



ANNUAL
ACCOUNTS
JUNE 2020



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CORPORATE INFORMATION

BOARD OF DIRECTORS
CHAIRMAN
MEMBERS

Muhammad Khurram Kidwai
Khalid Ahmed Farid
Syed Danish Hussain Shah
Anam Parekh
Abdullah Saleh
Syed Jawaid Iqbal
Sheikh Adil Hussain

AUDIT COMMITTEE
CHAIRMAN
MEMBERS

Syed Jawaid Iqbal
Muhammad Khurram Kidwai
Abdullah Saleh

HEAD OF INTERNAL AUDIT

Saad Un Nabi Khan

HUMAN RESOURCE &
REMUNERATION COMMITTEE
CHAIRMAN
MEMBERS

Sheikh Adil Hussain
Muhammad Khurram Kidwai
Khalid Ahmed Farid

CHIEF EXECUTIVE OFFICER

Khalid Ahmed Farid

CHIEF FINANCIAL OFFICER

Syed Irshad Hassan

COMPANY SECRETARY &
SECRETARY TO THE AUDIT COMMITTEE

Moosa Haroon

AUDITORS

Deloitte Yousuf Adil, Chartered Accountants

LEGAL ADVISORS

Surrige & Beecheno

BANKERS

Citibank, N.A.
Habib Bank Limited
Standard Chartered Bank

SHARE REGISTRAR

FAMCO Associates (Pvt) Ltd.
Management Consultants,
8-F, Next to Hotel Faran, Nursery, Block-6,
P.E.C.H.S. Shahra-e-Faisal, Karachi
Tel: + (92 21) 34380101-2

REGISTERED OFFICE

11th Floor, The Harbour Front, Dolmen City,
HC-3, Block-4, Abdul Sattar Edhi Avenue,
Clifton, Karachi - 75600, Pakistan.
Tel: + (92 21) 3520 5088
Fax: + (92 21) 3529 6150
Web: www.gillettepakistan.com



VISION STATEMENT

To build Total Brand Value by innovating to deliver consumer value and customer leadership faster, better and more completely than our competition.

Our vision is driven by two fundamental principles that provide the foundation for our activities:

Organizational Excellence
Core Values



CHAIRMAN'S REVIEW REPORT

As required under the Listed Companies (Code of Corporate Governance) Regulations, 2019 an annual evaluation of the Board of Directors of Gillette Pakistan Limited is carried out. The purpose of this evaluation is to ensure that the Board's overall performance and effectiveness is measured and benchmarked against expectations in the context of objectives set for the Company.

For the financial year ended June 30, 2020, the Board's overall performance and effectiveness has been assessed as satisfactory. Improvements are an ongoing process leading to action plans. The above overall assessment is based on an evaluation of integral components, including vision, mission and values; engagement in strategic planning; formulation of policies; monitoring the organization's business activities; monitor financial resource management; effective fiscal oversight; equitable treatment of all employees and efficiency in carrying out the Board's responsibility.

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.

On behalf of the board

Muhammad Khurram Kidwai
Chairman

October 01, 2020



چیرمین کی جائزہ رپورٹ

جیسا کہ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ضابطہ 2019 میں درج ہے۔ مطلوبہ جلیٹ پاکستان لمیٹڈ کے بورڈ آف ڈائریکٹرز کا سالانہ جائزہ لیا جاتا ہے۔ اس تشخیص کا مقصد یہ یقینی بنانا ہے کہ بورڈ کی مجموعی کارکردگی اور تاثیر کی پیمائش کی جائے اور کمپنی کے لئے طے شدہ مقاصد کے تناظر میں توقعات کے خلاف اس کا معیار بنایا جائے۔

30 جون 2020 کو ختم ہونے والے مالی سال کے لئے بورڈ کی مجموعی کارکردگی اور تاثیر کا اندازہ اطمینان بخش کے طور پر کیا گیا ہے۔ بہتری کا عمل جاری ہے جس کے نتیجے میں عملی منصوبے ہوتے ہیں۔ مذکورہ بالا مجموعی تشخیص لازمی اجزاء کی تشخیص پر مبنی ہے بشمول Vision، مشن اور اقدار، حکمت عملی کی منصوبہ بندی میں مشغولیت، پالیسیاں مرتب کرنا، تنظیموں کی کاروباری سرگرمیوں کی نگرانی، مالیاتی وسائل کے انتظام کی نگرانی، مالیاتی نگرانی، تمام ملازمین کے ساتھ مناسب سلوک اور بورڈ کی کارکردگی نبھانے میں کارکردگی۔

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز نے بورڈ اور اس کی کمیٹی کے اجلاسوں سے قبل مناسب وقت میں پیروی کرنے والے (Followup) مواد سمیت ایجنڈا اور معاون تحریری مواد حاصل کیا۔ بورڈ اپنی ذمہ داریوں کو مناسب طریقے سے نبھانے کے لئے کثرت سے ملتا ہے۔ غیر جانبدار اور آزاد ڈائریکٹرز اہم فیصلوں میں برابر کے شریک ہیں۔

بورڈ کی جانب سے

جناب محمد خرم کردوائی
(چیرمین)

01 اکتوبر 2020



DIRECTORS' REPORT

On behalf of the Board of Directors (the Board) of Gillette Pakistan Limited ('the Company'), we are pleased to present the audited financial statements of the Company for the year ended June 30, 2020, along with the auditors' report thereon.

Financial Results:

The principal activities of the Company include marketing and selling of blades and razors. Following are the financial results of the Company for the year ended June 30, 2020:

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED JUNE 30, 2020

	June 30, 2020	June 30, 2019
	----- Rupees in '000 -----	
Sales - net	1,971,294	1,962,721
Cost of goods sold	(1,313,194)	(1,310,766)
Gross profit	658,100	651,955
GP Ratio	33.4%	33.2%
Selling, marketing and distribution expenses	(287,045)	(336,221)
Administrative expenses	(47,132)	(45,786)
Other operating expenses	(26,473)	(41,811)
Interest expense	(5,530)	(7,376)
Bank charges	(361)	(217)
Other income	59,972	30,244
Profit before tax	351,531	258,471
BT Ratio	17.8%	13.1%
Income tax expense	(129,407)	(94,078)
Profit after tax	222,124	164,393
AT Ratio	11.3%	8.4%
Earnings per share	11.57	8.56

This fiscal year was yet another challenging year for the Company behind Covid-19, devaluation in local currency and high inflation. Despite of these challenges, the Company was able to maintain the gross margin of 33.4% vs. 33.2% last year.

