstanding / assets deposits at the statement of financial position dates were outstanding / deposits for the whole year.

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 rate at the date of financial position would not affect profit or loss of the Company.

(iii) **Other price risk**

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to equity securities price risk as its investment is in non-listed securities.

(b) **Credit risk**

Credit risk represents the risk of financial loss being caused if counter parties fail to discharge an obligation.

Credit risk arises from deposits with banks, trade debts, loans and advances, deposits and other receivables. The Company seeks to minimize the credit risk exposure through "having exposures only to customers considered



credit worthy and obtaining securities where applicable. Where considered necessary, advance payments are obtained from certain parties. Out of the total financial assets of Rs. 1,272,798,948 (2021: Rs.936,784,642), the maximum exposure to credit risk amounts to Rs. 930,885,066 (2021: Rs. 1,267,810,658)

Geographically, there is no concentration of credit risk.

		2022	2021
The maximum exposure to credit risk for trade debts, loans and receivables at the reporting date by type of			
	Note	2022 Rupees	2021 Rupees
Government institution and utility store		104,819,103	117,033,188
Private sector's companies		410,235,868	207,569,502
Distributors		144,072,028	114,693,776
Others		613,653,987	491,588,600
		1272,780,987	930,885,066

The aging of loans and receivables at the reporting date was:

Past due 0-6 months	1,106,093,055	808,973,042
Past due 6-12 months	120,210,329	87,919,290
More than one year	46,477,603	33,992,734
	1,272,780,987	930,885,066

The Company monitors the credit quality of its financial assets with reference to historical performance of such assets and available external credit ratings. The carrying values of financial assets which have not impaired are as under:

		2022	2021
	Note	2022 Rupees	2021 Rupees
Long term deposits		69,507,850	48,807,950
Trade debts		1,058,124,372	786,637,417
Loans and advances		27,332,034	25,650,654
Trade deposits		5,159,603	5,784,553
Other receivables		49,079,364	43,230,014
Cash and bank balances		63,595,725	26,674,054
		1,272,798,948	936,784,642

The credit quality of receivables can be assessed by considering reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information. The credit quality of Company's bank balances can be assessed with reference to external credit ratings as follows:

	Rating agency	30-Jun-22	
		Short term	Long term
National Bank of Pakistan	PACRA	A1+	AAA
United Bank Limited	JCR-VIS	A1+	AAA
Habib Metropolitan Bank Limited	PACRA	A1+	AA+
Bank Al-Falah Limited	PACRA	A1+	AA+
Allied Bank Limited	PACRA	A1+	AAA
Faysal Bank Limited	PACRA	A1+	AA
MCB Bank Limited	PACRA	A1+	AAA
JS Bank Limited	PACRA	A1+	AA-

(c) **Liquidity risk**



Liquidity risk represents the risk that the Company will encounter difficulties in meeting obligations associated with financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. Due to growing nature of the business, the Company maintains flexibility in funding by maintaining committed credit lines available.

The table below analyses how management monitors net liquidity based on details of the remaining contractual maturities of financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

30 June 2022	Carrying Amount	Contractual cash flows	6 months or less	6 - 12 month	1 - 2 years	2 - 5 years	More than 5 years
RUPEES							
Non-derivative							
Financial Liabilities							
Long term borrowings	-	-	-	-	-	-	-
Trade and other payables	855,148,212	855,148,212	855,148,212	-	-	-	-
Short term borrowings	413,412,029	432,470,324	432,470,324	-	-	-	-
Current portion of long term borrowings	11,082,599	11,415,077	5,707,538	5,707,538	-	-	-
Accrued interest/mark-up	6,840,235	6,840,235	6,840,235	-	-	-	-
Unclaimed dividends	9,102,088	9,102,088	9,102,088	-	-	-	-
	<u>1,295,585,163</u>	<u>1,314,975,936</u>	<u>1,309,268,397</u>	<u>5,707,538</u>	<u>-</u>	<u>-</u>	<u>-</u>

