

1 Organizational Overview and External Environment

What does the organization do and circumstances under which it operates

S. NO	Description	Page No.
1.01	Principal business activities and markets (local and international) including key brands, products and services.	26-29
1.02	Geographical location and address of all business units including sales units and plants.	41 & 310
1.03	Mission, vision, code of conduct, culture, ethics and values.	22 & 23
1.04	Ownership, operating structure and relationship with group companies (i.e. subsidiary, associated undertaking etc.) and number of countries in which the organization operates. Also name and country of origin of the holding company/subsidiary company, if such companies are a foreign company.	84
1.05	Organization chart indicating functional and administrative reporting, presented with legends.	32
1.06	Identification of the key elements of the business model of the company through simple diagram supported by a clear explanation of the relevance of those elements to the organization. <i>(The key elements of business model are Inputs, Business activities, Outputs and Outcomes).</i>	33
1.07	Position of the reporting organization within the value chain showing connection with other businesses in the upstream and downstream value chain. <i>(This disclosure shall be provided by the companies in service and non-service sector organizations through graphical presentation).</i>	35-37
1.08	Significant factors effecting the external environment and the associated organization's response. Also describe the effect of seasonality on business in terms of production and sales. <i>(External environment includes commercial, political, economic, social, technological, environmental and legal environment).</i>	44 & 45
1.09	The legitimate needs, interests of key stakeholders and industry trends.	72 & 73
1.1	SWOT Analysis of the company.	38
1.11	Competitive landscape and market positioning <i>(considering factors such as the threat of new competition and substitute products or services, the bargaining power of customers and suppliers, relative strengths and weaknesses of competitors and customer demand and the intensity of competitive rivalry)</i>	39 & 40
1.12	The legislative and regulatory environment in which the organization operates.	41
1.13	The political environment where the organization operates and other countries that may affect the ability of the organization to implement its strategy.	41
1.14	Significant changes from prior years <i>(regarding the information disclosed in this section).</i>	45
1.15	History of major events.	24 & 25
1.16	Details of significant events occurred during the year and after the reporting period.	57

2 Strategy and Resource Allocation

Where does the organization want to go and how does it intend to get there

S. NO	Description	Page No.
2.01	Short, medium and long term strategic objectives.	132
2.02	Strategies in place or intended to be implemented to achieve the strategic objectives.	133
2.03	<p>Resource allocation plans to implement the strategy and financial capital structure.</p> <p>Resource mean CAPITALS including:</p> <ul style="list-style-type: none"> a. financial capital (e.g. liquidity, cash flows, financing arrangements); human capital; b. manufactured capital (e.g. building, equipment, infrastructure); c. intellectual capital (e.g. patents, copyrights, software, licenses, knowledge, system, procedures); d. human capital; e. social and relationship capital; and f. natural capital. <p>Explanation: Disclosures about the capitals should include the factors that affect the availability, quality and affordability of relevant capitals and the organization's expectations of its ability to produce flows from them to meet future demand.</p> <p>Demonstrating the connectivity of financial performance with performance and outcomes regarding the other capitals & how the organization's strategy and resource allocation plans affect key capitals and risk management arrangements related to them should be included under capital reporting.</p>	134 to 136
2.04	Key resources and capabilities of the company which provide sustainable competitive advantage.	137
2.05	Value created by the business, and for whom, using these resources and capabilities	137
2.06	The effect of technological change, societal issues such as population and demographic changes, human rights, health, poverty, collective values and educational systems, environmental challenges, such as climate change, the loss of ecosystems and resource shortages on the company strategy and resource	138 & 139
2.07	Specific processes used to make strategic decisions and to establish and monitor the culture of the organization, including its attitude to risk and mechanisms for addressing integrity and ethical issues.	139
2.07	Key performance indicators (KPIs) to measure the achievement against strategic objectives including statement as to whether the indicators used will continue to be relevant in the future.	140 & 141
2.09	<p>Board's statement on the following:</p> <ul style="list-style-type: none"> a) significant plans and decisions such as corporate restructuring, business expansion, or discontinuance of operations; b) business rationale of major capital expenditure or projects started during the year and those planned for next year etc. 	182
2.10	Significant changes in objectives and strategies from prior years.	136

3 Risks and Opportunities

Specific risks and opportunities that affect the organization's ability to create value over the short, medium and long term, and how it is dealing with them