Selling and distribution expenses were decreased vs. last year partly driven by operation efficiency in distribution and partly because of less advertisement spend due to Covid-19. Further, administrative expenses were flat vs. last year.

In the current year, due to relatively low exchange rate volatility versus last year there is a significant decrease in Exchange Loss of approximate by Rs.18.4 million, mainly because of revaluation adjustment arises in the intercompany payable.

Further, improved cash inflow during the full fiscal enabled the Company to earn Rs. 60 million through various profitable financial placements.

Dividend:

The Board reviewed the financial results of the Company along with the financial position for the year ended June 30, 2020 and has decided to not pay dividend for the year.



Board of Directors:

During the year 2019-20, Mr. Saqib Zia, Ms. Sunnia Anwer and Ms. Sumika Farooqui resigned from the Board. Mr. Arsalan Siddiqui, Ms Anam Parekh and Mr. Abdullah Saleh joined the board w.e.f. Jan 31, 2020. Subsequent to year end Mr. Arslan also resigned from the board and Mr. Khurram Kidwai was elected w.e.f. July 15, 2020.

The names of elected directors are as follows:

1. Mr. Muhammad Khurram Kidwai – Chairman / Non-Executive Director
2. Mr. Khalid Ahmed Farid – Chief Executive Officer / Executive Director
3. Syed Danish Hussain Shah – Non-Executive Director
4. Ms. Anam Parekh – Executive Director
5. Mr. Abdullah Saleh – Non-Executive Director
6. Syed Jawaid Iqbal – Independent Director
7. Mr. Sheikh Adil Hussain – Independent Director

The composition of the Board is as follows:

- The total number of directors are seven including one female directors.
- The Board comprises of two executive, three non-executive and two independent directors.
- The Board has constituted following committees:

Audit Committee

1. Syed Jawaid Iqbal – Chairman
2. Mr. Muhammad Khurram Kidwai
3. Mr. Abdullah Saleh

Human Resource & Remuneration Committee

1. Mr. Sheikh Adil Hussain – Chairman
2. Mr. Muhammad Khurram Kidwai
3. Mr. Khalid Ahmed Farid

Further, there have been changes in CFO and Head of Internal Audit of the Company during the year.

Code of Conduct:

The Board has adopted a Code of Conduct defining therein acceptable and unacceptable behaviors. The Board has taken steps to disseminate this Code throughout the Company along with supporting policies and procedures and this Code has been put on the company's website available at www.gillettepakistan.com as well.

Code of Corporate Governance:

In compliance with the Code of Corporate Governance, the Board hereby states as follows:

- The financial statements, prepared by the management of the Company, present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in the preparation of the financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
- The Board is ultimately responsible for the Company's system of Internal Control and its effectiveness. Such a system is designed to minimize the risk of any material misstatement or loss rather than eliminate the same. The Company maintains sound internal control system considering the size and nature of the business which gives reasonable assurance against any material misstatement or loss. The Internal Control system is regularly reviewed and has been formalized by the Board's Audit Committee and is updated as and when needed.
- There are no significant doubts upon the Company's ability to continue as a going concern.



- The Company is a subsidiary of The Series Acquisition B.V., Netherlands which is a subsidiary of P&G, USA. The parent company holds 91.4% shares of the Company.
- The earnings per share of the Company are disclosed in the financial statements.
- Key operating and financial data for six years in summarized form is given in “Annexure A” to the directors’ report.
- Information about taxes and levies is given in the notes to the financial statements.
- The Company has fair policy for Remuneration of independent directors. No Fee is paid to non-executive Directors.
- The value of investments of provident and pension funds based on un-audited financial statements as at June 30, 2020 amounts to Rs.3.40 million and Rs. 103.64 million respectively.
- Details and attendance of directors in meetings of Board of Directors, Audit Committee and Human Resource & Remuneration Committee are in “Annexure B” to the directors’ report.
- The pattern of shareholding and additional information regarding pattern of shareholding as at June 30, 2020 is in “Annexure C” to the directors’ report.
- The Company has planned the Director’s orientation program for all Directors to ensure compliance with the Code of Corporate Governance regulations 2019.
- No trade in shares of the Company was carried out by any executive of the Company.
- We confirm that all other material principles enshrined in the CCG have been complied with in all aspect.
- A statement of compliance with the code of corporate governance is presented separately in this annual report.

External auditors

M/s. Deloitte Yousuf Adil, Chartered Accountants retire and being eligible have offered themselves for re-appointment as statutory auditors of the Company for the year ending June 30, 2021. The Board also recommend their reappointment.

The Board would like to take this opportunity to express its appreciation to the employees of the Company for the commitment, hard work and co-operation throughout the year. We would also like to thank our shareholders for their continued support and confidence in the Company.