30 June 2021	Carrying Amount	Contractual cash flows	6 months or less	6 - 12 month	1 - 2 years	2 - 5 years	More than 5 years
RUPEES							
Non-derivative							
Financial Liabilities							
Long term borrowings	9,056,678	9,509,512	452,834	-	9,056,678	-	-
Trade and other payables	473,742,864	473,742,864	473,742,864	-	-	-	-
Short term borrowings	218,499,258	228,572,074	228,572,074	-	-	-	-
Current portion of long term borrowings	21,154,291	21,788,920	10,894,460	10,894,460	-	-	-
Accrued interest/mark-up	2,159,235	2,159,235	2,159,235	-	-	-	-
Unclaimed dividends	8,789,596	8,789,596	8,789,596	-	-	-	-
	<u>733,401,922</u>	<u>744,562,200</u>	<u>724,611,063</u>	<u>10,894,460</u>	<u>9,056,678</u>	<u>-</u>	<u>-</u>

The contractual cash flows relating to above financial liabilities have been determined on the basis of interest rates/mark-up rates effective as at 30 June 2022/2021. The rates of interest/mark-up have been disclosed in note No. 13 and 16 to these financial statements.

47. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders, benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company is not subject to any externally imposed capital requirements.

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

However, the Company can finance its operations through equity, loans and management of working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk. Net debt is calculated as total borrowings as referred to note Nos. 13 and 16 less cash and bank balances, note No. 34. Total capital employed includes 'total equity' as shown in the statement of financial position and 'net debt'. The gearing ratio as at 30 June 2022 and as at 30 June 2021 is as follows:

	Note	2022 Rupees	2021 Rupees
Debt		424,494,628	248,710,227
Cash and bank balances		63,595,725	26,674,054
Net debt		360,898,903	222,036,173
Total equity		2,769,169,001	1,268,105,153
Total capital employed		3,130,067,904	1,490,141,326



Gearing ratio (%)

11.53%

14.9%

48 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	Chairman		Chief Executive		Executive Directors		Non-Executive Directors		Executives	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Meeting fees	-	-	-	-	-	-	1,920,000	2,494,000	-	-
Managerial remuneration	-	-	6,092,316	5,594,251	2,028,600	2,526,701	-	-	27,971,565	24,466,939
House rent and utilities	-	-	2,737,104	2,727,650	911,400	1,228,949	-	-	17,940,432	15,091,183
Bonus	-	-	761,540	611,536	253,575	394,328	-	-	3,496,446	3,341,875
Reimbursable expenses	243,533	17,079,245	395,125	-	397,273	160,342	-	-	-	1,518,046
Travelling expenses	1,391,827	840,000	151,860	4,516,962	292,688	21,000	1,490,674	2,312,951	-	749,985
Other services	9,403,944	8,956,140	-	-	-	-	-	-	-	-
	11,039,324	26,875,385	10,137,945	13,450,399	3,883,716	4,331,320	3,410,674	4,806,951	49,408,443	45,168,028
Number of persons	1	1	1	1	1	2	4	4	13	12

48.01 The Chief Executive is provided with free use of Company maintained car and reimbursement of residential telephone expenses. Certain directors and executives are also provided with free use of Company maintained cars.

48.02 Aggregate amount charged in the financial statements for the year for meeting fee to 4 directors was Rs. 1,920,000 (2021: Rs. 2,494,000).

48.03 Entitlement of managerial remuneration and bonus is only for the Executive directors.

49 CAPACITY AND PRODUCTION

Rated Capacity/Production

		2022	2021
Banaspati Ghee / specialty fats	M. TON	15,000	15,000
Cooking oil	M. TON	30,000	30,000
		45,000	45,000

Actual Production

Banaspati Ghee / specialty fats	M. TON	10,676	10,233
Cooking oil	M. TON	15,730	17,132
		26,406	27,365

49.01 RATED CAPACITY

On the basis of blending hard oil with soft oil, rated capacity comes to 45,000 M. Ton annually. The rated capacity is interchangeable between Banaspati Ghee and Cooking Oil depending on demand.

