



annual
report
2017



CLOVER PAKISTAN LIMITED

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Company Information

BOARD OF DIRECTORS

Iqbal Ali Lakhani	Chairman
Amin Mohammed Lakhani (w.e.f. 07th Dec. 2016)	Chief Executive
Zulfiqar Ali Lakhani	
Tasleemuddin Ahmed Batlay	
A. Aziz H. Ebrahim	
Shahid Ahmed Khan	
Syed Shahid Ali Bukhari	

ADVISOR

Sultan Ali Lakhani

AUDIT COMMITTEE

Syed Shahid Ali Bukhari	Chairman
Iqbal Ali Lakhani	
Tasleemuddin Ahmed Batlay	

HUMAN RESOURCE & REMUNERATION COMMITTEE

Iqbal Ali Lakhani	Chairman
Tasleemuddin Ahmed Batlay	
A. Aziz H. Ebrahim (w.e.f. 07th Dec. 2016)	

COMPANY SECRETARY

Mansoor Ahmed

EXTERNAL AUDITORS

EY FORD RHODES
Chartered Accountants

INTERNAL AUDITORS

BDO EBRAHIM & CO.
Chartered Accountants

REGISTERED OFFICE

Lakson Square, Building No. 2
Sarwar Shaheed Road
Karachi-74200

SHARE REGISTRAR

FAMCO ASSOCIATES (PRIVATE) LIMITED
8-F, Next to Hotel Faran, Nursery,
Block-6, P.E.C.H.S, Shahrah-e-Faisal,
Karachi

WEBSITE

www.clover.com.pk

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 31st Annual General Meeting of **CLOVER PAKISTAN LIMITED** ("Company") will be held on Friday, October 20, 2017 at 10:00 a.m. at Auditorium of the Institute of Chartered Accountants of Pakistan, Chartered Accountants Avenue, Clifton, Karachi to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company for the year ended June 30, 2017 together with the Directors' and Auditors' reports thereon.
2. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

Special Resolutions

3. To consider to pass the following resolutions:
 - a) "**RESOLVED** that the transactions carried out in normal course of business with associated companies as disclosed in Note No.28 of the audited financial statements for the year ended June 30, 2017 be and are hereby ratified and approved."
 - b) "**RESOLVED** that the Chief Executive of the Company be and is hereby authorized to approve all the transactions carried out and to be carried out in normal course of business with associated companies during the ensuing year ending June 30, 2018 and in this connection the Chief Executive be and is hereby also authorized to take any and all necessary actions and sign/execute any and all such documents/indentures as may be required in this regard on behalf of the Company."

Statement under section 134 of the Companies Act, 2017 in the above matters mentioned in item No. 3 is annexed.

By Order of the Board



MANSOOR AHMED
Company Secretary

Karachi: September 20, 2017

CLOVER PAKISTAN LIMITED

NOTES:

1. The share transfer books of the Company will remain closed from October 14, 2017 to October 20, 2017 (both days inclusive). Transfers received in order by the Shares Registrar of the Company, M/s. FAMCO Associates (Private) Limited, 8-F, Next to Hotel Faran, Nursery, Block-6, P.E.C.H.S., Shakra-e-Faisal, Karachi upto the close of business on October 13, 2017 will be treated in time for the purpose of attendance at the Annual General Meeting.
2. A member, who has deposited his/her shares into Central Depository Company of Pakistan Limited, must bring his/her participant's ID number and CDC account/sub-account number along with original Computerized National Identity Card (CNIC) or original Passport at the time of attending the meeting.
3. A member entitled to attend and vote at the Annual General Meeting may appoint another member as his/her proxy to attend, speak and vote instead of him/her.
4. Forms of proxy, in order to be valid must be properly filled-in/executed and received at the registered office of the Company situated at Lakson Square, Building No.2, Sarwar Shaheed Road, Karachi not later than 48 hours before the time of the meeting.
5. Members are requested to promptly notify Share Registrar of the Company of any change in their addresses.
6. Members who have not yet submitted photocopy of their Computerized National Identity Card (CNIC) are requested to send the same to our Share Registrar at the earliest.
7. Pursuant to Notification vide SRO.787(1)/2014 of September 08, 2014, SECP has directed to facilitate the members of the company receiving Annual Financial Statements and Notices through electronic mail system (e-mail). We are pleased to offer this facility to our members who desire to receive Annual Financial Statements and Notices of the Company through e-mail in future. In this respect members are hereby requested to convey their consent via e-mail on a standard request form which is available at the Company website i.e. www.clover.com.pk. Please ensure that your e-mail has sufficient rights and space available to receive such e-mail which may be larger than 1 MB file in size. Further, it is the responsibility of the member to timely update the Share Registrar of any change in the registered e-mail address.
8. Members can also avail video conference facility, in this regard, please fill the following and submit to registered address of the Company 10 days before holding of the Annual General Meeting. If the Company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting through video conference at least 10 days prior to date of the meeting, the Company will arrange video conference facility in the city subject to availability of such facility in that city.

"I/We, _____ of _____, being a member of Clover Pakistan Limited, holder of _____ ordinary share(s) as per Registered Folio No. _____ hereby opt for video conference facility at _____."
9. Form of Proxy is enclosed.

REVIEW REPORT BY THE CHAIRMAN

As required under the Code of Corporate Governance, an annual evaluation of the Board of Directors of Clover Pakistan Limited is carried out. The purpose of this evaluation is to ensure that the Board's overall performance and effectiveness is measured and bench marked against expectations in the context of objectives set for the Company.

For the financial year ended June 30, 2017, the Board's overall performance and effectiveness has been assessed as Satisfactory. Improvement is an ongoing process leading to action plans. The overall assessment as Satisfactory based on an evaluation of integral components, including vision, mission and values; engagement in strategic planning; formulation of policies; monitoring the organisation's business activities; monitor financial resource management; effective fiscal oversight; equitable treatment of all employees and efficiency in carrying out the Board's business.

The Board of Directors of your Company received agendas and supporting written material including follow up materials in sufficient time prior to the Board and its Committee meetings. The Board meets frequently enough to adequately discharge its responsibilities. The non-executive and independent directors are equally involved in important decisions.

Karachi: September 19, 2017

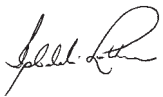

IQBAL ALI LAKHANI
Chairman

چیئر مین کی جائزہ رپورٹ

کلوور پاکستان لمیٹڈ کے بورڈ آف ڈائریکٹرز کا سالانہ جائزہ کوڈ آف کارپوریٹ گورننس کے تحت کیا جاتا ہے۔ اس جائزے کا مقصد اس امر کو یقینی بنانا ہے کہ بورڈ کی مجموعی کارکردگی اور افادیت کو کمپنی کے مختص کردہ مقاصد کے تناظر میں پرکھا جاسکے۔

مالی سال برائے 30 جون، 2017 کے لیے بورڈ کی مجموعی کارکردگی اور افادیت اطمینان بخش قرار پائی ہے۔ بہتری ایک مستقل جاری رہنے والا عمل ہے جس کی مدد سے عملی منصوبہ بندیوں کو ممکن بنایا جاتا ہے۔ مجموعی جائزے کا اطمینان بخش ہونا ضروری اجزاء کے انفرادی جائزے پر منحصر ہے جن میں دورانہ پیشی، نصب العین اور اقدار، حکمت عملی کے بنانے میں کردار، پالیسیز کی تشکیل، کمپنی میں جاری کاروباری سرگرمیوں کی نگرانی، مالیاتی وسائل کے انتظام کی نگرانی، موثر مالی نگرانی، بورڈ کے کاروبار کو پورا کرنے میں ملازمین کے ساتھ منصفانہ سلوک اور بورڈ کی سرگرمیوں کو موثر انداز سے پورا کرنا شامل ہیں۔

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز کو اس کی کمیٹی کی ملاقاتوں میں ایجنڈا مع دیگر ضروری دستاویزات قبل از وقت موصول ہوئے۔ بورڈ ضروری سرگرمیوں اور ذمہ داریوں کو موثر طریقے سے انجام دینے کے لیے باقاعدگی سے ملاقات کرتا ہے۔ نان ایگزیکٹو اور آزاد ڈائریکٹرز بھی اہم فیصلوں میں برابری کی بنیاد پر شامل ہوتے ہیں۔



اقبال علی لاکھانی
چیئر مین

کراچی: 19 ستمبر 2017

Directors' Report

The Directors present the Annual Report together with the Company's financial statements for the year ended June 30, 2017.

OPERATING RESULTS

	<u>2017</u>	<u>2016</u>
	Rupees in thousand	
Net Revenue	600	11,013
Profit from operations before tax	3,429	22,372
Profit from operations after tax	332	14,423
Earnings per share	Rs.0.035	Rs.1.52

PROFIT AND APPROPRIATIONS

	Rupees
Profit after tax	331,552
Un-appropriated profit brought forward	8,075,842
Profit available for appropriation	<u>8,407,394</u>

OPERATING RESULTS

Net revenue amounted to Rs.0.600 million this year as compared to Rs.11.013 million during the previous year.

Income for the year was derived from profits and capital gains on sale of investments which amounted to Rs.7.719 million as compared to Rs.32.305 million last year.

The Company recorded an overall profit after tax of Rs.0.332 million as compared to Rs.14.423 million for the last year.

AUDITORS

The present auditors M/s E Y Ford Rhodes, Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting, and being eligible, offer themselves for reappointment. The Board of Directors of the Company has endorsed the recommendation of the Audit Committee for the re-appointment of E Y Ford Rhodes, Chartered Accountants, till the conclusion of the next Annual General Meeting. E Y Ford Rhodes, Chartered Accountants, have been given satisfactory rating under the Quality Control Review Program of the Institute of Chartered Accountants of Pakistan.

COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

The Directors are pleased to state that all necessary steps have been taken to comply with the requirements of the Code of Corporate Governance as required by the Securities and Exchange Commission of Pakistan (SECP). The Statement of Compliance with the Code of Corporate Governance is annexed with the report.

CORPORATE AND FINANCIAL REPORTING FRAMEWORK

Following are the Statements on Corporate and Financial Reporting frame work:

- The financial statements prepared by the management of the Company, represent fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of accounts have been maintained by the Company.
- Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- In preparation of these financial statements International Financial Reporting Standards, as applicable in Pakistan, have been followed, and any departures there from have been adequately disclosed and explained.
- The system of internal control is sound in design. The system is being continuously monitored by Internal Audit and through other such monitoring procedures. The process of monitoring internal controls will continue as an ongoing process with the objective to further strengthen the controls and bring improvements in the system.
- There are no doubts upon the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance, as detailed in the Listing Regulations.
- The summary of key operating and financial data of the Company of last six years including current period is annexed in this report.
- Information about taxes and levies is given in the notes to the accounts.
- The value of investments made by the staff retirement benefit funds based on their respective un-audited accounts as at June 30, 2017 is as follows:

	(Rupees in million)
Provident Fund	6.324
Gratuity Fund	0.144

BOARD OF DIRECTORS

In accordance with the criteria specified in Clause xi of CCG, majority of Directors of the Company are exempted from the requirement of Directors' Training Program, and the rest of the Directors have completed the same.

Meetings of Board of Directors

During the year four (4) meetings of the Board of Directors were held. Attendance by each Director was as follows:

	Meetings Attended
Mr. Iqbal Ali Lakhani	2
Mr. Zulfiqar Ali Lakhani	3
Mr. Amin Mohammed Lakhani	1
Mr. Tasleemuddin Ahmed Batlay	4
Mr. A. Aziz H. Ebrahim	4
Mr. Shahid Ahmed Khan	3
Mr Syed Shahid Ali Bukhari	4

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

AUDIT COMMITTEE

The Board in accordance with the Code of Corporate Governance has set up an Audit Committee comprising of three non-executive Directors, one of whom is an independent Director who also chairs the Audit Committee. Terms of reference of the Committee have been determined by the Board of Directors in accordance with the guidelines provided in Listing Regulations. The Audit Committee held four meetings during the year. Attendance by each member was as follows :

	Meetings Attended
Mr. Syed Shahid Ali Bukhari	4
Mr. Iqbal Ali Lakhani	2
Mr. Tasleemuddin Ahmed Batlay	4

HUMAN RESOURCE AND REMUNERATION COMMITTEE

The Human Resource and Remuneration Committee held one (1) meeting during the year. Attendance by each member was as follows :

	Meetings Attended
Mr. Iqbal Ali Lakhani	1
Mr. Tasleemuddin Ahmed Batlay	1
Mr. A. Aziz H. Ebrahim	1

PATTERN OF SHAREHOLDING

A statement showing pattern of shareholding of the Company and additional information as at June 30, 2017 is annexed with this report.