On behalf of the Board,

Khalid Ahmed Farid
Chief Executive

Sheikh Adil Hussain
Director

Karachi
October 01, 2020


KEY OPERATING AND FINANCIAL DATA

Annexure "A"

		FY14/15	FY15/16	FY16/17	FY17/18	FY18/19	FY19/20
INCOME STATEMENT							
Net Sales	Rs. in '000	2,079,790	1,902,154	1,834,575	1,828,717	1,962,721	1,971,294
Cost of Goods Sold	Rs. in '000	(1,551,442)	(1,472,853)	(1,506,003)	(1,233,559)	(1,310,766)	(1,313,294)
Gross Profit	Rs. in '000	528,348	429,301	328,572	595,158	651,955	658,100
GP Ratio	%	25.4%	22.6%	17.9%	32.5%	33.2%	33.4%
Other income	Rs. in '000	80,390	28,344	11,562	2,910	30,244	59,972
Selling, marketing and distribution expense	Rs. in '000	(313,440)	(291,378)	(302,272)	(336,221)	(328,538)	(287,045)
Administrative expenses	Rs. in '000	(58,328)	(72,678)	(22,234)	(29,132)	(45,786)	(47,132)
Other operating expenses	Rs. in '000	(4,470)	(19,068)	(99,028)	(107,217)	(41,811)	(26,473)
Finance Cost	Rs. in '000	(95)	(27)	(17)	(8,930)	(7,593)	(5,891)
Net Profit before taxes	Rs. in '000	232,405	74,494	(83,417)	116,568	258,471	351,531
PBT Ratio	%	11.2%	3.9%	-4.5%	6.4%	13.2%	17.8%
Income tax expense	Rs. in '000	(115,808)	(103,817)	(110,045)	(112,246)	(94,078)	(129,407)
Net Earnings AT	Rs. in '000	116,597	(29,323)	(193,462)	4,322	164,393	222,124
PAT Ratio	%	5.6%	-1.5%	-10.5%	0.2%	8.4%	11.3%
EPS	(Rs./share)	6.07	(1.53)	(10.08)	0.23	8.56	11.57
Dividends	(Rs./share)	5.00	Nil	Nil	Nil	1.25	3.5
		FY14/15	FY15/16	FY16/17	FY17/18	FY18/19	FY19/20
BALANCE SHEET							
Cash & cash equivalents	Rs. in '000	601,985	200,458	108,400	1,092	562,937	493,515
Trade Receivables	Rs. in '000	241,018	192,618	248,020	168,062	156,356	193,290
Other Receivables	Rs. in '000	21,560	13,119	402,703	203,941	81,130	139,306
Inventory	Rs. in '000	650,445	565,767	582,269	382,081	326,792	511,860
Right of use assets							
Rs. In '000		-	-	-	-	-	32,644
Other Assets	Rs. in '000	83,039	94,090	90,441	91,406	62,780	91,968
Total Assets	Rs. in '000	1,598,047	1,066,052	1,431,833	846,582	1,189,995	1,462,583
Trade Payables	Rs. in '000	605,665	221,809	727,722	43,997	532,129	517,012
Other Payables	Rs. in '000	149,923	121,578	172,999	114,736	4,380	117,205
Deferred liabilities	Rs. in '000	4,360	6,080	9,166	10,725	11,572	46,096
Short term running finance		-	-	-	144,774	-	-
Equity	Rs. in '000	838,099	716,585	521,946	532,350	641,914	782,269
Total Liability and Equity	Rs. in '000	1,598,047	1,066,052	1,431,833	846,582	1,189,995	1,462,583
Current ratio	Times	2.11	3.10	1.59	2.79	2.22	2.25
Quick ratio (inventory excluded)	Times	1.25	1.46	0.94	1.53	1.61	1.45
Book value per share	Rs. Per share	43.65	37.32	27.18	27.73	33.43	40.74
Receivable days	Days	42.30	36.96	49.35	33.54	29.08	35.79
Inventory days	Days	153.03	140.21	141.12	113.05	91.00	142.26
Payable days	Days	142.49	54.97	176.37	13.02	148.18	143.69


Directors' attendance in meetings
Annexure "B"

During the year ended June 30, 2020, there were four meetings of the Board of Directors held dated September 30, 2019, October 24, 2019, February 20, 2020 and April 27, 2020. There were four meetings of Audit Committee held dated September 30, 2019, October 24, 2019, February 20, 2020 and April 27, 2020. These meetings were attended by the directors as under:

Board of Directors' meetings:

Name of Directors	Meeting held during the tenure	Meetings attended
Mr. Saqib Zia – Chairman	2	2
Mr. Khalid Ahmed Farid	4	3
Ms. Sumika Farooqui	2	2
Syed Danish Hussain Shah	4	4
Ms. Sunnia Anwer	2	2
Mr. Sheikh Adil Hussain	4	3
Syed Jawaid Iqbal	4	2
Mr. Arsalan Siddique	2	2
Ms. Anam Parekh	2	2
Mr. Abdullah Saleh	2	2

Audit Committee Meetings:

Name of Directors	Meeting held during the tenure	Meetings attended
Syed Jawaid Iqbal – Chairman	4	2
Mr. Saqib Zia	2	2
Ms. Sunnia Anwer	2	2
Mr. Arsalan Siddique	2	2
Mr. Abdullah Saleh	2	2

Human Resource and Remuneration Committee:

In addition to above, one meeting of Human Resource and Remuneration Committee was held on February 20, 2020 and this meeting was attended by directors as under:

Name of Directors	Meeting held during the tenure	Meetings attended
Mr. Sheikh Adil Hussain – Chairman	1	1
Ms. Sumika Farooqui	0	0
Mr. Khalid Ahmed Farid	1	1
Mr. Arsalan Siddique	1	1
Mr. Saqib Zia	0	0



Annexure "C"

Pattern of Shareholding:

No. of Shareholders	Shareholding		Total Shares Held
	From	To	
487	1	100	28,572
156	101	500	45,638
29	501	1,000	23,935
32	1,001	5,000	69,849
7	5,001	10,000	58,250
3	10,001	15,000	35,400
4	15,001	20,000	68,670
4	20,001	25,000	87,980
1	30,000	35,000	30,000
2	35,001	40,000	64,850
2	40,001	45,000	76,500
1	45,001	50,000	49,500
3	50,001	55,000	162,100
1	200,001	205,000	200,385
1	645,001	650,000	649,800
1	2,805,001	14,740,000	17,548,571
734			19,200,000

Shareholding by major category:

Shareholders Category	No. of shareholders	No. of Shares	%
Individuals	721	769,043	4.01
Investment Companies	-	-	-
Insurance Companies	-	-	-
Joint Stock Companies	7	679,901	3.54
Financial Institutions	1	1,000	0.01
Modarabas and Mutual Funds	1	200,385	1.04
Associated Companies undertaking & related parties	4	17,549,671	91.40
Foreigners	-	-	0.00
Total:	734	19,200,000	100%


Name wise shareholding by category:

Shareholder Category	Number of Shareholders	Number of Share held
Associated Companies, Undertakings and Related Parties (name wise Details)		
Series Acquisition B.V.	1	17,548,571
Mutual Funds (name wise detail)		
	Nil	Nil
Directors, CEO and their spouse(s) and minor children (name wise details)		
Syed Jawaid Iqbal	1	500
Sheikh Adil Hussain	1	500
Mr. Khalid Ahmed Farid	1	100
Public Sector Companies and Corporations		
	Nil	Nil
Banks, Development Finance Institutions, Non- Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension funds.		
	1	200,385
Shareholders holding 5% or more voting rights in the listed company (name wise details)		
Series Acquisition B.V.	1	17,548,571



خلاف معقول یقین دہانی دیتی ہے۔ اندرونی کنٹرول سسٹم کا باقاعدگی سے جائزہ لیا جاتا ہے اور بورڈ کی آڈٹ کمیٹی کے ذریعہ اسے باضابطہ بنایا گیا ہے اور ضرورت کے وقت اس کو اپ ڈیٹ کیا جاتا ہے۔

☆ کمپنی کی تشویش کی حیثیت سے جاری رکھنے کی صلاحیت پر کوئی خاص شبہات نہیں ہیں۔

☆ یہ کمپنی نیدرلینڈ (Netherlands)، سیریزا میکوزیشن B.V. کا ایک ذیلی ادارہ ہے جو P&G کا ماتحت ادارہ ہے۔ پیرنٹ کمپنی میں کمپنی کے 91.4 فیصد شیئرز ہیں۔

☆ کمپنی کے ہر شیئر کی آمدنی کا انکشاف مالی بیانات / اسٹیٹمنٹ میں ہوتا ہے۔

☆ ڈائریکٹرز کی رپورٹ کو خلاصہ کی شکل میں چھ سال کے لئے اہم آپریٹنگ اور مالی اعداد و شمار کو "Annexure A" میں دیا گیا ہے۔

☆ ٹیکسوں اور محصولات کے بارے میں معلومات مالی بیانات / اسٹیٹمنٹ کے نوٹ میں دی گئی ہیں۔

☆ آزاد ڈائریکٹرز کے معاوضے کے لئے کمپنی کے پاس منصفانہ پالیسی ہے۔ نان ایگزیکٹو ڈائریکٹرز کو کوئی فیس ادا نہیں کی جاتی ہے۔

☆ آڈٹ شدہ مالی بیانات / اسٹیٹمنٹ کے مطابق 30 جون 2020 تک پروویڈینٹ اور پینشن فنڈ کی سرمایہ کاری کی قیمت بالترتیب 5.27 ملین اور 103.74 ملین روپے بنتی ہے۔

☆ بورڈ آف ڈائریکٹرز، آڈٹ کمیٹی اور انسانی وسائل اور معاوضہ کمیٹی کے اجلاسوں میں ڈائریکٹرز کی تفصیلات اور شرکت ڈائریکٹرز کی رپورٹ میں "Annexure B" پر

موجود ہے۔

☆ شیئر ہولڈنگ کا نمونہ اور شیئر ہولڈنگ کے طرز کے بارے میں معلومات 30 جون 2020 کی ڈائریکٹرز کی رپورٹ میں "Annexure C" پر موجود ہے۔

☆ کمپنی نے کارپوریٹ گورننس کے ضوابط 2017 کے ضابطہ اخلاق کی تعمیل کو یقینی بنانے کے لئے تمام ڈائریکٹرز کے لئے ڈائریکٹرز کے پروگرام کا منصوبہ بنایا ہے۔

☆ کمپنی کے کسی بھی ایگزیکٹو کے ذریعے کمپنی کے حصص میں کوئی تجارت نہیں کی گئی تھی۔

☆ ہم تصدیق کرتے ہیں کہ CCG میں شامل دیگر تمام مادی اصولوں کے ہر پہلو پر عمل کیا گیا ہے۔

☆ کارپوریٹ گورننس کے ضابطہ اخلاق کی تعمیل کا ایک بیان اس سالانہ رپورٹ میں الگ سے پیش کیا گیا ہے۔

بیرونی (External) آڈیٹر:

میسرز ڈیلوئٹ یوسف عادل، چارٹرڈ اکاؤنٹینٹ ریٹائرڈ ہوئے اور اہل ہونے کے بعد 30 جون 2021 کو ختم ہونے والے سال کے لئے کمپنی کے قانونی آڈیٹر کی حیثیت سے

دوبارہ تقرری کے لئے اپنے آپ کو پیش کیا۔ بورڈ ان کی دوبارہ تقرری کے لئے سفارش بھی کرتا ہے۔

بورڈ اس موقع پر پورے سال کے عہد، محنت اور تعاون کے لئے کمپنی کے ملازمین سے اظہار تشکر کرنا چاہتا ہے۔ ہم اپنے حصص یافتگان کی کمپنی میں مسلسل تعاون اور اعتماد کے لئے

ان کا شکریہ بھی ادا کرنا چاہیں گے۔

بورڈ کی جانب سے

عادل حسین

ڈائریکٹر

خالد احمد فرید شیخ

چیف ایگزیکٹو

کراچی

01 اکتوبر 2020



بورڈ آف ڈائریکٹرز:

سال 2019-2020 کے دوران جناب ثاقب ضیاء، محترمہ سونیا انور اور محترمہ سومیکا فاروقی نے بورڈ سے استعفیٰ دے دیا۔ جناب ارسلان صدیقی، محترمہ انعم پارکھ اور جناب عبداللہ صالح مورخہ 31 جنوری 2020 کو بورڈ میں شامل ہوئے۔ سال کے اختتام کے بعد جناب ارسلان نے بھی بورڈ سے استعفیٰ دے دیا اور جناب خرم کدوائی 15 جولائی 2020 کو منتخب ہوئے۔