49.02 REASONS FOR SHORTFALL

Due to decrease in market demand during the year, the actual production of Banaspati Ghee/Specialty fats short falls the rated capacity / production.

50 OPERATING SEGMENT

These financial statements have been prepared on the basis of a single reportable segment.

50.01 Revenue from sale of banaspati ghee, cooking oil, speciality fats, soap, and gases represents 99.63% (2021: 99.61%) of the total income of the Company.

50.02 97.58% (2021: 98.15%) of the gross sales of the Company are made to customers located in Pakistan.

50.03 All non current assets of the Company as at 30 June 2022 are located in Pakistan.

50.04 None of the customers of the Company accounts for more than 10% of the gross sales of the Company for the year.

51 EMPLOYEES

Average number of employees during the year - factory
- others

	2022 Number	2021 Number
Average number of employees during the year - factory	279	284
- others	17	15
	296	299

Number of employees at the end of the year - factory
- others

Number of employees at the end of the year - factory	273	284
- others	19	15
	292	299

**52 SHARIAH SCREENING DISCLOSURE**

	2022		2021	
	Conventional	Shariah Compliant	Conventional	Shariah Compliant
Rupees				
Loans and advances	3,732,073	72,865,298	3,021,503	66,765,394
Bank Balances	23,453,835	35,153,600	6,846,131	13,928,347
Short term borrowings	413,412,029	-	218,499,258	-
Long term borrowings	-	-	9,056,678	-
Current portion of long term borrowings	11,082,599	-	21,154,291	-
Revenue	-	8,837,676,009	-	5,981,842,659
Mark-up paid	43,909,877	-	14,207,293	-
Profit on bank deposits	8,900,450	-	8,844,364	-
Exchange gain / (loss) on actual currency	-	-	-	-
	-	35,497,238	-	-
Interest income from related party	412,537	-	265,364	-

53 NON ADJUSTING EVENTS AFTER THE DATE OF STATEMENT OF FINANCIAL POSITION

The Board of Directors in its meeting held on 30 September, 2022 proposed cash dividend @ Rs. 2 (i.e 20%) per share and 20% bonus shares (cash dividend 2021 Rs. 1 per share i.e 10%) per share for year ended 30 June 2022 subject to the approval of the members at the forth coming annual general meeting to held on 28 October 2022.

54 AUTHORIZATION OF FINANCIAL STATEMENTS

These financial statements have been approved and authorized for issue by the Board of Directors of the Company on 30 September 2022.

55 GENERAL

- Figures have been rounded off to the nearest rupee, unless otherwise stated.
- Comparative figures have been rearranged and reclassified, where necessary, for the purpose of better presentation and comparison. The effect of reclassification has been re-summarized below:

RECLASSIFICATION FROM THE CAPTION COMPONENT	RUPEES	RECLASSIFICATION TO THE CAPTION COMPONENT	RUPEES
Note No. 13		Note No. 12.04	
Long term borrowings	69,112	Deferred income - Government grant	69,112
	69,112		69,112



Punjab Oil Mills Limited

PATTERN OF SHAREHOLDING AS ON JUNE 30, 2022

No. of Shareholders	Shareholders From	To	Total Shares Held
534	1	100	16,826
417	101	500	107,457
59	501	1,000	44,321
53	1,001	5,000	110,734
11	5,001	10,000	78,435
3	10,001	15,000	35,500
3	15,001	20,000	51,900
2	20,001	25,000	44,200
1	25,001	30,000	25,492
1	30,001	35,000	30,218
1	35,001	40,000	39,836
1	50,001	55,000	51,971
1	90,001	95,000	93,047
1	145,001	150,000	146,800
1	195,001	200,000	200,000
1	215,001	220,000	217,112
2	220,001	225,000	449,732
2	225,001	230,000	456,602
2	260,001	265,000	528,152
1	340,001	345,000	340,893
1	360,001	365,000	363,822
1	435,001	440,000	437,124
1	470,001	475,000	473,934
1	515,001	520,000	517,651
1	525,001	530,000	528,893
1,102			5,390,652