The Board has determined threshold under clause xvi (I) of CCG-2012 in respect of trading of Company's shares by executives and employees as those who are drawing annual basic salary of Rs.1.5 million or above.

There has been no transaction carried out by Directors, Chief Executive, CFO, Company Secretary and their spouses and minor children in the shares of the Company during the year.

FUTURE PROSPECTS

During the year, the Company evaluated various business projects but has not been able to find viable business opportunity. However the Company continues to look for viable business opportunities.

During the year, the Company was notified about the Intention to Acquire shares on behalf of Fossil Energy (Private) Limited ("Acquirer"). AKD Securities Limited as the Manager to the Offer submitting copy of Public Announcement of Offer to acquire up to 1,668,038 ordinary shares of Clover Pakistan Limited (the "Target Company") constituting approximately 17.68% of the issued share capital of the Target Company in accordance with the Securities Act, 2015, Listed Companies (Substantial Acquisition of Voting Shares and Take-overs) Regulation, 2017. The Acquirer entered in a share purchase agreement dated 13th June 2017 with the Sellers for the purchase of 5,189,348 ordinary shares representing 55% of the total issued share capital and control of the Target Company at a price of Rs. 23/- per share provided that all relevant approvals and statutory and regulatory requirements for the public offer are fulfilled.

ACKNOWLEDGEMENT

We take this opportunity to thank all those who have provided us with their valuable support throughout the year.

On behalf of the Board of Directors



AMIN MOHAMMAD LAKHANI
Chief Executive



TASLEEMDDIN AHMED BATLAY
Director

Karachi : September 19, 2017

ڈائریکٹرز رپورٹ

ڈائریکٹرز 30 جون 2017ء کو ختم ہونے والے سال پر مالیاتی رپورٹ بمعہ کمپنی کے مالیاتی گوشوارے پیش کرتے ہیں۔

کاروباری نتائج

اہم اعداد و شمار

2016 (ہزار روپے)	2017 (ہزار روپے)	
11,013	600	خالص آمدنی
22,372	3,429	کاروباری سرگرمیوں سے قبل از ٹیکس منافع
14,423	332	کاروباری سرگرمیوں سے بعد از ٹیکس منافع
1.52 روپے	0.035 روپے	فی شیئر آمدنی
	روپے	منافع اور اسکی تقسیم
	331,552	منافع بعد از ٹیکس
	8,075,842	گزشتہ غیر منقسم منافع (brought forward)
	8,407,394	منافع دستیاب برائے تقسیم

آپریٹنگ نتائج :

اس سال کے دوران خالص آمدنی گزشتہ سال کے 11.013 ملین روپے کے مقابلے میں 0.600 ملین روپے ریکارڈ کی گئی۔ اس سال کے لیے آمدنی منافع جات اور انویسٹمنٹس کی فروخت پر مالیاتی منافع سے حاصل کی گئی جو گزشتہ سال 32.305 ملین روپے کے مقابلے میں 7.719 ملین روپے رہی۔ کمپنی نے گزشتہ سال کے 14.423 ملین روپے کے مقابلے میں 0.332 ملین روپے کا مجموعی بعد از ٹیکس منافع ریکارڈ کرایا۔

آڈیٹرز :

موجودہ آڈیٹرز، میسرز EY فورڈ رھوڈز، چارٹرڈ اکاؤنٹنٹس جو کہ آئندہ سالانہ اجلاس عام کے اختتام پر ریٹائر ہو رہے ہیں، اہل ہونے کی بنیاد پر خود کو دوبارہ تقرری کے لیے پیش کرتے ہیں۔ کمپنی کے بورڈ آف ڈائریکٹرز اگلے سالانہ اجلاس کے اختتام تک کے لیے کمپنی کے آڈیٹرز کی حیثیت سے میسرز EY فورڈ رھوڈز، چارٹرڈ اکاؤنٹنٹس کی دوبارہ تقرری کے لیے آڈٹ کمیٹی کی سفارش کی توثیق کرتے ہیں۔ میسرز EY فورڈ رھوڈز، چارٹرڈ اکاؤنٹنٹس کو انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (ICAP) کے کوالٹی کنٹرول ریویو پروگرام کے تحت اطمینان بخش ریٹنگ سے نوازا جا چکا ہے۔

کاروباری نظم و ضبط کے ضابطے (Code of Corporate Governance) کی تعمیل :

ڈائریکٹرز خوشی کے ساتھ مطلع کرتے ہیں کہ کمپنی سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کے تقاضوں کے مطابق کاروباری نظم و ضبط کے ضابطے (کوڈ آف کارپوریٹ گورننس) کے ضوابط کی تعمیل کے لیے تمام ضروری اقدامات کیے جا چکے ہیں۔ کاروباری نظم و ضبط کے ضابطے کی تعمیل کا گوشوارہ رپورٹ کے ساتھ منسلک ہے۔

کارپوریٹ اور فائنانس رپورٹنگ فریم ورک :

مندرجہ ذیل بیان کارپوریٹ اور فائنانس رپورٹنگ فریم ورک کو ظاہر کرتا ہے :

☆ کمپنی کی انتظامیہ کی طرف سے تیار کردہ مالیاتی گوشوارے اس کے معاملات، اس کی کاروباری سرگرمیوں کے نتائج، کیش فلوز اور ایکویٹی میں تبدیلی کی منصفانہ عکاسی کرتے ہیں۔

☆ کمپنی کے اکاؤنٹس کے کھاتے درست انداز میں رکھے ہوئے ہیں۔

☆ مالیاتی گوشواروں کی تیاری میں اکاؤنٹنگ کی مناسب پالیسیوں کی مسلسل پیروی کی گئی ہے اور شماریاتی تخمینے مناسب اور معقول نظریات پر مبنی ہیں۔

☆ ان مالیاتی گوشواروں کی تیاری میں اکاؤنٹنگ کے بین الاقوامی معیاروں کی، جیسا کہ وہ پاکستان میں قابل اطلاق ہیں، پیروی کی گئی ہے۔

☆ انٹرنل کنٹرول کا نظام مستحکم ہے۔ اس نظام کا ایک انٹرنل آڈٹ فنکشن اور نگرانی کے دیگر طریقوں کے ذریعے مسلسل نگرانی کی جاتی ہے۔

☆ انٹرنل کنٹرولز کی نگرانی کا عمل ایک جاری طریقہ کار کی حیثیت سے جاری رہے گا جس کا مقصد کنٹرولز کو مزید مستحکم بنانا اور نظام میں بہتری لانا ہے۔

☆ کمپنی کی کاروباروں اور دواں رکھنے کی صلاحیت ٹینوک و شبہات سے بالاتر ہے۔

☆ لسٹنگ ریگولیشنز میں تفصیلاً درج کارپوریٹ گورننس کی اعلیٰ ترین روایات سے کوئی انحراف نہیں کیا گیا۔

☆ کمپنی کا گزشتہ چھ سال کا اہم کاروباری اور مالیاتی ڈیٹا بشمول موجودہ مدت اس رپورٹ کے ہمراہ منسلک ہے۔

☆ ٹیکسوں اور محصولات کے بارے میں معلومات نوٹس اور مالیاتی گوشواروں کا حصہ ہیں۔

☆ اسٹاف ریٹائرمنٹ بینیفٹ فنڈز کی طرف سے کی جانے والی سرمایہ کاری کی مالیت ان کے غیر آڈٹ شدہ بالترتیب اکاؤنٹس، 30 جون 2017 کے مطابق درج ذیل ہے :

(ملین روپے)

پروویڈنٹ فنڈ 6.324 ملین روپے

گرےجویٹ فنڈ 0.144 ملین روپے

بورڈ آف ڈائریکٹرز:

CCG کی شق xi میں مخصوص کردہ معیار کے مطابق کمپنی کے ڈائریکٹرز کی اکثریت ڈائریکٹرز ٹریننگ پروگرام کے تقاضوں سے مستثنیٰ ہے اور باقی ڈائریکٹرز اسے مکمل کر چکے ہیں۔ بورڈ نے اپنے ڈائریکٹرز کو ان کے فرائض اور ذمہ داریوں سے باخبر رکھنے کے لیے سال کے دوران اور مینٹیشن کورس کا انتظام اور انہیں کارپوریٹ قوانین میں ترمیم کے بارے میں آگاہ کیا۔

بورڈ آف ڈائریکٹرز کے اجلاس :

سال کے دوران بورڈ آف ڈائریکٹرز کے چار (4) اجلاس منعقد ہوئے۔ ہر ڈائریکٹر نے بمطابق ذیل شرکت کی :

اجلاسوں میں شرکت کی تعداد	ڈائریکٹر کا نام
2	جناب اقبال علی لاکھانی
3	جناب ذوالفقار علی لاکھانی
1	جناب امین محمد لاکھانی
4	جناب تسلیم الدین احمد باٹلے
4	جناب عزیز ایچ ابراہیم
3	جناب شاہد احمد خان
4	جناب شاہد علی بخاری

جو ڈائریکٹرز بورڈ کے کچھ اجلاسوں میں شریک نہیں ہو سکے انہیں غیر حاضری کی رخصت دے دی گئی۔

آڈٹ کمیٹی :

بورڈ نے کاروباری نظم و ضبط کے ضابطے (کوڈ آف کارپوریٹ گورننس) کے مطابق ایک آڈٹ کمیٹی قائم کی ہے جو تین نان ایگزیکٹو ممبران پر مشتمل ہے، ان ممبران میں سے ایک خود مختار ڈائریکٹر ہیں جو آڈٹ کمیٹی کی سربراہی بھی کرتے ہیں۔ کمیٹی کی ٹرمز آف ریفرنس کا تعین بورڈ آف ڈائریکٹرز نے لسٹنگ ریگولیشنز میں فراہم کردہ ضوابط کے مطابق کیا ہے۔ مالی سال کے دوران آڈٹ کمیٹی کے چار اجلاس منعقد ہوئے۔ ہر ممبر نے بمطابق ذیل شرکت کی :

اجلاسوں میں شرکت کی تعداد	ممبر کا نام
4	سید شاہد علی بخاری
2	جناب اقبال علی لاکھانی
4	جناب تسلیم الدین احمد باٹلے

افرادى وسائل و مشاہرہ کمیٹی :

افرادى وسائل و مشاہرہ کمیٹی نے سال کے دوران ایک اجلاس منعقد کیا۔ ہر ممبر نے بمطابق ذیل شرکت کی :

اجلاسوں میں شرکت کی تعداد	ممبر کا نام
1	جناب اقبال علی لاکھانی
1	جناب تسلیم الدین احمد باٹلے
1	جناب عزیز ایچ ابراہیم

پیٹرن آف شیئر ہولڈنگ :

30 جون 2017ء کے مطابق کمپنی کے شیئر ہولڈنگ کے پیٹرن اور اضافی معلومات کو ظاہر کرنے والا ایک گوشوارہ اس رپورٹ کے ساتھ منسلک ہے۔ بورڈ نے CCG-2012 کی شق (I) xvi کے تحت کمپنی کے ایسے ایگزیکٹو اور ملازمین کے لیے، جو سالانہ 1.5 ملین روپے یا زائد بنیادی تنخواہ وصول کر رہے ہیں، کمپنی کے شیئرز کی خرید و فروخت کے حوالے سے حتمی حد کا تعین کر رکھا ہے۔

اس سال کے دوران ڈائریکٹرز، چیف ایگزیکٹو، سی ایف او، کمپنی سیکرٹری اور ان سب کی رفقاء حیات اور کم عمر بچوں کی طرف سے کمپنی کے شیئرز میں کوئی لین دین نہیں کیا گیا۔

مستقبل کی توقعات :

سال کے دوران کمپنی نے مختلف کاروباری مواقعوں کا جائزہ لیا لیکن قابل عمل مواقع تلاش نہیں کیے جاسکے۔ تاہم کمپنی کی جانب سے قابل عمل کاروباری مواقع کی تلاش جاری ہے۔ سال کے دوران کمپنی کو فوسل اینیرجی (پرائیوٹ) لمیٹڈ (ایکوائرز) کی جانب سے شیئرز کی خریداری کے ارادے کے بارے میں مطلع کیا گیا۔