S. NO	Description	Page No.
3.01	Key risks and opportunities effecting availability, quality and affordability of CAPITALS in the short, medium and long term.	146-152
3.02	Risk Management Framework including risk management methodology and principal risk and uncertainties facing the company.	144 to 150
3.03	Sources of risks and opportunities (internal and external).	153-156
3.04	The initiatives taken by the company in promoting and enabling innovation.	110
3.05	Assessment of the 'likelihood' that the risk or opportunity will come to fruition and the 'magnitude' of its effect if it does.	146 to 152
3.06	Specific steps being taken to mitigate or manage key risks or to create value from key opportunities by identifying the associated strategic objectives, strategies, plans, policies, targets and KPIs.	151 & 152
3.07	Board's efforts for determining the company's level of risk tolerance by establishing risk management policies.	157
3.08	Statement from the board that they have carried out a robust assessment of the principal risks facing the company, including those that would threaten the business model, future performance and solvency or liquidity.	-
3.09	Strategy to overcome liquidity problem and the company's plan to manage its repayment of debts and meet operational losses.	157
3.10	Inadequacy in the capital structure and plans to address such inadequacy.	157

4 Sustainability and Corporate Social Responsibility

S. NO	Description	Page No.
4.01	Highlights of the company's performance, policies, initiatives and plans in place relating to the various aspects of sustainability and corporate social responsibility as per best business practices including: a) environment related obligation applicable on the company; b) company progress towards environmental, social and & governance initiatives during the year; and c) company's responsibility towards the staff, health & safety.	108 to 115
4.02	Status of adoption/compliance of the Corporate Social Responsibility (Voluntary) Guidelines, 2013 issued by the SECP or any other regulatory framework as applicable.	117
4.03	Certifications acquired and international standards adopted for best sustainability and CSR practices.	116

5 Governance

How does the organization's governance structure support its ability to create value in the short, medium and long term

S. NO	Description	Page No.
5.01	Board composition: a) Leadership structure of those charged with governance. b) Name of independent directors indicating justification for their independence. c) Diversity in the board i.e. competencies, requisite knowledge & skills, and experience. d) Profile of each director including education, experience and involvement /engagement of in other entities as CEO, Director, CFO or Trustee etc. e) No. of companies in which the executive director of the reporting organization is serving as non-executive director.	20, 18, 12 to 17, 19
5.02	Chairman's Review Report on the overall performance of the board and effectiveness of the role played by the board in achieving the company's objectives.	58 & 59
5.03	A statement of how the board operates, including a high-level statement of which types of decisions are to be taken by the board and which are to be delegated to management.	82 & 83
5.05	Annual evaluation of performance, along with description of criteria used for the members of the board including CEO, Chairman and board's committees.	20
5.06	Disclosure if the board's performance evaluation is carried out by an external consultant once in three years.	21
5.07	Details of formal orientation courses for directors.	18
5.08	Directors' Training Program (DTP) attended by directors, female executive and head of department from the institutes approved by the SECP and names of those who availed exemptions during the year.	18 & 193
5.09	Description of external oversight of various functions like systems audit or internal audit by an external specialist and other measures taken to enhance credibility of internal controls and systems.	19
5.10	a) Approved policy for related party transactions. b) Details of all related parties transactions, along with the basis of relationship describing common directorship and percentage of shareholding. c) Contract or arrangement with the related party other than in the ordinary course of business on an arm's length basis, if any along with the justification for entering into such contract or arrangement. d) Disclosure of director's interest in related party transactions. e) In case of conflict, disclosure that how such a conflict is managed and monitored	86, 88 & 89, 249