Categories of Shareholders	Shares held	Percentage
2.3 Categories of Shareholders	Shares Held	Percentage
2.3.1 Directors, Chief Executive Officer, and their spouse and minor children	1,310,214	24.3053%
2.3.2 Associated Companies, undertakings and related parties. (Parent Company)	415,793	7.7132%
2.3.3 NIT and ICP	556,543	10.3242%
2.3.4 Banks Development Financial Institutions, Non Banking Financial Institutions.	--	--
2.3.5 Insurance Companies	--	--
2.3.6 Modarabas and Mutual Funds	431,700	8.0083%
2.3.7 Shareholders holding 10% or more	--	--
2.3.8 General Public		
a. Local	2,606,882	48.3593%
b. Foreign	0	0.0000%
2.3.9 Others (to be specified)		
I- Joint Stock Companies	69,520	1.2896%
	5,390,652	100.00



**Catagories of Shareholding required under Code of Corporate Governance (CCG)
As on June 30, 2022**

Sr. No.	Name & Category of Shareholders	No. of Shares Held	Percentage
Associated Companies, Undertakings and Related Parties:			
1	M/s Teejay Corporation (Private) Limited	363,822	6.7491%
2	M/s Hala Enterprises Limited	51,971	0.9641%
Mutual Funds (Name Wise Detail)			
1	CDC - TRUSTEE AKD INDEX TRACKER FUND (CDC)	500	0.0093%
2	CDC - TRUSTEE AKD OPPORTUNITY FUND (CDC)	200,000	3.7101%
3	CDC - TRUSTEE GOLDEN ARROW STOCK FUND (CDC)	225,000	4.1739%
4	MCBFSL - TRUSTEE AKD ISLAMIC STOCK FUND (CDC)	6,200	0.1150%
Directors and their Spouse and Minor Children (Name Wise Detail)			
1	Mr. Tahir Jahangir	39,836	0.7390%
2	Mr. Furqan Anwar Batla	437,836	8.1108%
3	Mr. Usman Ilahi Malik	-	-
4	Mr. Jillani Jahangir	340,893	6.3238%
5	Mrs. Munizae Jahangir	263,946	4.8964%
6	Mr. Firasat Ali	-	-
7	Miss Mehrunisa Malik	228,315	4.2354%
Executives:		-	-
Public Sector Companies & Corporations:		-	-
Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:		-	-
Shareholders holding five percent or more voting intrest in the listed company			
S. No.	Name of Shareholder	Holding	Percentage
1	CDC - Trsutee National Investment (Unit) Trust (CDC)	517,651	9.6028%
2	Mr. Furqan Anwar Batla	437,224	8.1108%
3	Mr. Izaz Ilahi Malik	528,893	9.8113%
4	Mr. Mansoor Ilahi Malik	429,934	7.9755%
5	M/s Teejay Corporation (Pvt) Ltd.	363,822	6.7491%
6	Mr. Jillani Jahangir	340,893	6.3238%
		2,662,417	49.3895%

Directors, CEO, CFO, Company Secretary and their spouses & minor children do not trade shares of the Company during the financial year 2021 - 2022.



FORM OF PROXY

I/We _____
of _____ being a Member of **Punjab Oil Mills Limited** and holder(s) of _____
Ordinary Shares as per Share Register Folio No. _____

For beneficial owners as per CDC List

CDC Participant I.D. No. _____

Sub Account No. _____

CNIC No.

Passport No. _____

hereby appoint Mr./Mrs./Miss. _____ of _____ an other member of
the Company or failing him /her Miss/Mrs/Mr. _____
of _____ another member of the Company as my / our proxy to attend and vote for me / us and my /our
behalf at Annual General Meeting of the Company to be held on Friday, October 28, 2022 at 10:00 A.M. and at every
adjournment thereof, if any.