AKD بطور منظم عوامی پیشکش، نے عوامی اعلان کی کاپی، جس میں سیکیورٹیز ایکٹ 2015، لمیٹڈ کمپنیز (سبٹرانٹشل ایکویزیشن آف ووٹنگ شیئرز اینڈ ٹیک اوورز) ریگولیشن، 2017 کے مطابق کل طور پر پاکستان لمیٹڈ کے 1,668,038 عام شیئرز جو کہ مجموعی ایشوڈ شیئر کپٹل کا تقریباً 17.68% کی خریداری کی پیشکش کی گئی ہے، جمع کروائی۔


ایکوائرز نے 13 جون 2012 کو شیئرز پر چیز معاہدہ کیا جس کے مطابق وہ 5,189,345 آرڈینری شیئرز، جو مجموعی ایشوڈ شیئر کپٹل کا 55% ہے، اور مینجمنٹ کنٹرول کی خریداری -23/ روپے فی شیئر کے حساب سے کرے گا بشرط کہ تمام قانونی اور ریگولیٹری تقاضے برائے عوامی آفر پوری ہو جائیں۔

تشکر :

ہم اس موقع کا فائدہ اٹھاتے ہوئے ان تمام افراد کا شکریہ ادا کرنا چاہیں گے جنہوں نے پورے سال کے دوران ہمیں اپنی قابل قدر معاونت فراہم کی۔

بورڈ آف ڈائریکٹرز کی جانب سے

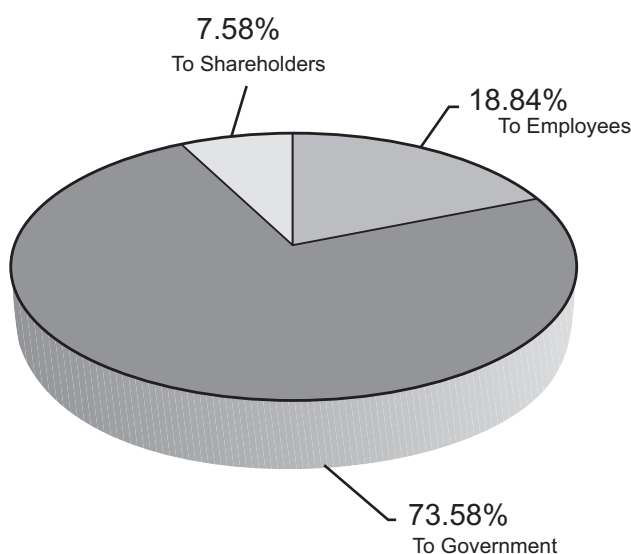

تسلیم الدین احمد باٹلے
ڈائریکٹر


امین محمد لاکھانی
چیف ایگزیکٹو

کراچی: 19 ستمبر 2017

Statement of Value Added

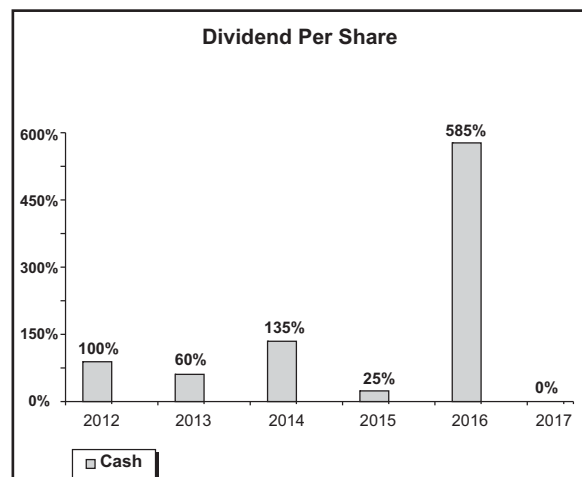
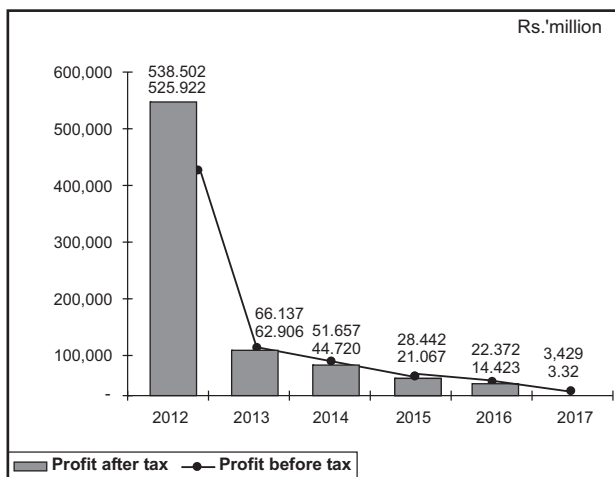
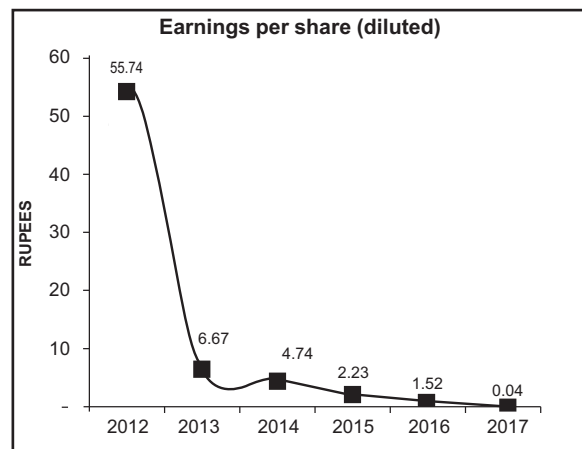
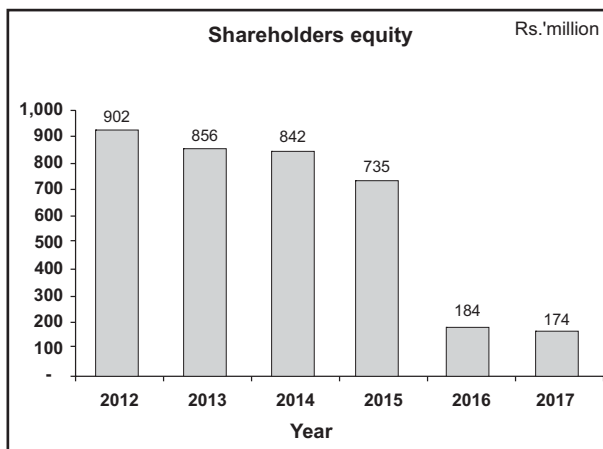
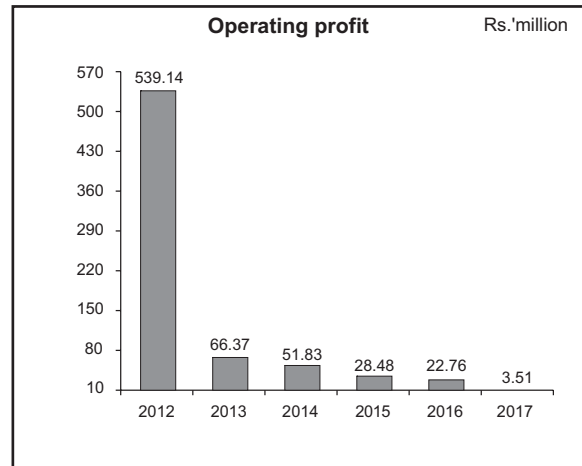
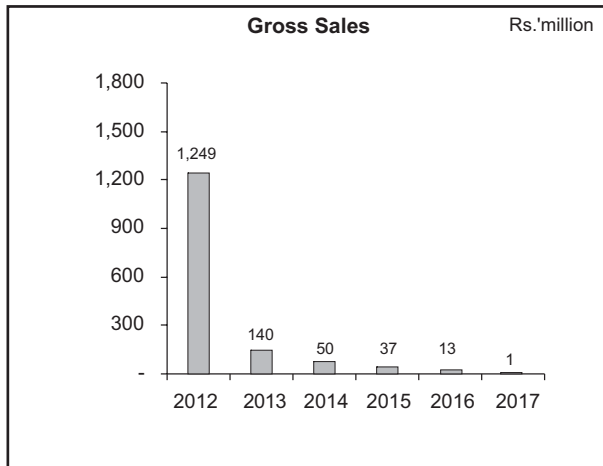
	June 30, 2017 Rupees		June 30, 2016 Rupees	
Wealth Generated				
Total revenue	8,825,052		46,268,744	
Bought-in-material & services	(4,307,203)		(18,431,320)	
	4,517,849	100%	27,837,424	100%
Wealth Distributed				
To Employees	851,369	18.84%	2,673,156	10%
To Government				
Excise duty, income tax, sales tax, To Government	3,324,217	73.58%	10,293,106	37%
To providers of Capital				
Dividend to shareholders To share holders	-	0.0%	9,434,880	34%
Mark-up/interest Expenses on				
Interest expenses on borrowed funds	-	0.0%	386,061	1%
Retained for reinvestment & future growth				
Depreciation & retained profit Retained for future growth	342,263	7.58%	5,050,221	18%
	4,517,849	100.00%	27,837,424	100.00%



Yearwise Financial Highlights

	2017	2016	2015	2014	2013	2012
	(Rupees in thousands)					
					(restated)	(restated)
BALANCE SHEET						
Fixed Assets - Property, plant and equipment	-	31	112	528	3,758	5,554
Long term loans & security deposits	10	20	34	40	201	876
Current Assets	179,109	189,497	740,013	849,046	872,711	1,128,743
Current Liabilities	4,670	5,595	5,342	7,418	20,616	231,323
	<u>174,439</u>	<u>183,902</u>	<u>734,671</u>	<u>841,628</u>	<u>852,095</u>	<u>897,420</u>
	<u>174,450</u>	<u>183,953</u>	<u>734,817</u>	<u>842,196</u>	<u>856,054</u>	<u>903,850</u>
Equity	174,450	183,953	734,817	842,196	856,054	901,838
Long term deposits	-	-	-	-	-	3,902
Deferred liability	-	-	-	-	-	(1,890)
	<u>174,450</u>	<u>183,953</u>	<u>734,817</u>	<u>842,196</u>	<u>856,054</u>	<u>903,850</u>
PROFIT AND LOSS ACCOUNTS						
Gross turnover	716	13,126	36,538	49,760	140,410	1,249,357
Less: Sales tax	117	1,923	5,098	7,107	22,121	209,207
Trade discount	-	190	1,088	1,114	15,344	38,459
	<u>117</u>	<u>2,113</u>	<u>6,186</u>	<u>8,221</u>	<u>37,465</u>	<u>247,666</u>
Net turnover	600	11,013	30,352	41,539	102,945	1,001,690
Cost of sales	487	11,692	22,721	28,172	117,371	960,521
Gross Profit	113	(679)	7,631	13,367	(14,426)	41,169
Distribution and marketing expenses	-	(1,835)	(10,630)	(16,299)	(17,245)	(70,285)
Administrative expenses	(4,707)	(7,690)	(11,992)	(11,598)	(15,616)	(19,034)
Other operating expenses	-	(371)	(11,290)	(1,245)	(1,698)	(31,171)
Other operating income	8,109	33,333	54,758	67,602	115,359	618,461
Financial charges	(86)	(386)	(35)	(170)	(237)	(639)
Profit before taxation	3,429	22,372	28,442	51,657	66,137	538,502
Taxation	(3,097)	(7,949)	(7,375)	(6,937)	(3,232)	(12,580)
Profit after taxation	332	14,423	21,067	44,720	62,906	525,922
Earnings Per Share						
- basic and diluted (Rupees)	0.04	1.52	2.23	4.74	6.67	55.74
Cash dividend		585%	25%	135%	60%	100%
Operating profit (Rs. million)	3.51	22.76	28.48	51.83	66.37	539.14
Capital (Rupees)	9,434,880	9,434,880	9,434,880	9,434,880	9,434,880	9,434,880

Six Years at a Glance



Statement of Compliance with the Code of Corporate Governance for the year ended June 30, 2017

This statement is being presented to comply with the Code of Corporate Governance (CCG) contained in Regulation No.5.19.24 of listing regulations of Pakistan Stock Exchange Limited for the purpose of establishing a framework of good governance, whereby a listed Company is managed in compliance with the best practices of corporate governance.