5 Governance		
S. NO	Description	Page No.
5.12	Board review statement of the organization's business continuity plan or disaster recovery plan.	-
5.13	Disclosure of beneficial (including indirect) ownership and flow chart of group shareholding and relationship as holding company, subsidiary company or associated undertaking.	84
5.14	Compliance with the Best Practices of Code of Corporate Governance (No marks in case of any non-compliance).	191 & 196
5.15	A brief description about role of the Chairman and the CEO.	12 & 13
5.16	Shares held by Sponsors / Directors / Executives.	78 & 79
5.17	Salient features of TOR and attendance in meetings of the board committees (Audit, Human Resource, Nomination and Risk management).	62 & 63, 93 to 95
5.18	Timely Communication: Date of authorization of financial statements by the board of directors: within 40 days ---6 marks within 60 days ---3 marks (Entities requiring approval from a Regulator before finalization of their financial statements would be provided a 20 days relaxation, on providing evidence to the Committee).	-
5.19	Audit Committee report should describe the work of the committee in discharging its responsibilities. The report should include: a) Composition of the committee with at least one member qualified as "financially literate and all members are non-executive / Independent directors including the Chairman of the Audit Committee. b) Role of the committee in discharging its responsibilities for the significant issues in relation to the financial statements, and how these issues were addressed with details where particular attention was paid in this regard. c) Committee's overall approach to risk management and internal control, and its processes, outcomes and disclosure.d) Role of Internal Audit to risk management and internal control, and approach to Internal Audit to have direct access to Audit Committee and evaluation of Internal Auditor's performance. e) Review of arrangement for staff and management to report to Audit Committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters and recommended instituting remedial and mitigating measures. f) An explanation as to how it has assessed the effectiveness of the external audit process and the approach taken to the appointment or reappointment of the external auditor, and information on the length of tenure of the current statutory auditor; and if the external auditor provides non-audit services, an explanation as to how auditor's objectivity and independence is	187
5.20	Presence of the chairman of the Audit Committee at the AGM to answer questions on the Audit Committee's activities / matters that are within the scope of the Audit Committee's responsibilities.	75
5.21	Board disclosure on Company's use of Enterprise Resource Planning (ERP) software including: a) how it is designed to manage and integrate the functions of core business processes/ modules like finance, HR, supply chain and inventory management in a single system; b) management support in the effective implementation and continuous updation; c) details about user training of ERP software; d) how the company manages risks or control risk factors on ERP projects; e) how the company assesses system security, access to sensitive data and segregation of duties.	-
5.22	Where an external search consultancy has been used in the appointment of the Chairman or a non-executive director, it should be disclosed if it has any other connection with the company.	N/A
5.23	Chairman's significant commitments and any changes thereto.	12
5.24	Disclosure about the Government of Pakistan policies related to company's business/sector in Directors' Report and their impact on the company business and performance.	60
5.25	How the organization's implemented governance practices have been exceeding legal requirements.	129

6 Analysis of the Financial Information

To what extent has the organization achieved its strategic objectives for the period

S. NO	Description	Page No.
6.01	Analysis of the financial and non-financial performance using both qualitative and quantitative indicators showing linkage between: (a) Past and current performance; (b) Performance against targets /budget; and (c) Objectives to assess stewardship of management. The analysis should cover significant deviations from previous year in operating results and the reasons for loss, if incurred and future prospects of profits.	166, 172 & 173, 182 to 184
6.02	Analysis of financial ratios (Annexure I) (this includes marks of ratios for Shariah compliant companies and companies listed on Islamic indices)	167
6.03	Vertical and horizontal analysis of Balance Sheet, Profit and Loss Account and summary of Cash Flow Statement for last 6 years.	168 & 169
6.04	Graphical presentation of 6.02 and 6.03 above.	174 - 181
6.05	Explanation of negative change in the performance against prior year including analysis of variation in results reported in interim reports with the final accounts, including comments on the results disclosed in 6.02 and 6.03 above.	133, 170 & 172
6.06	Any significant change in accounting policies, judgements, estimates and assumptions with rationale.	N/A
6.07	Information about defaults in payment of any debts and reasons thereof period.	N/A
6.08	Methods and assumptions used in compiling the indicators.	141
6.09	Cash Flow Statement based on Direct Method (separate Cash Flow for specific funds e.g. Zakat).	210 & 211
6.10	Segmental review and analysis of business performance including segment revenue, segment results, profit before tax, segment assets and liabilities.	250 & 251
6.11	a) Share price sensitivity analysis using key variables (i.e. selling price, raw material cost, interest rate and currency) with the consequent impact on the company's earning .	184 & 160
	b) Composition of local versus imported material and sensitivity analysis in narrative form due to foreign currency fluctuations	N/A
6.12	Brief description and reasons: a) for not declaring dividend despite earning profits and future prospects of dividend. b) where any payment on account of taxes, duties, levies etc. is overdue or outstanding.	N/A
6.13	CEO presentation video on the company's business performance of the year covering the company business strategy to improve and future outlook. <i>(Please provide relevant webpage link of the video in the company's annual report).</i>	74

7 Disclosures on IT Governance and Cybersecurity

How the Board evaluate the company's IT governance and cybersecurity risk and how the Board manages those risks that threaten the company's operations