منتخب ڈائریکٹرز کے نام حسب ذیل ہیں:-

- (۱) جناب محمد خرم کدوائی (چیئر مین / غیر ایگزیکٹو)
- (۲) جناب خالد احمد فرید (چیف ایگزیکٹو آفیسر / ایگزیکٹو ڈائریکٹر)
- (۳) سید دانش حسین شاہ (غیر ایگزیکٹو)
- (۴) محترمہ انعم پارکھ (ایگزیکٹو ڈائریکٹر)
- (۵) جناب عبداللہ صالح (غیر ایگزیکٹو)
- (۶) جناب سید جاوید اقبال (آزاد ڈائریکٹر)
- (۷) جناب شیخ عادل حسین (آزاد ڈائریکٹر)

بورڈ کی تشکیل مندرجہ ذیل ہے:-

- ☆ ڈائریکٹرز کی کل تعداد سات ہے جن میں ایک خاتون ڈائریکٹر بھی شامل ہے۔
- ☆ بورڈ میں 12 ایگزیکٹو، 3 غیر ایگزیکٹو، اور 2 آزاد ڈائریکٹرز شامل ہیں۔
- ☆ بورڈ نے مندرجہ ذیل کمیٹیاں تشکیل دی ہیں:-

حساب کتاب کا گروہ یا لوگ:

- (۱) سید جاوید اقبال (چیئر مین)
- (۲) جناب محمد خرم کدوائی
- (۳) جناب عبداللہ صالح

انسانی وسائل اور معاوضہ کمیٹی:

- (۱) شیخ عادل حسین (چیئر مین)
- (۲) جناب محمد خرم کدوائی
- (۳) جناب خالد احمد فرید

مزید یہ کہ سال کے دوران کمپنی کے CFO اور کمپنی کے اندرونی آڈٹ کے سربراہ میں بھی تبدیلیاں کی گئی ہیں۔

ضابطہ اخلاق:

بورڈ نے ایک ضابطہ اخلاق بنایا ہے جس میں اس نے قابل قبول اور ناقابل قبول طرز عمل کی وضاحت کی گئی ہے۔ بورڈ نے معاون پالیسیوں اور طریقہ کار کے ساتھ ساتھ پوری کمپنی میں اس ضابطے کو پھیلانے کے لئے اقدامات اٹھائے ہیں اور یہ ضابطہ کمپنی کی ویب سائٹ www.giltepakistan.com پر بھی دستیاب ہے۔

کارپوریٹ گورننس کا ضابطہ:

کارپوریٹ گورننس کے ضابطہ اخلاق کی تعمیل میں بورڈ اس طرح بیان کرتا ہے کہ:-

- ☆ کمپنی کے انتظامات کے ذریعے تیار کردہ مالی بیانات، اس کی امور کی منصفانہ حیثیت، اس کی کاروائیوں کے نتائج، نقد بہاؤ اور ایکویٹی (اثاثہ) میں بدلاؤ پیش کرتے ہیں۔
- ☆ کمپنی کے اکاؤنٹ کی مناسب کتابیں برقرار رکھی گئی ہیں۔

☆ مالی بیانات کی تیاری میں اکاؤنٹنگ کی مناسب پالیسیوں کا مستقل استعمال کیا جاتا ہے اور محاسبہ کا تخمینہ معقول اور محتاط فیصلے پر مبنی ہوتا ہے۔

☆ بین الاقوامی مالیاتی رپورٹنگ معیارات، جیسا کہ پاکستان میں قابل اطلاق ہیں، مالی بیانات کی تیاری میں عمل کیا گیا ہے۔

☆ بورڈ حتمی طور پر کمپنی کے اندرونی کنٹرول کے نظام اور اس کی تاثیر/ اثرات کے لئے ذمہ دار ہے اس طرح کا نظام کسی مادے کی غلط تشخیص یا نقصان کے خاتمے کے بجائے اس کو ختم کرنے کے لئے ڈیزائن کیا گیا ہے۔ کمپنی کاروبار کے سائز اور نوعیت کو مد نظر رکھتے ہوئے داخلی کنٹرول کا مستحکم نظام برقرار رکھتی ہے جو کسی بھی مادی یادداشت یا نقصان کے



ڈائریکٹرز رپورٹ

جیلٹ پاکستان لمیٹڈ (کمپنی) کے بورڈ آف ڈائریکٹرز (بورڈ) کی جانب سے ہم 30 جون 2020 کو ختم ہونے والے سال کے لئے کمپنی کے آڈٹ شدہ مالی بیانات اور اس کے ساتھ ساتھ آڈیٹرز کی رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

مالی نتائج:

کمپنیوں کی اصل سرگرمیوں میں مارکیٹنگ، بلیڈ اور اسٹریٹجی کی فروخت شامل ہے۔ 30 جون 2020 کو ختم ہونے والے سال کے لئے کمپنی کے مالی نتائج درج ذیل ہیں:-

نفع و نقصان کے حسابات برائے سال ختمہ 30 جون 2020

30 جون 2019	30 جون 2020	
----- '000 روپے میں -----		
1,962,721	1,971,294	فروخت - خالص
(1,310,766)	(1,313,194)	فروخت سامان کی قیمت
651,955	658,100	کل منافع
33.2%	33.4%	GP تناسب
(328,538)	(287,045)	فروخت، مارکیٹنگ اور تقسیم کے اخراجات
(45,786)	(47,132)	دوسرے Operating اخراجات
(41,811)	(26,473)	سودی (Interest) خرچ
(7,376)	(5,530)	بینک کی فیس
(217)	(361)	اسکے علاوہ آمدنی
30,244	59,972	منافع (ٹیکس سے پہلے)
258,471	353,531	BT تناسب
13.2%	17.8%	آمدنی پر ٹیکس کا خرچہ
(94,078)	(129,407)	منافع / (ٹیکس کے بعد)
164,393	222,124	AT تناسب
8.4%	11.3%	منافع (نی ٹیکس)
8.56	11.57	