The Company has applied the principles contained in the CCG in the following manner:

1. The Company encourages representation of independent non-executive Directors and Directors representing minority interests on its Board of Directors. At present the Board includes:

<u>Category</u>	<u>Name</u>
Independent Director	Mr. Syed Shahid Ali Bukhari
Executive Director	Mr. Amin Mohammed Lakhani
Non-Executive Directors	Mr. Iqbal Ali Lakhani Mr. Zulfiqar Ali Lakhani Mr. Tasleemuddin A. Batlay, Mr. A. Aziz H. Ebrahim and Mr. Shahid Ahmed Khan

The independent director meets the criteria of independence under clause 5.19.1(b) of the CCG.

2. The Directors have confirmed that none of them is serving as a Director on more than seven listed companies, including this Company (excluding the listed subsidiaries of listed holding companies where applicable)..
3. All the resident Directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a Banking company, a DFI or an NBFIs or being a Broker of a stock exchange, has been declared as a defaulter by that stock exchange.
4. Casual vacancy for Chief Executive position occurred during the year which was duly filled on the same day i.e 07th December 2016. No other casual vacancy occurred in the board during the year.
5. 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.
6. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies alongwith the dates on which they were approved or amended has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non-executive Directors have been taken by the Board.
8. The meetings of the Board were presided over by the Chairman and, in his absence, by a Director elected by the Board for this purpose and the Board met at least once in every quarter. Written notices of the Board meetings, alongwith agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. The Board has not arranged any training program for its Directors during the year. However out of seven directors, four directors are exempted and three directors have completed the required training as of 30 June 2017.

CLOVER PAKISTAN LIMITED

10. The Board has approved appointment of CFO, Company Secretary and Head of Internal Audit including their remuneration and terms and conditions of employment. However, Mr. Mansoor Ahmed was assigned the responsibilities of Company Secretary of Clover Pakistan Limited in addition to his responsibilities in other Group Companies.
11. The Directors' report for this year has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.
12. The financial statements of the Company were duly endorsed by CEO and CFO before approval of the Board.
13. The Directors, CEO and Executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.
14. The Company has complied with all the corporate and financial reporting requirements of the CCG.
15. The Board has formed an Audit Committee. It comprises of three members, all of them are non-executive Directors and the Chairman of the Committee is an independent director.
16. The meetings of the Audit Committee were held at least once every quarter prior to approval of interim and final results of the Company and as required by CCG. The terms of reference of the Committee have been formed and advised to the Committee for compliance.
17. The Board has formed a Human Resource and Remuneration Committee. It comprises of three members, all of them are non-executive Directors and the Chairman of the Committee is a non-executive Director.
18. The Board has outsourced internal audit function of the Company to a firm of Chartered Accountants, who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company. However during the year, no internal audit report has been issued as the Company does not have any operations.
19. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan (ICAP), that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on Code of Ethics as adopted by the ICAP
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The 'closed period' prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of Company's securities, was determined and intimated to directors, employees and stock exchange.
22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange.
23. The Company has complied with the requirements relating to maintenance of register of persons having access to inside information by designated senior management officer in a timely manner and maintained proper record including basis for inclusion or exclusion of names of persons from the said list.
24. We confirm that all other material principles enshrined in the CCG have been complied with.



AMIN MOHAMMAD LAKHANI
Chief Executive



TASLEEMDIN AHMED BATLAY
Director

Karachi : September 19, 2017

**REVIEW REPORT TO THE MEMBERS ON THE STATEMENT OF COMPLIANCE
WITH THE BEST PRACTICES OF CODE OF CORPORATE GOVERNANCE**

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of Clover Pakistan Limited (the Company) for the year ended 30 June 2017 to comply with the requirements of Chapter 5, Clause 5.19 of the Code of Corporate Governance of Rule Book of Pakistan Stock Exchange Limited, where the Company is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. 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 Code.

As part of our audit of 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 Code requires 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 distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. 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. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

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 best practices contained in the Code as applicable to the Company for the year ended 30 June 2017.

EY Ford Rhodes

Chartered Accountants

Audit Engagement Partner : Tariq Feroz Khan

Date : 19 September 2017

Karachi

A member firm of Ernst & Young Global Limited

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of Clover Pakistan Limited (the Company) as at 30 June 2017 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended 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 our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;
- b) in our opinion:
 - i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied except for changes as stated in note 4.1 to the accompanying financial statements with which we concur;
 - ii) the expenditure incurred during the year was for the purpose of the Company's business; and
 - iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;
- c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, 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 2017 and of the profit, its comprehensive loss, cash flows and changes in equity for the year then ended; and
- d) in our opinion, Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

We draw attention to contents of note 12 to the financial statements in respect of recoverability of customs duty refundable of Rs.20.998 million. Our opinion is not qualified in respect of this matter.


EY Ford Rhodes

Chartered Accountants
Audit Engagement Partner: Tariq Feroz Khan
Date: 19 September, 2017
Karachi


Balance Sheet as at June 30, 2017

	Note	June 30, 2017 ------(Rupees) -----	June 30, 2016
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	-	30,986
Long-term loans	6	-	10,002
Long-term deposits - security deposits		10,466	10,466
Deferred tax asset	7	-	-
		10,466	51,454
CURRENT ASSETS			
Stock in trade	8	-	-
Loans and advances	9	9,500	13,333
Trade deposits and short-term prepayments		1,424	13,034
Other receivables	10	13,754	391,400
Short-term investments	11	123,711,879	101,067,245
Duty refunds due from government	12	20,997,742	20,997,742
Sales tax refundable		11,670,898	11,624,863
Taxation - net	13	18,561,646	21,206,212
Cash and bank balances	14	4,142,300	34,183,522
		179,109,143	189,497,351
TOTAL ASSETS		179,119,609	189,548,805
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorised share capital 10,000,000 (2016: 10,000,000) ordinary shares of Rs. 10/- each		100,000,000	100,000,000
Issued, subscribed and paid-up capital	15	94,348,800	94,348,800
Reserves		80,101,130	89,604,376
		174,449,930	183,953,176
CURRENT LIABILITIES			
Trade and other payables	16	4,669,679	5,595,629
CONTINGENCIES AND COMMITMENTS	17		
TOTAL EQUITY AND LIABILITIES		179,119,609	189,548,805

The annexed notes 1 to 33 form an integral part of these financial statements.


Amin Mohammad Lakhani
Chief Executive



Tasleemuddin Ahmed Batlay
Director


Ismail Ahmed
Chief Financial Officer


Profit and Loss Account for the year ended June 30, 2017

	Note	June 30, 2017 ----- (Rupees) -----	June 30, 2016 -----
Revenue - net	18	599,501	11,013,416
Cost of sales	19	(486,653)	(11,691,777)
Gross profit / (loss)		112,848	(678,361)
Distribution and marketing expenses	20	-	(1,835,287)
Administrative expenses	21	(4,707,340)	(7,689,766)
Other expenses	22	-	(371,195)
Other income	23	8,108,974	33,332,715
		3,401,634	23,436,467
Operating profit		3,514,482	22,758,106
Finance costs	24	(85,771)	(386,061)
Profit before taxation		3,428,711	22,372,045
Taxation	25	(3,097,159)	(7,949,233)
Profit for the year		331,552	14,422,812
Earnings per share - basic and diluted		0.035	1.52

The annexed notes 1 to 33 form an integral part of these financial statements.


Amin Mohammad Lakhani
 Chief Executive


Tasleemuddin Ahmed Batlay
 Director


Ismail Ahmed
 Chief Financial Officer

Statement of Comprehensive Income for the year ended June 30, 2017

	June 30, 2017 ------(Rupees) -----	June 30, 2016 -----
Profit for the year	331,552	14,422,812
Other comprehensive income		
Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax)		
Unrealised gain on revaluation of available-for-sale investments at fair value	960,929	24,679,782
Transferred to profit and loss account on redemption / disposal	(1,360,847)	(24,350,892)
Net comprehensive (loss) / income to be reclassified to profit or loss in subsequent periods	(399,918)	328,890
Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax)		
Remeasurement gains on defined benefit plan	-	477,000
Net comprehensive income not to be reclassified to profit or loss in subsequent periods	-	477,000
Total other comprehensive (loss) / income for the year, net of tax	(399,918)	805,890
Total comprehensive (loss) / profit for the year, net of tax	(68,366)	15,228,702

The annexed notes 1 to 33 form an integral part of these financial statements.



Amin Mohammad Lakhani
Chief Executive



Tasleemuddin Ahmed Batlay
Director




Ismail Ahmed
Chief Financial Officer


Cash Flow Statement for the year ended June 30, 2017

	Note	June 30, 2017 ----- (Rupees) -----	June 30, 2016
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash flows (used in) / generated from operations	29	(2,277,294)	6,664,981
Taxes paid	13	(452,593)	(7,386,266)
Tax refund	13	-	13,839,352
Finance costs paid		(85,771)	(400,882)
Long-term loans		10,002	13,333
Markup accrued		(330,413)	-
Net cash flows (used in) / generated from operating activities		(3,136,069)	12,730,518
CASH FLOWS FROM INVESTING ACTIVITIES			
Sale proceeds from disposal of property, plant and equipment	5.2	105,063	134,243
Purchase of investments		(784,640,458)	(818,383,688)
Proceeds from disposal of available-for-sale investments		736,750,244	805,348,026
Proceeds from redemption of available-for-sale investments		31,255,204	593,633,520
Net cash flows (used in) / from investing activities		(16,529,947)	580,732,101
CASH FLOWS FROM FINANCING ACTIVITIES			
Short-term deposits		-	(564,500)
Dividend paid		(10,375,206)	(562,523,067)
Net cash flows used in financing activities		(10,375,206)	(563,087,567)
Net (decrease) /increase in cash and cash equivalents		(30,041,222)	30,375,052
Cash and cash equivalents at the beginning of the year		34,183,522	3,808,470
Cash and cash equivalents at the end of the year	14	4,142,300	34,183,522

The annexed notes 1 to 33 form an integral part of these financial statements.


Amin Mohammad Lakhani
 Chief Executive


Tasleemuddin Ahmed Batlay
 Director


Ismail Ahmed
 Chief Financial Officer

Statement of Changes in Equity for the year ended June 30, 2017

	REVENUE RESERVES					Total equity
	Issued, subscribed and paid-up capital	General reserves	Available for-sale reserve	Unappropriated profit	Total reserves	
	(Rupees)					
Balance as at June 30, 2015	94,348,800	615,000,000	252,675	25,215,799	640,468,474	734,817,274
Transfer from general reserves for the year ended June 30, 2015	-	(2,400,000)	-	2,400,000	-	-
Transfer from general reserves for the year ended June 30, 2016	-	(548,000,000)	-	548,000,000	-	-
Final dividend for the year ended June 30, 2015 @ Rs. 2.50 per share	-	-	-	(23,587,200)	(23,587,200)	(23,587,200)
Interim dividend for the year ended June 30, 2016 @ Rs. 57.50 per share	-	-	-	(542,505,600)	(542,505,600)	(542,505,600)
Profit for the year	-	-	-	14,422,812	14,422,812	14,422,812
Other comprehensive income for the year, net of tax	-	-	328,890	477,000	805,890	805,890
Total comprehensive income for the year, net of tax	-	-	328,890	14,899,812	15,228,702	15,228,702
Balance as at June 30, 2016	94,348,800	64,600,000	581,565	24,422,811	89,604,376	183,953,176
Final dividend for the year ended June 30, 2016 @ Rs. 1.00 per share	-	-	-	(9,434,880)	(9,434,880)	(9,434,880)
Profit for the year	-	-	-	331,552	331,552	331,552
Other comprehensive loss for the year, net of tax	-	-	(399,918)	-	(399,918)	(399,918)
Total comprehensive income for the year, net of tax	-	-	(399,918)	331,552	(68,366)	(68,366)
Balance as at June 30, 2017	94,348,800	64,600,000	181,647	15,319,483	80,101,130	174,449,930

The annexed notes 1 to 33 form an integral part of these financial statements.