S. NO	Description	Page No.
7.01	The Board responsibility statement on the evaluation and enforcement of legal and regulatory implications of cyber risks and the responsibilities of the board in case of any breaches.	100
7.02	Disclosure related to IT governance and cybersecurity programs, policies and procedures and industry specific requirements for cybersecurity and strategy in place.	101 & 102
7.03	Disclosures about how cybersecurity fits into the board's risk oversight function and how the board is engaging with management on this issue.	103
7.04	Disclosure that at least one board-level committee is charged with oversight of IT governance and cybersecurity matters and how the board administers its IT risk oversight function related to these risks.	103
7.05	Disclosure about Company's controls and procedures about an "early warning system" that enables the company to identify, assess, address, make timely disclosures and timely communications to the board about cybersecurity risks and incidents.	103
7.06	Disclosure of policy related to independent comprehensive security assessment of technology environment, including third party risks and when last such review was carried out.	104
7.07	Disclosure about resilient contingency and disaster recovery plan in terms of dealing with a possible IT failure or cyber breach and details about company's cyber insurance.	104 & 105
7.08	Disclosure of advancement in digital transformation on how the organization has leveraged 4.0 Industrial revolution (RPA, Block Chain, AI, Cloud Computing etc.) to improve transparency, reporting and governance.	123
7.09	Disclosure about education and training efforts of the Company to mitigate cybersecurity risks.	105

8 Future Outlook

Challenges and uncertainties that the organization is likely to encounter in pursuing its strategy, and what are the potential implications for its business model and future performance

S. NO	Description	Page No.
8.01	Forward looking statement in narrative and quantitative form including projections or forecasts about known trends and uncertainties that could affect the company's resources, revenues and operations in the short, medium and long term.	120 & 132
8.02	Explanation of the external environment including political, economic, social, technological, environmental and legal environment that is likely to be faced in the short, medium and long term and how it will affect the organization in terms of its business performance, strategic objectives and availability, quality and affordability of capitals.	138 & 139
8.03	Explanation as to how the performance of the company meets the forward looking disclosures made in the previous year.	121
8.04	Status of the projects in progress and were disclosed in the forward looking statement in the previous year.	122 & 123
8.05	Sources of information and assumptions used for projections / forecasts in the forward looking statement and assistance taken by any external consultant.	120 & 121
8.06	How the organization is currently equipped in responding to the critical challenges and uncertainties that are likely to arise.	121

9 Stakeholders Relationship and Engagement

State of key stakeholder relationships and how the organization has responded to key stakeholders' legitimate needs and interests

S. NO	Description	Page No.
9.01	Stakeholders engagement policy of the company and how the company has identified its stakeholders.	72
9.02	Stakeholders' engagement process and the frequency of such engagements during the year. Explanation on how these relationships are likely to affect the performance and value of the company, and how those relationships are managed. These engagements may be with: a) Institutional investors; b) Customers & suppliers; c) Banks and other lenders; d) Media; e) Regulators; f) Local communities; g) Analysts.	72 & 73
9.03	Steps taken by the management to encourage the minority shareholders to attend the general meetings.	74
9.04	Investors' Relations section on the corporate website.	72
9.05	Issues raised in the last AGM, decisions taken and their implementation status.	75
9.06	Statement of value added and its distribution with graphical presentation: a) Employees as remuneration; b) Government as taxes (separately direct and indirect); c) Shareholders as dividends; d) Providers of financial capital as financial charges; e) Society as donation; and f) Retained within the business.	185
9.07	Steps board has taken to solicit and understand the views of stakeholders through corporate briefing sessions and disclosure of brief summary of Analyst briefing conducted during the year.	75
9.08	Highlights about redressal of investors' complaints.	74

10 Business Model

Business model is a system of transforming inputs, through business activities, into outputs and outcomes that aims to fulfil the organization's strategic purposes and create value over the

S. NO	Description	Page No.
10.01	Describe the business model including inputs, business activities, outputs and outcomes in accordance with the guidance as set out under section 4C of the International Integrated Reporting Framework (IR Framework).	33 & 34

11 Striving for Excellence in Corporate Reporting

S. NO	Description	Page No.
11.01	Board's responsibility statement on full compliance of financial accounting and reporting standards as applicable in Pakistan (i.e. International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB)).	126
11.02	Adoption of IR Framework by fully applying the 'Fundamental Concepts', 'Content Elements' and 'Guiding Principles' in the IR Framework.	126 & 127
11.03	BCR criteria cross referred with page numbers of the annual report. (details can be maintained by companies on the Investor Relation section of the company's website).	128
11.04	Disclosures beyond BCR criteria (The participating organization to send the list of additional disclosures to BCR Committee).	-