مقامی کرنسی کی قدر میں کمی اور افراط زر کی وجہ سے، Covid-19 کے پچھلے کمپنی کے لئے یہ مالیاتی سال ایک اور چیلنجنگ سال تھا۔ ان چیلنجوں کے باوجود کمپنی گزشتہ سال 33.4 فیصد بمقابلہ 33.2 فیصد کے مجموعی مارجن کو برقرار رکھنے میں کامیاب رہی۔

پچھلے سال بمقابلہ فروخت اور تقسیم کے اخراجات میں کمی کی گئی تھی جو جزوی طور پر تقسیم میں آپریشن کی کارکردگی کے ذریعہ حاصل کی گئی تھی اور جزوی طور پر اس کی وجہ یہ تھی کہ Covid-19 کی وجہ سے کم اشتہارات خرچ ہونے کے سبب مزید انتظامی اخراجات پچھلے سال بمقابلہ فلیٹ تھے۔

موجودہ سال میں نسبتاً کم شرح تبادلہ کی نسبت پچھلے سال کے مقابلے میں تقریباً 18.4 ملین روپے کے زرمبادلہ کے خسارے میں نمایاں کمی واقع ہوئی ہے اس کی بنیادی وجہ Intercompany میں قابل تجدید ایڈجسٹمنٹ پیدا ہوا ہے۔

مزید یہ کہ پورے مالی سال کے دوران نقد آمدنی سے کمپنی کو مختلف منافع بخش مالی تقرریوں کے ذریعے 60 ملین روپے کمانے میں مدد ملی۔

ڈیویڈنڈ

بورڈ نے 30 جون 2020 کو ختم ہونے والے سال کے مالی پوزیشن کے ساتھ ساتھ کمپنی کے مالی نتائج کا بھی جائزہ لیا اور اس سال کے لئے منافع نہ دینے کا فیصلہ کیا ہے۔



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

FOR THE YEAR ENDED JUNE 30, 2020

The company has applied the principles contained in the Regulations in the following manner:

1. The total number of directors are seven as per the following:

- a. Male Directors: Six
- b. Female Directors: One

2. The Composition of board as at June 30, 2020 is as follow:

Category	Names
Independent Director	Syed Jawaid Iqbal Mr. Sheikh Adil Hussain
Non-Executive Director	Mr. Muhammad Arsalan Siddique (Chairman)* Mr. Abdullah Saleh Mr. Syed Danish Hussain Shah
Executive Director Female Director (Executive)	Mr. Khalid Farid Ms. Anam Parekh

*Mr. Khurram Kidwai joined the Board w.e.f. July 15, 2020 in place of Mr. Arsalan Siddique who has resigned from the Board. Mr. Khurram Kidwai was appointed as Chairman of the Board.

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company.
4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
5. The board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. The board has insured that complete record of significant policies along with the dates on which they were approved or amended has been maintained by the Company.
6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by board / shareholders as empowered by the relevant provisions of the Companies Act, 2017 and these Regulations.
7. The meetings of the board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose. The board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of board.
8. The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Companies Act, 2017 and the Regulations.



9. No Directors' Training program was held during the year. However, below mentioned newly appointed director will undergo with the Directors' Training Program certification within the time period prescribed in these in Regulations:

- i- Ms. Anam Parekh
- ii- Mr. Abdullah Saleh

10. The board has approved appointment of Chief Financial Officer and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.

12. The board has formed committees comprising of members given below:

Category	Names
Audit Committee	Syed Jawaid Iqbal (Chairman) Mr. Muhammad Arsalan Siddique* Ms. Abdullah Saleh
HR and Remuneration Committee	Mr. Sheikh Adil Hussain (Chairman) Mr. Khalid Ahmed Farid Ms. Muhammad Arsalan Siddique*

*Mr. Khurram Kidwai joined the Board w.e.f. July 15, 2020 in place of Mr. Arsalan Siddique who has resigned from the Board. Mr. Khurram Kidwai was appointed as Member of Audit and HR and Remuneration Committees.

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

14. The frequency of meetings of the committee are as per following:

Committee	Frequency of meetings
a) Audit Committee	Quarterly
b) HR and Remuneration Committee	As on need basis (atleast annually)

15. The board has outsourced the internal audit function to M/s EY Ford Rhodes, Chartered Accountants, who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan (ICAP) and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the Company;.



17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Companies Act, 2017, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all other requirements of the Regulations 3, 6, 7, 8, 27, 32, 33 and 36 have been complied with except as mentioned in para 18.1 below:
- 18.1 As per regulation 6, it is mandatory that each listed company shall have at least two or one third members of the Board, whichever is higher, as independent directors and currently, there are two independent directors in a board of seven directors. With regard to compliance with Regulation 6 pertaining to fraction contained in one-third number and not rounded up as one, Management believes that two Independent Directors are sufficient to represent minority shareholders which are only 8.6% of total shareholders. As per Regulation 6 rounding up was not mandatory and the Regulators had placed Regulation 6 rounding up under the 'comply or explain' approach which enabled the Board to explain its reasoning.
19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:
- 19.1 As per regulation 10(5), the Chairman of the Board shall, at the beginning of term of each director issue letter to directors setting out their role, obligations, powers and responsibilities in accordance with the Act and the company's Articles of Association, their remuneration and entitlement. The chairman has not sent the formal letters to the newly appointed directors this year and that is non-compliance of the Regulations. Although the newly appointed Directors have already been onboarded for their roles and responsibilities at the start of their term which they confirmed along with Declaration to the Board.
- 19.2 In addition to the mandatory and non-mandatory clauses / regulations stipulated in the Regulations, there are certain regulations / clauses in the Regulations in which word 'may' or 'encouraged' have been used. We understand that these clauses remain recommendatory in nature and therefore, neither fall under mandatory regulations / clauses nor fall into 'comply or explain' approach. However, the Company may voluntarily comply with such regulations / clauses as at June 30, 2020, the Company has complied with certain recommendatory regulations / clauses and the Company may consider compliance with remainder of these in future.