Amin Mohammad Lakhani
Chief Executive



Tasleemuddin Ahmed Batlay
Director



Ismail Ahmed
Chief Financial Officer

Notes to the Financial Statements for the year ended June 30, 2017

1. LEGAL STATUS AND OPERATIONS

- 1.1 The Company was incorporated in Pakistan on September 30, 1986 as a public limited company under the repealed Companies Ordinance, 1984 (the Ordinance). The shares of the Company are quoted on Pakistan Stock Exchange Limited. The registered office of the Company is situated at Lakson Square, Building No. 2, Sarwar Shaheed Road, Karachi.
- 1.2 The principal business of the Company was the manufacture and sale of food and plastic products and trading in food and consumer durables.
- 1.3 In view of the significance of Tang business in the overall operations, which was discontinued by the Company in year 2012, the Company has started the process of searching alternative business. The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue business for the foreseeable future. Therefore, the financial statements continue to be prepared on the going concern basis.
- 1.4 During the year ended 30 June 2017, Fossil Energy (Private) Limited has started the process to acquire shares with management control of the Company in a phased manner and has made public announcements in this respect. However as at balance sheet date and subsequent to the year end, the transaction proceedings are underway pending different formalities.

2. STATEMENT OF COMPLIANCE

During the year, the Companies Act, 2017 (the Act) has been promulgated, however, Securities and Exchange Commission of Pakistan (SECP) vide its circular No. 17 of 2017 dated July 20, 2017 communicated its decision that the companies whose financial year closes on or before June 30, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. Accordingly, the Company's financial statements for the year ended June 30, 2017 have been prepared considering the requirements of the repealed Companies Ordinance, 1984 and approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the repealed Companies Ordinance, 1984, provisions of and directives issued under the repealed Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the repealed Companies Ordinance, 1984 shall prevail.

3. BASIS OF PREPARATION

These financial statements have been prepared on the basis of historical cost convention unless specified otherwise.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Standards, amendments and interpretations adopted during the year

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except as described below:

New and Revised Standards

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

- | | |
|---------|--|
| IFRS 10 | - Consolidated Financial Statements |
| IFRS 11 | - Joint Arrangements - Accounting for Acquisition of Interest in Joint Operation (Amendment) |

IFRS 12	- Disclosure of Interests in Other Entities
IAS 1	- Presentation of Financial Statements - Disclosure Initiative (Amendment)
IAS 16	- Property, Plant and Equipment and IAS 38 Intangible assets - Clarification of Acceptable Method of Depreciation and Amortization (Amendment)
IAS 16	- Property, Plant and Equipment and IAS 41 Agriculture - Agriculture: Bearer Plants (Amendment)
IAS 27	- Separate Financial Statements - Equity Method in Separate Financial Statements (Amendment)

The adoption of the above standards did not have any material effect on these financial statements.

Annual Improvements

IFRS 5	- Non-current Assets Held for Sale and Discontinued Operations - Changes in methods of disposal
IFRS 7	- Financial Instruments: Disclosures - Servicing contracts
IFRS 7	- Financial Instruments: Disclosures - Applicability of the offsetting disclosures to condensed financial statements interim
IAS 19	- Employee Benefits - Discount rate: regional market issue
IAS 34	- Interim Financial Reporting - Disclosure of information elsewhere in the interim financial report

The adoption of the above amendments, improvements to accounting standards and interpretations does not have any material effect on these financial statements.

4.2 Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgments in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. In the process of applying the Company's accounting policies, management has made the following estimates and judgments which are significant to these financial statements:

Taxation

In making the estimate for income tax payable by the Company, the Company takes into account the applicable tax laws and the decision by appellate authorities on certain issues in the past. With regard to deferred taxation, the Company applies various assumptions on future projections and applicability of different tax regime, as well as recoverability of various deferred tax assets.

Other areas where judgments, estimates and assumptions involved are disclosed in respective notes to these financial statements.

4.3 Property, plant and equipment - owned assets

Property, plant and equipment except for freehold and leasehold land are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land and leasehold land are stated at cost.

Depreciation is charged to profit and loss account using straight line method so as to write off the historical cost of the assets over their estimated useful lives at the rates specified in note 5 to these financial statements. Depreciation on additions is charged from the month in which the asset is available for use and on disposals up to the month the respective asset was in use. Assets' residual values, useful lives and methods are reviewed, and adjusted, if appropriate, at each financial year end.

The carrying values of property, plant and equipment are reviewed at each reporting date for indication that an asset may be impaired and carrying values may not be recovered. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount.

Major renewals and improvements for assets are capitalised and the assets so replaced, if any, are retired. Maintenance and normal repairs are charged to profit and loss account, as and when incurred.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset are charged to profit and loss account.

4.4 Intangible assets

An intangible asset is recognised if it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of such assets can also be measured reliably.

Generally, costs associated with developing and maintaining the computer software programmes are recognised as expense as incurred. However, costs that are directly associated with identifiable software and have probable economic benefit exceeding the cost beyond one year, are recognised as intangible asset. Direct costs include the purchase cost of software and related overhead cost.

Expenditure which enhances or extends the performance of computer software beyond its original specification and useful life is recognised as a capital improvement and added to the original cost of the software.

These are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is charged on a straight line basis over the useful lives of the assets, not exceeding three years. Amortisation on additions is charged from the month in which the asset is available for use and on disposals up to the month the respective asset was in use.

4.5 Stock-in-trade

Stock-in-trade is valued at the lower of cost, determined on weighted average basis and net realisable value, except items in transit, which are stated at cost comprising invoice value and plus other charges incurred thereon.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to be incurred to make the sale.

4.6 Trade debts

Trade debts originated by the Company are recognised and carried at original invoice amount less provision for doubtful debts, if any. An estimated provision for doubtful debt is made when collection of the full amount is no longer probable. No provision is made in respect of the active customers which are considered good. Bad debts are written-off, as and when identified.

4.7 Loans, advances and other receivables

These are stated at cost less provision for doubtful balances, if any.

4.8 Investments

The management of the Company determines the appropriate classification of its investments at the time of purchase.

Held-to-maturity investments

Investments with fixed or determinable payments and fixed maturity where management has both the positive intent and ability to hold to maturity are classified as held-to-maturity. These are initially measured at fair value plus transaction costs and are subsequently stated at amortised cost using the effective interest method less impairment, if any. These are classified as current and non-current assets in accordance with the criteria set out by IFRSs. Gains and losses are recognised in profit and loss account, when the investments are derecognised or impaired, as well as through the amortisation process.

At fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held-for-trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial instruments are classified as held-for-trading if they are acquired for the purpose of selling and repurchasing in near term. Held-for-trading assets are acquired principally for the purpose of generating profit from short-term fluctuations in price. Financial instruments are designated at fair value through profit or loss if the Company manages such investments and makes sales and purchase decision based on their fair value in accordance with the Company's investment strategy.

All investments classified as investments at fair value through profit or loss are initially measured at cost being fair value of consideration given. All transaction costs are recognised directly in profit and loss account. At subsequent dates these investments are measured at fair value, determined on the basis of prevailing market prices, with any resulting gain or loss recognised directly in the profit and loss account. These are classified as current and non-current assets in accordance with criteria set out by IFRSs.

Available-for-sale investments

Investments intended to be held for an indefinite period of time which may be sold in response to need for liquidity or changes in market conditions are classified as available-for-sale. At initial recognition, available-for-sale investments are measured at fair value plus directly attributable transaction costs.

After initial recognition, investments which are classified as available-for-sale are measured at fair value with unrealised gains or losses recognised in other comprehensive income in the available-for-sale reserve until, the investment is sold, derecognised or is determined to be impaired, at which time the cumulative gain or loss is reclassified to the profit and loss account and removed from the available-for-sale reserve.

The fair value of those investments representing listed equity and other securities i.e. debt instruments are determined on the basis of year-end market / bid prices.

4.9 Impairment**Financial assets**

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Any impairment losses on financial assets including financial assets carried at amortised cost are recognised in profit and loss account.

Non-financial assets

The carrying value of non-financial assets other than inventories and deferred tax assets are assessed at each reporting date to determine whether there is any indication of impairment. If any such indications exist, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The fair value less costs to sell calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs to sell of the asset. In determining fair value less costs to sell, the recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other fair value indicators.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the profit and loss account.

4.10 Cash and cash equivalents

Cash and cash equivalents are stated at cost. For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand and balances with banks, cheques in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

4.11 Staff retirement benefits

Defined benefit plan

The Company has an approved defined funded gratuity scheme for all its permanent employees. Contributions to the fund are made based on actuarial recommendations. Staff retirement benefits are payable to staff on completion of prescribed qualifying period of service under the scheme. Remeasurement gains and losses on the defined benefit plan are recognised in full, in the period, in which they occur in other comprehensive income. Such remeasurement gains and losses are also immediately recognised in other comprehensive income or loss and are not reclassified to profit or loss in subsequent periods. The past service costs are recognised at the earlier of when the amendment or curtailment occurs and when the Company has recognised related restructuring or terminations.

The scheme is governed by the Trust Deeds and Rules and all matters pertaining to the scheme including contributions to the scheme and payments to outgoing members are dealt with in accordance with the Trust Deeds and Rules.

Defined contribution plan

A recognised provident fund scheme is in operation, which covers all permanent employees. Equal monthly contributions are made both by the Company and the employees.

4.12 Compensated absences

The Company provides for its estimated liability towards leaves accumulated by employees on an accrual basis using current salary levels.

4.13 Taxation**Current**

Provision for current taxation is computed on taxable income at the current rates of taxation after taking into account tax credits and rebates available, if any, in accordance with the provision of the Income Tax Ordinance, 2001. It also includes any adjustment to tax payable in respect of prior years. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime.

Deferred

Deferred tax is provided in full using the liability method, on all temporary differences arising at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, while deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax losses and unused tax credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry forwards of unused tax losses and unused tax credits can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profits will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the balance sheet date. Deferred tax is charged or credited to the profit and loss account.

Deferred tax relating to items recognised directly in the other comprehensive income or equity is recognised in the other comprehensive income or equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax assets and liabilities and they relate to the income tax levied by the same tax authority.

4.14 Trade and other payables

Liabilities for trade and other payables are carried at cost which is the fair value of the consideration to be paid in the future for the goods and services received, whether or not billed to the Company.

4.15 Provisions

Provisions are recognised when the Company has a present (legal or constructive) obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

4.16 Foreign currency translations

Transactions in foreign currencies are translated into Pakistani Rupee at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate ruling at the balance sheet date. Exchange gains and losses are recognised in

profit and loss account. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

4.17 Financial instruments

All the financial assets and financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. All financial assets are derecognised at the time when the Company loses control of the contractual rights that comprise the financial assets. All financial liabilities are derecognised at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled, or expired. Any gains or losses on derecognition of financial assets and financial liabilities are taken to profit and loss account.

4.18 Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the balance sheet, if the Company has a legally enforceable right to set off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Income and expenses arising from such assets and liabilities are also offset accordingly.

4.19 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at fair value of the consideration received or receivable, excluding discounts, rebates, and sales tax or duty. The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting as a principal or an agent. The Company has concluded that it is acting as a principal in all its revenue arrangements. The following are the specific recognition criteria that must be met before revenue is recognised:

- Revenue from sales is recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer which generally coincides with dispatch of goods to customers.
- Income on bank accounts is recorded using effective interest rate and all other revenue / income is recorded on an accrual basis.
- Dividend income is recognised when the right to receive the dividend is established.

4.20 Functional and presentation currency

These financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency.

4.21 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognised to the financial statement in the period in which these are approved. However, if these are approved after the reporting period but before the financial statements are authorised for issue, they are disclosed in the notes to the financial statements.

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

The following revised standards and amendments with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standards	Effective date (annual periods beginning on or after)
IFRS 2 Share-based Payments - Classification and Measurement of Share-based Payments Transactions (Amendments)	January 01, 2018
IFRS 10 Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalised
IAS 7 Statement of Cashflows: Disclosures - Disclosure Initiative - (Amendment)	January 01, 2017
IAS 12 Income Taxes - Recognition of Deferred Tax Assets for Unrealized losses (Amendments)	January 01, 2017
IFRS 4 Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts - (Amendments)	January 01, 2018
IAS 40 Investment Property: Transfers of Investment Property (Amendments)	January 01, 2018
IFRIC 22 Foreign Currency Transactions and Advance Consideration	January 01, 2018
IFRIC 23 Uncertainty over Income Tax Treatments	January 01, 2017

The Company expect that the adoption of above standards and amendments will not have any material impact on the Company's financial statements in the period of initial application.