Annexure II - Specific Disclosures*Specific Disclosures of the Financial Statements*

S. NO	Description	Page No.
1	Fair value of Property, Plant and Equipment.	228
2	Reconciliation of weighted average number of shares for calculating EPS and diluted EPS.	248
3	Particulars of significant/ material assets and immovable property including location and area of land.	-
4	Key quantitative information (Number of persons employed as on the date of financial statements and average number of employees during the year, separately disclosing factory employees).	262
5	Disclosure of product wise data mentioning, product revenue, profit etc.	250
6	Capacity of an industrial unit, actual production and the reasons for shortfall .	N/A
7	Disclosure of discounts on revenue.	N/A
8	Sector wise analysis of deposits and advances.	N/A
9	Complete set of financial statements (Balance sheet, Income statement & Cash flow) for Islamic banking operations.	-
10	Status for adoption of Islamic Financial Accounting Standards (IFAS) issued by the ICAP.	-

Annexure II - Specific Disclosures (refer section 12 of the criteria)*Specific Disclosures of the Financial Statements*

S. NO	Description	Page No.
11	Summary of significant transactions and events that have affected the company's financial position and performance during the year.	-
12	Forced sale value in case of revaluation of Property, Plant and Equipment or investment property.	228
13	Distribution of shareholders (Number of shares as well as category, e.g. Promoter, Directors/Executives or close family member of Directors/Executives etc.).	77 & 78
14	Particulars of major foreign shareholders, other than natural person, holding more than 5% of paid up capital in the company in Pattern of Shareholding.	77 & 78
15	Particulars where company has given loans or advances or has made investments in foreign companies or undertakings.	228
16	Accounts Receivable in respect of Export Sales - Name of company or undertaking in case of related party and in case of default brief description of any legal action taken against the defaulting parties.	N/A
17	Treasury shares in respect of issued share capital of a company.	N/A
18	In describing legal proceedings, under any court, agency or government authority, whether local or foreign, include name of the court, agency or authority in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis of the proceeding and the relief sought.	N/A
19	Management assessment of sufficiency of tax provision made in the company's financial statements shall be stated along with comparisons of tax provision as per accounts vis a vis tax assessment for last three years.	242 & 244
20	Income tax reconciliation as required by IFRS and applicable tax regime for the year.	248
21	In respect of loans and advances, other than those to the suppliers of goods or services, the name of the borrower and terms of repayment if the loan or advance exceeds rupees one million, together with the collateral security, if any.	N/A
22	Disclosure about Human Resource Accounting (includes the disclosure of process of identifying and measuring the cost incurred by the company to recruit, select, hire, train, develop, allocate, conserve, reward and utilize human assets).	-

23	In financial statements issued after initial or secondary public offering(s) of securities or issuance of debt instrument(s) implementation of plans as disclosed in the prospectus/offering document with regards to utilization of proceeds raised till full implementation of such plans.	N/A
24	Where any property or asset acquired with the funds of the company and is not held in the name of the company or is not in the possession and control of the company, this fact along with reasons for the property or asset not being in the name of or possession or control of the company shall be stated; and the description and value of the property or asset, the person in whose name and possession or control it is held shall be disclosed.	N/A
25	Standards, amendments and interpretations adopted during the current year along with their impact on the company's financial statements.	215 & 216
26	Standards, amendments and interpretations, not yet effective and not adopted along with their impact on the company's financial statements.	215 & 216

Annexure VI - Specific Disclosure for Insurance Company

S. NO	Description	Page No.
1	Claims management and details of outstanding claims (IBNR & IBNER) with estimated liability and ageing thereof.	244 & 245
2	Highlights of segment revenue account.	61
3	Disclosure of outstanding premium/ unearned premium.	244
4	Details of claims under different categories of policies.	250 & 251
5	Disclosures pertaining to solvency margin.	259 & 260
6	Certificate of actuary giving details of the liabilities on account of live policies and estimates/assumptions made for the same.	116
7	Following accounting ratios pertaining to insurance sector: <ul style="list-style-type: none">• Claim ratio• Solvency ratio• Premium growth ratio• Claim settlement ratio• Combined ratio• Persistency ratio• Reinsurance premium ceded on gross premium (%)• Reinsurance claim recovery percentage• Retention ratio• External liability ratio	167
8	Review of assets quality.	-