Muhammad Khurram Kidwai
Chairman

October 01, 2020
Karachi.

REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Tel: +92 (0) 21 - 3454 6494-7
Fax: +92 (0) 21 - 3454 1314
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We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Gillette Pakistan Limited (the Company) for the year ended June 30, 2020 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2020.

Further, we highlight below instance of non-compliance with the requirement of the Regulations as reflected in the note reference where it is stated in the Statement of Compliance:

Note Reference	Description
19.1	As per regulation 10(5), the Chairman of the Board shall, at the beginning of term of each director issue letter to directors setting out their role, obligations, powers and responsibilities in accordance with the Act and the company's Articles of Association, their remuneration and entitlement. The chairman has not sent the formal letters to the newly appointed directors this year and that is non-compliance of the Regulations. Although the newly appointed Directors have already been on boarded for their roles and responsibilities at the start of their term which they confirmed along with Declaration to the Board.



Chartered Accountants

Engagement Partner:
Nadeem Yousuf Adil

Date: October 01, 2020
Place: Karachi

Member of
Deloitte Touche Tohmatsu Limited

INDEPENDENT AUDITORS' REPORT

To the members of Gillette Pakistan Limited Report on the Audit of the Financial Statements

Tel: +92 (0) 21 - 3454 6494-7
Fax: +92 (0) 21 - 3454 1314
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Opinion

We have audited the annexed financial statements of Gillette Pakistan Limited (the Company), which comprise the statement of financial position as at June 30, 2020, and the statement of profit or loss and statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss, statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2020 and of the profit, the comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

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

Following are the Key audit matters:

S.No.	Key audit matter	How the matter was addressed in our audit
1	<p>Revenue:</p> <p>The Company has earned 100% of the revenue from local sales of goods during the year.</p> <p>The amount of revenue is the most significant class of transaction on the statement of profit or loss.</p> <p>Revenue from local sales of goods is recognized when or as control of goods has been transferred to the customer at a point in time, which in the case of the Company coincides with physical receipt of shipment of goods at the warehouse of the customer.</p>	<ul style="list-style-type: none"> - Our audit procedures included considering the appropriateness of the Company's revenue recognition accounting policies, including those relating to transfer of control of goods to the customer at a point in time and assessing compliance with the policies in terms of applicable accounting and reporting standards. - We also reviewed the distribution agreement with the local sale distributor in order to confirm the management position with regards to transfer of control of the goods to the customer and recognition of related revenue.

S.No.	Key audit matter	How the matter was addressed in our audit
	<p>Since, local sales revenue is a key performance measure for the Company, therefore it has been considered key audit matter.</p> <p>The Company's accounting policy in respect of revenue is disclosed in note 4.13 to the financial statements.</p>	<ul style="list-style-type: none"> - We tested the design, implementation and operating effectiveness of the Company's controls over local sale of goods as per the policy. - For sales made during the year, we verified sales transactions on sample basis by obtaining supporting documents. - We assessed sales transactions taking place at either side of the year-end with supporting documents to assess the appropriateness of revenue recognized during the period.
2	<p>Valuation of Stock-in-trade</p> <p>The total Stock-in-trade as at year end represented 35% of the Company's total assets.</p> <p>Stock-in-trade is carried in the financial statements at the lower of cost and net realizable value. Net realizable value includes subsequent selling prices and estimate of cost of sale.</p> <p>Further, the Company has a practice to record the stock-in-trade at standard cost, which earlier at the year-end was actualized and resulting variances were adjusted using inventory turnover ratio which has been changed this year and variances are now adjusted using the profit center wise inventory turnover ratio which is accounted as a change in estimates and judgments under IAS-8.</p> <p>Also, the provisions and write-offs for all damaged and obsolete stock-in-trade are made based on the specific identification of items of stock-in-trade by management.</p> <p>Considering the above matters, the valuation of stock-in-trade has been considered as key audit matter.</p> <p>The Company's accounting policy in respect of Stock-in-trade is disclosed in note 4.5 to the financial statements.</p>	<ul style="list-style-type: none"> - Performed recalculation of net realizable value (NRV) for samples selected in the closing stock-in-trade by comparing the cost with the: <ul style="list-style-type: none"> • subsequent selling prices which we tested on sample basis; • less cost to sell which was estimated based on the current year results. - Obtained details of stock items written off during the year and also checked them on test basis with supporting documents. - We also observed physical count which was performed at year end. - We evaluated assumptions applied by management to identify the amount of variances that needed to be adjusted and we also tested the design, implementation and operating effectiveness of the Company's controls that the Company had in place over the standard costing and variance calculation process. We have also taken the approval for the change in estimate related to variance adjustment from their regional office. - For selected samples, we checked variances and valuation through comparing standard cost with the actual cost as per the purchase invoice and ensured that the variances were adjusted as per the profit center wise inventory turnover ratio of the Company.

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

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss and other comprehensive income or the income and expenditure account, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Nadeem Yousuf Adil.



Chartered Accountants

Engagement Partner:
Nadeem Yousuf Adil

Date: October 01, 2020
Place: Karachi



Statement of Financial Position

As at June 30, 2020

	Note	June 30 2020	June 30 2019
----- (Rupees in '000) -----			
ASSETS			
Non-current asset			
Right-of-use asset	5	32,644	-
Long-term deposits	6	215	616
		32,859	616
Current assets			
Stock-in-trade	7	511,860	326,792
Trade debts	8	193,290	156,356
Trade deposits		13,079	9,493
Other receivables and prepayment	9	139,306	81,130
Other financial assets	10	478,957	557,312
Sales tax refundable		58,921	27,192
Taxation - net		19,753	25,479
Bank balances	11	14,558	5,625
		1,429,724	1,189,379
Total assets		1,462,583	1,189,995
EQUITY AND LIABILITIES			
Authorised capital 20,000,000 ordinary shares of Rs.10/- each		200,000	200,000
Issued, subscribed and paid-up capital	12	192,000	192,000
Unappropriated profit		590,269	449,914
		782,269	641,914
Non-current liabilities			
Lease liabilities	13	25,781	-
Staff retirement benefit - gratuity scheme	14	20,316	11,572
		46,097	11,572
Current liabilities			
Trade and other payables	15	517,012	449,186
Contract liabilities	16	93,775	82,943
Current portion of lease liabilities		9,661	-
Unclaimed dividend		13,769	4,380
		634,217	536,509
Total equity and liabilities		1,462,583	1,189,995
Contingencies and commitments	17		

The annexed notes from 1 to 35 form an integral part of these financial statements.