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB in December 2016. Such improvements are generally effective for accounting periods beginning on or after 01 January 2018. The Company expects that such improvements to the standards will not have any impact on the Company's financial statements in the period of initial application.

Further, the following new standards have been issued by IASB which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP) for the purpose of applicability in Pakistan.

Standards

IFRS 9	Financial Instruments: Classification and Measurement
IFRS 14	Regulatory Deferral Accounts
IFRS 15	Revenue from Contracts with Customers
IFRS 16	Leases
IFRS 17	Insurance Contracts

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.

CLOVER PAKISTAN LIMITED

5. PROPERTY, PLANT AND EQUIPMENT

Description	2017								Dep. Rate % per annum	
	COST				ACCUMULATED DEPRECIATION					WRITTEN DOWN VALUE
	As at July 01, 2016	Additions	(Disposals) (note 5.2)	As at June 30, 2017	As at July 01, 2016	For the year	(On disposals)	As at June 30, 2017		As at June 30, 2017
	(Rupees)									
Furniture and fittings	233,601	-	(233,601)	-	233,601	-	(233,601)	-	-	15
Vehicles	61,000	-	(61,000)	-	48,800	-	(48,800)	-	-	25
Office equipment	280,840	-	(280,840)	-	264,192	8,573	(272,765)	-	-	15
Tools and equipment	10,850	-	(10,850)	-	10,850	-	(10,850)	-	-	15
Computer and data process equipment	480,595	-	(480,595)	-	478,457	2,138	(480,595)	-	-	33
June 30, 2017	1,066,886	-	(1,066,886)	-	1,035,900	10,711	(1,046,611)	-	-	

Description	2016								Dep. Rate % per annum	
	COST				ACCUMULATED DEPRECIATION					WRITTEN DOWN VALUE
	As at July 01, 2015	Additions	(Disposals) (note 5.2) *(written off)	As at June 30, 2016	As at July 01, 2015	For the year	(On disposals / *(written off)	As at June 30, 2016		As at June 30, 2016
	(Rupees)									
Furniture and fittings	2,703,250	-	(9,500) *(2,460,149)	233,601	2,689,890	9,456	(9,500) *(2,456,245)	233,601	-	15
Vehicles	104,056	-	(43,056)	61,000	83,246	-	(34,446)	48,800	12,200	25
Office equipment	993,402	-	(712,562)	280,840	921,688	48,560	(706,056)	264,192	16,648	15
Tools and equipment	10,850	-	-	10,850	10,850	-	-	10,850	-	15
Computer and data process equipment	2,179,368	-	(1,698,773)	480,595	2,172,954	4,273	(1,698,770)	478,457	2,138	33
June 30, 2016	5,990,926	-	(2,463,891) *(2,460,149)	1,066,886	5,878,628	62,289	(2,448,772) *(2,456,245)	1,035,900	30,986	

Note **June 30, 2017** June 30, 2016
 ----- **Rupees** -----

5.1 Depreciation for the year has been allocated as follows:

Distribution and marketing expenses	22	-	22,223
Administrative expenses	23	10,711	40,066
		10,711	62,289

5.2 The details of operating fixed assets disposed off during the year are as follows:

Description	Original cost	Accumulated depreciation	Written down value	Sales proceeds	Gain/(loss) on disposal	Mode of disposal	Particulars of buyers
Aggregate amount of assets disposed off having written down value less than Rs.50,000 each							
Office Equipment	280,840	272,765	8,075	59,647	51,572	Negotiation	Various
Furniture and fittings	233,601	233,601	-	29,412	29,412	Negotiation	Various
Vehicle	61,000	48,800	12,200	5,500	(6,700)	Negotiation	Various
Tools and Equipment	10,850	10,850	-	420	420	Negotiation	Various
Computer and data process equipment	480,595	480,595	-	10,084	10,084	Negotiation	Various
2017	1,066,886	1,046,611	20,275	105,063	84,788		
2016	2,463,891	2,448,772	15,119	134,243	119,124		

	Note	June 30, 2017	June 30, 2016
----- Rupees -----			
6. LONG-TERM LOANS			
Secured - considered good			
Employees	6.1	-	23,335
Due within one year shown under current assets	9	-	(13,333)
		-	10,002
6.1			
These are interest free loans to employees principally for the purchase of vehicles and house building and are repayable over 5 years in equal monthly installments. House building loans are secured against the retirement benefits of the employees. In case of vehicle loans, these are secured by pledge of original registration documents of vehicles and demand promissory notes.			
7. DEFERRED TAX ASSET			
Deferred tax assets / (liability) on deductible / (taxable) temporary differences			
Property, plant and equipment - accelerated tax depreciation		-	283,480
Provision for slow moving stock		165,910	215,595
Remeasurment gains / losses on defined benefit plan		-	(110,050)
		165,910	389,025
Temporary differences not expected to be recovered due to applicability of Final Tax Regime / separate block of income		(165,910)	(389,025)
		-	-
8. STOCK-IN-TRADE			
Trading goods in hand - Titan watches		553,033	695,469
Provision for slow moving stock	8.1	(553,033)	(695,469)
		-	-

CLOVER PAKISTAN LIMITED

	Note	June 30, 2017	June 30, 2016
		----- Rupees -----	
8.1	The movement in provision for slow moving stock is as follows:		
	Opening balance	695,469	876,265
	Provision made during the year	-	388,676
	Reversal made during the year	(142,436)	(569,472)
	Closing balance	<u>553,033</u>	<u>695,469</u>
9.	LOANS AND ADVANCES - Considered good		
	Current portion of long-term loans - secured	6	-
	Advances - unsecured	9,500	13,333
		<u>9,500</u>	<u>-</u>
		<u>9,500</u>	<u>13,333</u>
10.	OTHER RECEIVABLES		
	Unsecured, considered good		
	Receivable from gratuity fund	-	355,000
	Others	10.1	13,754
		<u>13,754</u>	<u>36,400</u>
		<u>13,754</u>	<u>391,400</u>

10.1 These are non-interest bearing and generally on an average term of 1 to 6 months.

11. SHORT-TERM INVESTMENTS

Held-to-maturity - at amortised cost

Term Deposits Receipts (TDRs) - conventional banking 11.1 **100,330,411** -

Available-for-sale - at fair value

Lakson Money Market Fund - a related party 18,914.285 (2016: Nil) units		18,941,976	-
Treasury Bills (T-Bills) - conventional banking		-	79,257,654
Pakistan Investment Bonds (PIBs) - conventional Banking 11.2		4,439,492	21,809,591
		<u>23,381,468</u>	<u>101,067,245</u>
		<u>123,711,879</u>	<u>101,067,245</u>

11.1 Represents term deposit receipts having interest rate of 6.7% with a maturity date of 13 July 2017.

11.2 Represents PIB in the custody of conventional bank on behalf of the Company having face value of Rs.4million, effective interest rate 7.4% per annum (2016: 7% to 8%) and maturity date of March 26, 2025. As of balance sheet date, the investments in PIBs has been classified as current since the management intends and has an ability to sell this investments within next twelve months.

12. DUTY REFUNDS DUE FROM GOVERNMENT

During the year ended June 30, 2009, the Federal Government issued SRO 787(1)/2008 dated July 26, 2008 under Section 19 of Customs Act, 1969 (the Act) whereby, the Customs duty on import of crystalline sugar was brought down to zero, as against 25% given in First Schedule to the Act. The Company had imported crystalline sugar from July 26, 2008 to October 15, 2008 and paid

custom duty of Rs.17.012 million and Rs.3.986 million without availing the benefit of subject SRO. Thereafter, the refund claims were filed by the Company with the custom authorities and recognised the same in books of account during the year ended June 30, 2009. The refund claims were rejected by the Additional Collectorate on the ground that the incidence of duty and taxes has been passed on to the end consumers by incorporating it in the cost of the product.

Being aggrieved with decision of Additional Collectorate, the Company had filed appeals before the Collector of Customs as well as before the Appellate Tribunal in the years ended June 30, 2010 and 2011 respectively, which were also rejected on the same grounds. The Company later filed references in the Honourable High Court of Sindh (SHC) against the judgments of the Appellate Tribunal. Regarding the reference of Rs.17.012 million, the SHC vide its order dated May 28, 2015 had allowed the reference application and remanded the case to the Customs Appellate Tribunal for decision afresh on the basis of the evidence produced before the Tribunal to establish that the burden of tax under Section 19-A of the Act has not been passed on to the end consumer. The Customs Appellate Tribunal vide its order dated June 17, 2016 has decided the case in favour of the Company and has directed the tax department to refund the claim to the Company. The custom authorities have subsequently filed an appeal in the SHC which is pending.

On the other hand, the Divisional Bench of the SHC dismissed the reference for Rs.3.986 million in 2012. The Company filed appeal against the decision of the SHC before the Honourable Supreme Court of Pakistan (SCP) on the grounds that none of the forums above, including the SHC, had examined the evidence produced to establish that the burden of duty and taxes has not been passed on to the end consumer. The SCP in order to examine this question granted leave in the petition.

The management based on the view of its legal counsel is confident that the issue raised by the Customs Authorities is without any basis and the ultimate decision of refund will be in favor of the Company. Accordingly, the Company has maintained the already recognised refund claims of Rs.20.998 million and is of the view that no provision for impairment loss is required to be made in these financial statements.

	Note	June 30 2017	June 30, 2016
		----- (Rupees) -----	
13. TAXATION - net			
Opening balance		21,206,212	35,608,531
Provision for current and prior taxation	25	(3,097,159)	(7,949,233)
Income tax paid and deducted at source		452,593	7,386,266
Tax refunded during the year		-	(13,839,352)
Closing balance		<u>18,561,646</u>	<u>21,206,212</u>
14. CASH AND BANK BALANCES			
Cash in hand		13,815	25,000
Cash at banks			
In current accounts - conventional banking		33,800	3,963,499
In saving accounts - conventional banking	14.1	4,094,685	30,195,023
		<u>4,128,485</u>	34,158,522
		<u>4,142,300</u>	<u>34,183,522</u>

14.1 These carry profit at the rates ranging between 3.75% and 4.5% (2016: 4.5% and 5.5%) per annum.

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15. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

<u>2017</u>	<u>2016</u>		<u>June 30,</u> <u>2017</u>	<u>June 30,</u> <u>2016</u>
Number of shares			----- Rupees -----	
3,900,000	3,900,000	Ordinary shares of Rs. 10/- each		
		Issued for cash	39,000,000	39,000,000
5,534,880	5,534,880	Issued as bonus shares	55,348,800	55,348,800
<u>9,434,880</u>	<u>9,434,880</u>		<u>94,348,800</u>	<u>94,348,800</u>

15.1 As of balance sheet date, the related parties held 6,964,903 (2016: 6,964,903) ordinary shares of Rs.10/- each.

Note	<u>June 30,</u> <u>2017</u>	<u>June 30,</u> <u>2016</u>
	----- Rupees -----	

16. TRADE AND OTHER PAYABLES

Creditors	204,204	4,905
Accrued expenses	303,351	488,274
Unclaimed dividend	4,162,124	5,102,450
	<u>4,669,679</u>	<u>5,595,629</u>

17. CONTINGENCIES AND COMMITMENTS

As at the balance sheet date there are no material contingencies and commitment to be reported except for the contingencies in respect of duty refunds due from Government of Rs.20.998 million (2016: Rs. 20.998 million) which is fully explained in note 12 to these financial statements.