Please affix
Rupees Five
Revenue Stamp

(Signature should agree with the specimen
signature registered with the Company)

Signed this _____ day of October 2022

Signature of Shareholder _____

Signature of Proxy _____

<p>1. WITNESS Signature: _____ Name: _____ Address: _____ _____ CNIC No. <input type="text"/> or Passport No. _____</p>	<p>2. WITNESS Signature: _____ Name: _____ Address: _____ _____ CNIC No. <input type="text"/> or Passport No. _____</p>
--	--

Important:

1. This Proxy Form, duly completed and signed, must be received at above mentioned address the Registered Office of the Company, not less than 48 hours before the time of holding the meeting.
2. If a member appoints more than one proxy and more than one instruments of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.
3. For CDC Account Holders / Corporate Entities In addition to the above the following requirements have to be met
 - i. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be provided with the proxy forms.
 - ii. The proxy shall produce his original CNIC or original passport at the time of the meeting.
 - iii. In case of a corporate entity, the Board of Directors resolution /power of attorney with specimen signature shall be submitted (unless it has been provided earlier) alongwith proxy form to the Company.

پراکسی فارم

میں مسز/مسز/ماس..... ساکن..... بحیثیت ممبر پنجاب آئل ملز لمیٹڈ

شیر فولیو نمبر..... کے تحت مسز/مسز/ماس..... ساکن

یا فرد مذکورہ کی عدم دستیابی کی صورت میں مسز/مسز/ماس.....

ساکن..... کو اپنا نمائندہ مقرر کرتا/کرتی ہوں کہ 28 اکتوبر 2022 بروز جمعرات کو صبح گیارہ بجے (10:00)

پر منعقد ہونے والے کمپنی کے سالانہ اجلاس اور اس کے بعد کسی بھی اور کہیں اور بھی منعقد ہونے والے دوسرے اجلاس کے لیے اپنا نمائندہ مقرر کر سکتا/سکتی ہوں۔

دستخط شیر ہولڈر.....

(دستخط کمپنی کے پاس رجسٹرڈ نمونہ کے مطابق ہوں)

قومی شناختی کارڈ نمبر/ پاسپورٹ نمبر.....

دستخط مقرر کردہ نمائندہ..... اکتوبر 2022

گواہان

.....	1- دستخط
.....	2- دستخط
.....	نام
.....	نام
.....	پتہ
.....	پتہ
.....	قومی شناختی کارڈ نمبر
.....	قومی شناختی کارڈ نمبر

نوٹ:

1- پراکسی فارم بذمہ اہل اور دستخط کے ہمراہ اجلاس کے انعقاد سے کم از کم اڑتالیس (48) گھنٹے قبل کمپنی کے رجسٹرڈ دفتر میں جمع کرادیا جائے۔

2- اگر کوئی ممبر ایک سے زیادہ پراکسی فارم کمپنی کے رجسٹرڈ دفتر میں جمع کروادے گا تو پراکسی فارم قابل قبول نہیں ہوگا۔

3- مقرر کردہ نمائندہ کے لیے کمپنی کا ممبر ہونا لازمی نہیں۔

سی ڈی سی اکاؤنٹ ہولڈر/ کارپوریٹ ایجنسی ہونے کی صورت میں درج ذیل شرائط پر عمل کرنا ہوگا۔

(i) ممبر اور پراکسی کی قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپیاں پراکسی فارم کے ہمراہ منسلک کرنا ہوں گی۔

(ii) پراکسی کو اجلاس کے وقت اپنا اصلی شناختی کارڈ یا اصلی پاسپورٹ پیش کرنا ہوگا۔

(iii) کارپوریٹ ایجنسی کی صورت میں ڈائریکٹرز کی پاس کردہ قرارداد/ پاور آف اٹارنی معہ نامزد فرد کے دستخط کے نمونہ پراکسی فارم کے ہمراہ اڑتالیس (48) گھنٹے قبل کمپنی








کے رجسٹرڈ دفتر میں جمع کرانا ہوگی۔










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