18. REVENUE - NET

Gross revenue	716,078	13,173,319
Sales tax	(116,577)	(1,922,613)
Trade discount and allowances	-	(190,138)
Sales returns	-	(47,152)
	<u>599,501</u>	<u>11,013,416</u>

19. COST OF SALES

Trading goods		
Opening stock-in-trade	695,469	11,481,366
Purchases	486,653	1,086,676
Closing stock-in-trade	(553,033)	(695,469)
	<u>629,089</u>	<u>11,872,573</u>
Provision for slow moving stock	-	388,676
Reversal of provision for slow moving stock 8.1	(142,436)	(569,472)
	<u>486,653</u>	<u>11,691,777</u>

	Note	June 30, 2017 ----- Rupees -----	June 30, 2016
20. DISTRIBUTION AND MARKETING EXPENSES			
Salaries, allowances and other benefits	20.1	-	868,225
Travelling and conveyance		-	20,222
Repairs and maintenance		-	850
Security charges		-	316,354
Vehicles running expenses		-	41,075
Advertisement		-	30,290
Subscription and membership		-	28,500
Postage, telegrams and telephone		-	31,562
Rent, rates and taxes		-	281,040
Printing and stationery		-	4,702
Electricity		-	142,478
Insurance		-	26,875
Freight and octroi		-	8,955
Depreciation	5.1	-	22,223
Information technology		-	8,831
Warehouse expenses		-	3,105
		<u>-</u>	<u>1,835,287</u>
20.1	Included herein Rs.Nil (2016: Rs. 0.024 million) in respect of staff retirement benefits.		
21. ADMINISTRATIVE EXPENSES			
Salaries, allowances and other benefits	21.1	902,706	1,854,996
Travelling and conveyance		2,300	47,803
Repairs and maintenance		3,504	166,016
Advertisement		166,012	321,222
Postage, telegrams and telephone		237,635	318,701
Rent, rates and taxes		-	412,140
Printing and stationery		372,930	578,552
Subscription and membership		1,044,688	1,336,092
Legal and professional charges		304,204	685,210
Electricity		-	466,710
Management Fee on investments		700,642	109,383
Insurance		24,342	-
Auditors' remuneration	21.2	453,650	399,000
Depreciation	5.1	10,711	40,066
Information technology		136,391	599,168
Others		347,625	354,707
		<u>4,707,340</u>	<u>7,689,766</u>
21.1	Included herein Rs.0.020 million (2016: Rs. 0.525 million) in respect of staff retirement benefits.		
21.2 Auditors' remuneration			
Audit fee - statutory		250,000	250,000
Half yearly review and other certifications		140,000	50,000
Out of pocket expenses		63,650	99,000
		<u>453,650</u>	<u>399,000</u>

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21.3 Staff retirement benefits - gratuity scheme

As stated in note 4.11 to these financial statements, the Company has an approved funded gratuity scheme. The latest actuarial valuation was carried out as at June 30, 2016 using the Projected Unit Credit Actuarial Cost Method as during the year all funds have been distributed to respective employees.

21.3.1 Significant actuarial assumptions

The following are significant actuarial assumptions used in the actuarial valuation:

	Note	June 30, 2017 ----- Per annum -----	June 30, 2016 -----
Discount rate		-	9.00%
Expected rate of increase in salary		-	9.00%
Rate of return on plan assets		-	9.00%

	Note	June 30, 2017 ----- Rupees -----	June 30, 2016 -----
--	------	--	---------------------------

21.3.2 The amounts recognised in the balance sheet are as follows:

Present value of defined benefit obligation	21.3.3	-	1,099,000
Fair value of plan assets	21.3.4	-	(1,454,000)
(Asset) / liability recognised in the balance sheet		-	(355,000)

21.3.3 Movement in the present value of defined benefit obligation:

Present value of defined benefit obligation at July 01	1,099,000	1,452,000
Service cost	-	107,000
Interest cost	-	150,000
Benefits paid / adjusted	(1,099,000)	(51,000)
Remeasurement gains	-	(559,000)
Present value of the defined benefit obligation at June 30	-	1,099,000

21.3.4 Movement in the fair value of plan assets:

Fair value of plan assets at July 01	1,454,000	1,169,000
Expected return on plan assets	-	135,000
Contributions	-	283,000
Benefits paid / adjusted	(1,454,000)	(51,000)
Remeasurement losses	-	(82,000)
Fair value of plan assets at June 30	-	1,454,000

21.3.5 Movements in the net liability / (assets) recognised in the balance sheet are as follows:

Opening balance	(355,000)	283,000
Recognised in other comprehensive income	-	(477,000)
Charge for the year	21.3.6	-
Received / (paid) during the year	355,000	(283,000)
Closing balance	-	(355,000)

	Note	June 30, 2017 ----- Rupees -----	June 30, 2016
21.3.6 Amounts recognised in the profit and loss account against defined benefit schemes are as follows:			
Current service cost		-	107,000
Interest cost		-	15,000
Charge for the year	21.3.7	-	122,000
21.3.7 The charge for the year has been allocated as follows:			
Administrative expenses		-	122,000
		-	122,000
21.3.8 Major categories / composition of plan assets are as follows:			
Mutual funds		-	1,111,015
Cash		-	368,551
		-	1,479,566

The return on plan assets was assumed to equal the discount rate. Actual return on plan assets during 2017 was Rs. Nil (2016: Rs. 0.1million).

	Note	June 30, 2017 (Un-audited) ----- Rupees -----	June 30, 2016 (Audited)
21.3.9 The Company expects to contribute Rs. Nil to the gratuity fund in 2017-18.			
21.4 Provident fund			
Size of the fund		6,323,873	8,494,611
Cost of investments made		5,720,075	7,612,512
Fair value of investments		6,323,873	8,494,611
Percentage of investments made		100%	100%

21.4.1 Break-up of investments of provident fund

The break-up of investments in terms of amount and percentage of the size of the provident fund are as follows:

	June 30, 2017 (Un-audited)		June 30, 2016 (Audited)	
	Investments (Rupees)	Investment as size of the Fund %	Investments (Rupees)	Investment as size of the Fund %
Government securities	554,937	9	3,831,425	45
Mutual funds	2,079,161	33	1,827,809	22
Listed securities	739,470	12	747,375	9
Cash and bank	2,950,305	46	2,088,002	24
	6,323,873	100	8,494,611	100

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21.4.2 Investments out of provident fund have been made in accordance with the provisions of the Section 227 of the repealed Companies Ordinance, 1984 and the rules formulated for this purpose. Contributions are made both by the Company and the members @ 9% of the aggregate of basic salary, cost of living allowance and dearness allowance.

	Note	June 30, 2017	June 30, 2016
		----- Rupees -----	
22. OTHER EXPENSES			
Asset written off	5	-	3,904
Service expense - watches		-	367,291
		<u>-</u>	<u>371,195</u>
23. OTHER INCOME			
Income from financial assets			
Profit on:			
- saving accounts (conventional)		345,232	1,372,243
- TDRs		1,294,701	1,063,754
- PIBs		579,392	442,548
Gain on redemption of mutual funds		1,155,204	24,350,892
Gain on sale of T-Bills		4,320,537	3,365,182
Gain on sale of PIB's		23,996	-
Dividend income - mutual funds		-	1,710,172
		<u>7,719,062</u>	<u>32,304,791</u>
Income from related parties			
Insurance commission		-	6,068
Income from assets other than financial assets			
Gain on disposal of property, plant and equipment		84,788	119,124
Liabilities written back		-	902,732
Sale of trademarks		305,000	-
Exchange gain		124	-
		<u>389,912</u>	<u>1,021,856</u>
		<u>8,108,974</u>	<u>33,332,715</u>
24. FINANCE COSTS			
Bank charges and commission		85,771	386,061
25. TAXATION			
Current		2,318,775	6,226,157
Prior		778,384	1,723,076
		<u>3,097,159</u>	<u>7,949,233</u>
25.1	A numerical reconciliation between the average effective tax rate and the applicable tax rate is not prepared as Company has income mainly from investments which are taxed as per separate block of income.		
25.2	The return of income for the tax year 2016 has been filed which is deemed to be an assessment order in view of the provisions of Section 120 of the Income Tax Ordinance, 2001.		

	June 30, 2017	June 30, 2016
26. EARNINGS PER SHARE		
Profit for the year (Rupees)	331,553	14,422,812
Weighted average ordinary shares in issue (number of shares)	9,434,880	9,434,880
Earnings per share - basic and diluted (Rupees)	0.035	1.52

27. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

- 27.1 No remuneration is paid / payable by the Company to the Chief Executive after the year ended June 30, 2013.
- 27.2 During the year, the Company has paid aggregate amount of Rs.200,000/- (2016: Rs. 225,000) to a non-executive director.
- 27.3 The Company has been provided with free of cost services by certain employees of the group companies.

28. RELATED PARTIES TRANSACTIONS

The related parties include group companies, staff retirement funds, companies where directors also hold directorship, directors and key management personnel. Transactions with related parties other than those disclosed elsewhere in these financial statements, are as follows:

Name of related party	Sale of goods and services	Purchase of goods and services	Insurance premium paid	Insurance commission received	Redemption of investment in mutual fund	Investment in mutual fund	Rent, allied and other charges	Dividend paid	Retirement benefit plans
	(Rupees)								
Associated Companies / Undertakings									
Century Insurance Company Limited	-	-	28,147	-	-	-	-	-	-
Colgate-Palmolive (Pakistan) Limited	609,241	105,000	-	-	-	-	-	-	-
Cyber Internet Services (Pvt) Limited	-	34,224	-	-	-	-	-	-	-
Hasanali and Gulbanoo Lakhani Foundation	-	-	-	-	-	-	2,625	-	-
Lakson Business Solution Limited	-	8,971	-	-	-	-	-	-	-
Lakson Investment (Pvt) Limited	-	768,935	-	-	31,255,204	49,014,285	-	-	-
Premier Fashion (Pvt) Limited	-	-	-	-	-	-	-	1,685,408	-
Siza (Pvt) Limited	-	-	-	-	-	-	-	1,083,149	-
Siza Commodities (Pvt) Limited	-	-	-	-	-	-	-	1,118,778	-
Siza Foods (Pvt) Limited	-	74,400	-	-	-	-	-	-	-
Siza Services (Pvt) Limited	-	-	-	-	-	-	-	2,411,469	-
Others									
Express Publication (Pvt) Limited	-	166,012	-	-	-	-	-	-	-
Retirement Benefit Plan									
Contribution to Staff Provident Fund	-	-	-	-	-	-	-	-	20,965
June 30, 2017	609,241	1,157,542	28,147	-	31,255,204	49,014,285	2,625	6,298,804	20,965
June 30, 2016	44,725	2,159,704	109,192	6,068	291,389,475	1,000,000	542,838	411,469,922	71,968

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- 28.1 The Company enters into transaction with related parties for the sale of its products. Services, rent and allied expenses are charged between related parties on the basis of mutually agreed terms, as approved by the Board of Directors.
- 28.2 The related parties status of outstanding balances as at June 30, 2017 and 2016 are disclosed in relevant notes to these financial statements.

Note	June 30, 2017	June 30, 2016
	----- Rupees -----	

29. CASH FLOWS (USED IN) / GENERATED FROM OPERATIONS

Profit before taxation		3,428,711	22,372,045
Adjustments for:			
Depreciation	5	10,711	62,289
Gain on disposal of property, plant and equipment	5.2	(84,788)	(119,124)
Charge for gratuity		-	122,000
Asset written off		-	3,904
Unrealised surplus on PIB's		(579,392)	-
Gain on redemption of mutual funds		(1,155,204)	(24,350,892)
Gain on sale of PIB's		(23,996)	-
Gain on sale of T-Bills		(4,320,537)	(3,365,182)
Finance costs		85,771	386,061
		(6,067,435)	(27,260,944)
Working capital changes	29.1	361,430	11,553,880
		(2,277,294)	6,664,981

29.1 Working capital changes

(Increase) / decrease in current assets

Stores and spares	-	372,583
Stock-in-trade	-	10,605,101
Trade debts	-	1,462,272
Loans and advances	3,833	30,940
Trade deposits and short-term prepayments	11,610	168,294
Other receivables	377,646	43,548
Sales tax refundable	(46,035)	1,562,729
	347,054	14,245,467

Increase / (decrease) in current liabilities

Trade and other payables	14,376	(2,691,587)
	361,430	11,553,880

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks: market risk (including interest rate risk and currency risk), credit risk and liquidity risk. The Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Company's Board of Directors oversees the management of these risks which are summarized below:

30.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity risk.

30.1.1 Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk in respect of investment in money market mutual funds. As of balance sheet date, the Company is not exposed to interest rate risk. Accordingly, the sensitivity analysis is not presented.

30.1.2 Currency risk

Currency risk is the risk that the value of financial assets or a financial liability will fluctuate due to a change in a foreign exchange rates. It arises mainly where receivables and payable exist due to transactions in foreign currencies. As of balance sheet date, the Company is not exposed to currency risk.

30.1.3 Credit risk

Credit risk is the risk which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. Out of total financial assets of Rs.127.888 million (2016: Rs.135.675 million), the financial assets which are subject to credit risk amounted to Rs.127.874 million (2016: Rs.135.650 million). The Company attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties.

The Company's credit risk is primarily attributable to its short-term investments and bank balances. The credit risks on liquid funds is limited because the counter parties are banks and mutual funds with reasonably high external credit rating.

The credit quality of financial assets that are past due but not impaired is discussed in note 9.1 to these financial statements. As at balance sheet date, there are no financial assets that would otherwise be past due or impaired, whose terms have been renegotiated.

The carrying values of financial assets which are neither past due nor impaired are as under:

		June 30, 2017	June 30, 2016
		----- Rupees -----	
Long-term loans	6	-	10,002
Long-term deposits - security deposits		10,466	10,466
Loans and advances	9	9,500	13,333
Other receivables	10	13,754	391,400
Short-term investments	11	123,711,879	101,067,245
Bank balances	14	4,128,485	34,158,522
		127,874,084	135,650,968

Quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings or the historical information about counter party default rates as shown below:

	June 30, 2017	June 30, 2016
	----- Rupees -----	
Cash at bank and held-to-maturity investments (notes 11 & 14)		
A1+	<u>4,117,300</u>	<u>34,158,522</u>
Available-for-sale investments (note 11)		
AA(f)	<u>123,711,879</u>	<u>101,067,245</u>

30.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company applies the prudent risk management policies by maintaining sufficient cash and bank balances. The maturity profile of the Company's financial liabilities at the reporting dates are as follows:

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
	----- Rupees -----					
Trade and other payables	4,669,679	-	-	-	-	4,669,679
June 30, 2017	<u>4,669,679</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,669,679</u>
Trade and other payables	5,107,355	488,274	-	-	-	5,595,629
June 30, 2016	<u>5,107,355</u>	<u>488,274</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,595,629</u>

30.3 Capital risk management

The primary objective of the Company's capital management is to maintain healthy capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, to maximise shareholder value and reduce the cost of capital. Equity comprise of share capital and reserves.

The Company manages its capital structure and makes adjustment to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended June 30, 2017 and June 30, 2016. The management considers that the capital of the Company is sufficient to meet the requirement of the business.

As at balance sheet date, the Company has no gearing ratio, as it is an ungeared Company.

30.4 Fair value

Fair value is the amount for which an asset will be exchanged or a liability settled between knowledgeable, willing parties at an arm's length. The carrying values of all financial assets and liabilities reflected in the financial statements approximate to their fair values.

Fair value hierarchy

The Company uses the following hierarchy for disclosure of the fair value of financial instruments by valuation technique:

- Level 1: Quoted prices in active market for identical assets.
- Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As at June 30, 2017, the Company has available-for-sale investments measured using level 2 (2016: level 2) valuation techniques (note 11).

31. DIVIDEND AND APPROPRIATIONS

The Board of Directors of the Company has proposed a final dividend of Rs. Nil per share amounting to Rs. Nil (2016: Rs.1.00 per share amounting to Rs.9.435 million.) in their meeting held on 19 September 2017 for the financial year 2017.

Under section 5A of the Income Tax Ordinance, 2001 (the Ordinance), the Company is obligated to pay tax at the rate of 7.5 percent on its accounting profit before tax if it derives profit for a tax year but does not distribute at least 40 percent of its after tax profits within six months of the end of the tax year, through cash or bonus shares. However, the Company has not declared dividend and consequently not booked the related tax charge as the management does not consider it material in the overall context of the financial statements.

32. DATE OF AUTHORISATION FOR ISSUE

The Board of Directors of the Company authorised these financial statements for issue on September 19, 2017.

33. GENERAL

33.1 Total number of employees at year end are Nil (2016: 2) and average number of employees during the year was 1 (2016: 4).

33.2 Amounts have been rounded off to the nearest rupee, unless otherwise stated.



Amin Mohammad Lakhani
Chief Executive



Tasleemuddin Ahmed Batlay
Director



Ismail Ahmed
Chief Financial Officer

Pattern of Holding of Shares held by the shareholders as at June 30, 2017

CUIN NO. 0015034

INCORPORATION NUMBER K-198/9686 of 1986

No. of Shareholders	Shareholdings		Total shares held
	From	To	
814	1	100	14,720
506	101	500	206,330
353	501	1000	332,656
409	1001	5000	1,018,474
78	5001	10000	622,944
25	10001	15000	311,952
11	15001	20000	193,000
9	20001	25000	206,000
2	25001	30000	58,000
1	45001	50000	48,000
1	50001	55000	54,000
1	70000	75000	70,000
2	100000	105000	200,000
1	1080001	1085000	1,083,149
1	1115001	1120000	1,118,778
1	1685001	1690000	1,685,408
1	2210001	2215000	2,211,469
<u>2,216</u>			<u>9,434,880</u>

<u>Categories of Shareholders</u>	<u>Shares held</u>	<u>Percentage</u>
Directors, Chief Executive Officer, their spouse and minor children	13,657	0.1
Associated Companies, Undertakings and Related parties	6,105,875	64.7
NIT and ICP	NIL	-
Banks, Development Finance Institutions, Non Banking Finance Institutions	1,000	0.0
Insurance Companies	NIL	-
Modarabas and Mutual Funds	NIL	-
Shareholders holding 10%	6,098,804	64.6
Others	233,551	2.5
General Public		
a) Local	3,080,805	32.7
b) Foreign	NIL	-

Note: Some of the shareholders are reflected in more than one category.

Details of Pattern of Shareholding as per requirement of Code of Corporate Governance

<u>CATEGORIES OF SHAREHOLDERS</u>	<u>NO. OF SHARES HELD</u>
i) <u>ASSOCIATED COMPANIES, UNDERTAKINGS AND RELATED PARTIES</u>	
1. M/s. SIZA (Private) Limited	1,083,149
2. M/s. SIZA Services (Private) Limited	2,211,469
3. M/s. SIZA Commodities (Private) Limited	1,118,778
4. M/s. Premier Fashions (Private) Limited	1,685,408
5. Mr. Sultan Ali Lakhani	403
6. Mrs. Shaista Sultan Ali Lakhani	259
7. Mr. Babar Ali Lakhani	2,500
8. Mr. Bilal Ali Lakhani	198
9. Mr. Danish Ali Lakhani	1,983
10. Ms. Anushka Zulfiqar Lakhani	864
11. Ms. Anika Amin Lakhani	864
	<u>6,105,87</u>
ii) <u>MUTUAL FUNDS</u>	<u>NIL</u>
iii) <u>DIRECTORS, THEIR SPOUSES & MINOR CHILDREN</u>	
1. Mr. Iqbal Ali Lakhani	Director 7,659
2. Mr. Zulfiqar Ali Lakhani	Director 720
3. Mr. Amin Mohammed Lakhani	Director/CEO 1,036
4. Mr. Tasleemuddin A. Batlay	Director 1,209
5. Mr. A. Aziz H. Ebrahim	Director 1,209
6. Mr. Shahid Ahmed Khan	Director 728
7. Mr. Syed Shahid Ali Bukhari	Director 508
8. Mrs. Ronak Iqbal Lakhani W/o. Iqbal Ali Lakhani	230
9. Mrs. Fatima Lakhani W/o. Zulfiqar Ali Lakhani	144
10. Mrs. Saira Amin Lakhani W/o. Amin Mohammed Lakhani	206
11. Mrs. Alamara Shahid W/o. Shahid Ahmed Khan	8
	<u>13,657</u>
iv) <u>EXECUTIVES</u>	<u>508</u>
v) <u>PUBLIC SECTOR COMPANIES & CORPORATIONS</u>	<u>NIL</u>
vi) <u>BANKS, DEVELOPMENT FINANCIAL INSTITUTIONS, NON-BANKING FINANCE COMPANIES, INSURANCE COMPANIES, TAKAFUL, MODARABAS AND PENSION FUNDS</u>	
1. Pakistan Industrial and Commercial Leasing Limited	<u>1,000</u>
vii) <u>SHAREHOLDERS HOLDING 5% OR MORE VOTING RIGHTS IN THE COMPANY</u>	
1. M/s. SIZA (Private) Limited	1,083,149
2. M/s. SIZA Services (Private) Limited	2,211,469
3. M/s. SIZA Commodities (Private) Limited	1,118,778
4. M/s. Premier Fashions (Private) Limited	1,685,408
	<u>6,098,804</u>
viii) <u>INDIVIDUALS AND OTHER THAN THOSE NOT MENTIONED ABOVE</u>	<u>3,313,840</u>
	<u>9,434,880</u>

Note: Some of the shareholders are reflected in more than one category.

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Form of Proxy

I/We _____

of _____

a member of **CLOVER PAKISTAN LIMITED** hereby

appoint _____

of _____

or failing him/her _____

of _____

who is/are also member/s of Clover Pakistan Limited to act as my/our proxy and to vote for me/us and on my/our behalf at the Annual General Meeting of the shareholders of the Company to be held on 20th day of October 2017 and at any adjournment thereof.

Signed this _____ day of _____ 2017.

Folio No.	CDC Participant ID No.	CDC Account/ Sub Account No.	No. of shares held	Signature

Witness 1

Signature _____

Name _____

CNIC No. _____

Address _____

Witness 2

Signature _____

Name _____

CNIC No. _____

Address _____

- Notes :
1. The proxy must be a member of the Company.
 2. The signature must tally with the specimen signature/s registered with the Company.
 3. If a proxy is granted by a member who has deposited his/her shares in Central Depository Company of Pakistan Limited, the proxy must be accompanied with participant's ID number and CDC account/sub-account number alongwith attested photocopies of Computerized National Identity Card (CNIC) or the Passport of the beneficial owner. Representatives of corporate members should bring the usual documents required for such purpose.
 4. The instrument of Proxy properly completed should be deposited at the Registered Office of the Company not less than 48 hours before the time of the meeting.

مختار نامہ (پراکسی فارم)

میں / ہم _____
 ساکن _____
 بحیثیت رکن (ممبر) کلور پاکستان لمیٹڈ مقرر کرتا / کرتی ہوں / کرتے ہیں مسٹی / مسماة _____
 ساکن _____
 کو یا ان کی غیر حاضری میں مسٹی / مسماة _____
 ساکن _____

کو جو خود بھی کلور پاکستان لمیٹڈ کا رکن ہے کہ وہ بطور میرا / ہمارا مختار نامہ (پراکسی) کمپنی کے سالانہ اجلاس عام میں جو ۲۰ اکتوبر ۲۰۱۷ کو منعقد ہو رہا ہے یا اس کے کسی ملتوی شدہ اجلاس میں شرکت کرے اور وہ میری / ہماری جگہ میری / ہماری طرف سے حق رائے دہی استعمال کرے۔

مورخہ _____ ۲۰۱۷ کو میرے / ہمارے دستخط سے جاری ہوا۔

فولیو نمبر	سی ڈی سی کھاتہ نمبر	حصص کی تعداد

دستخط

گواہ نمبر ۱	گواہ نمبر ۲
دستخط _____	دستخط _____
نام _____	نام _____
کمپیوٹرائزڈ قومی شناختی کارڈ نمبر _____	کمپیوٹرائزڈ قومی شناختی کارڈ نمبر _____
پتہ _____	پتہ _____

ہدایات:

- ۱- مختار (پراکسی) کا کمپنی کا رکن (ممبر) ہونا ضروری ہے۔
- ۲- ممبر (رکن) کے دستخط، نمونہ شدہ دستخط / اندارج شدہ دستخط سے مماثلت ہونا ضروری ہے۔
- ۳- سی ڈی سی اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر کو مختار نامہ (پراکسی فارم) کے ہمراہ کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقل منسلک کرنا ضروری ہے۔ کارپوریٹ ادارے کے نمائندوں کو معمول کے مطابق دستاویزات ساتھ لانا ضروری ہے۔
- ۴- مختار نامہ (پراکسی فارم) مکمل پُر شدہ کمپنی کے رجسٹرڈ آفس میں اجلاس کے مقرر وقت سے کم از کم ۳۸ گھنٹے قبل جمع کرنا ضروری ہے۔



CLOVER PAKISTAN LIMITED
LAKSON SQUARE BUILDING NO.2, SARWAR SHAHEED ROAD,
KARACHI-74200, PAKISTAN.