KHALID AHMED FARID
 Chief Executive Officer

SYED IRSHAD HASSAN
 Chief Financial Officer

SHEIKH ADIL HUSSAIN
 Director



Statement of Profit or Loss

For the year ended June 30, 2020

	Note	June 30 2020	June 30 2019
----- (Rupees in '000) -----			
Revenue from contract with customer - net	18	1,971,294	1,962,721
Cost of goods sold	19	(1,313,194)	(1,310,766)
Gross profit		658,100	651,955
Selling, marketing and distribution expenses	20	(287,045)	(328,538)
Administrative expenses	21	(47,132)	(45,786)
Other operating expenses	22	(26,473)	(41,811)
Interest expense		(5,530)	(7,376)
Bank charges		(361)	(217)
		(366,541)	(423,728)
Other income	23	59,972	30,244
Profit before tax		351,531	258,471
Income tax expense	24	(129,407)	(94,078)
Profit for the year after tax		222,124	164,393
----- Rupees -----			
Earnings per share - basic and diluted	25	11.57	8.56

The annexed notes from 1 to 35 form an integral part of these financial statements.

KHALID AHMED FARID
Chief Executive Officer

SYED IRSHAD HASSAN
Chief Financial Officer

SHEIKH ADIL HUSSAIN
Director



Statement of Comprehensive Income

For the year ended June 30, 2020

	June 30 2020	June 30 2019
	---- (Rupees in '000) ----	
Profit for the year after tax	222,124	164,393
Other comprehensive income for the year		
Items that may be reclassified subsequently to statement of profit or loss	-	-
Items that will not be reclassified to statement of profit or loss		
Remeasurement of post retirement benefit obligations	(14,569)	462
Total comprehensive income for the year	207,555	164,855

The annexed notes from 1 to 35 form an integral part of these financial statements.

KHALID AHMED FARID
Chief Executive Officer

SYED IRSHAD HASSAN
Chief Financial Officer

SHEIKH ADIL HUSSAIN
Director



Statement of Cash Flows

For the year ended June 30, 2020

	Note	June 30 2020	June 30 2019
----- (Rupees in '000) -----			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash flows from operations	27	64,629	764,394
Income taxes paid		(123,681)	(88,160)
Interest paid		(5,530)	(7,376)
Staff retirement benefits paid - net	14	-	25,693
Net cash (used in) / generated from operating activities		(64,582)	694,551
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income received		59,735	27,593
Proceeds from long term deposit		401	-
Investment in other financial assets		(260,000)	-
Net cash (used in) / generated from investing activities		(199,864)	27,593
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease principal repayment		(7,165)	-
Dividend paid		(57,811)	(20,525)
Net (decrease) / increase in cash and cash equivalents		(329,422)	701,619
Cash and cash equivalents at the beginning of the year		557,937	(143,682)
Cash and cash equivalents at the end of the year	26	228,515	557,937

The annexed notes from 1 to 35 form an integral part of these financial statements.

KHALID AHMED FARID
Chief Executive Officer

SYED IRSHAD HASSAN
Chief Financial Officer

SHEIKH ADIL HUSSAIN
Director



Statement of Changes In Equity

For the year ended June 30, 2020

	Issued, sub- scribed and paid-up capital	Unappro- priated profit	Total
	----- (Rupees in '000) -----		
Balance as at July 1, 2018	192,000	309,059	501,059
- Profit for the year	-	164,393	164,393
- Other comprehensive income	-	462	462
Total comprehensive income for the year	-	164,855	164,855
Transactions with owners recorded directly in equity - distributions			
Interim dividend @ 1.25 per share for the year	-	(24,000)	(24,000)
Balance as at June 30, 2019	192,000	449,914	641,914
Profit for the year	-	222,124	222,124
Other comprehensive income	-	(14,569)	(14,569)
Total comprehensive income for the year	-	207,555	207,555
Transactions with owners recorded directly in equity - distributions			
Interim dividend @ Rs. 3.5 per share for the year	-	(67,200)	(67,200)
Balance as at June 30, 2020	192,000	590,269	782,269

The annexed notes from 1 to 35 form an integral part of these financial statements.

KHALID AHMED FARID
Chief Executive Officer

SYED IRSHAD HASSAN
Chief Financial Officer

SHEIKH ADIL HUSSAIN
Director



Notes to the Financial Statements

For the year ended June 30, 2020

1. STATUS AND NATURE OF BUSINESS

1.1 Gillette Pakistan Limited ("the Company") was incorporated on December 9, 1986 as a public limited company under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) and is a subsidiary of The Series Acquisition B.V. Netherlands, which is a wholly owned subsidiary of The P&G Company, USA. The registered office of the Company is situated at 11th Floor, Harbour Front, Dolmen City, HC-3, Block-4, Abdul Sattar Edhi Avenue, Clifton, Karachi-75600 and the Company is listed on Pakistan Stock Exchange. The principal activities of the Company include marketing and selling of blades and razors.

1.2 Impact of COVID-19

As in the rest of the world, COVID-19 adversely affected lifestyles and business operations in Pakistan. The Company complied with the SOPs prescribed by Federal and Provincial Governments. Sales and import activities were not affected during lockdowns and the shipments were received as per schedule with minor disruptions. The Company remained up to date in all its financial commitments. The Management believes that the going concern assumption of the Company remains valid.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

2.2 Basis of measurement

The financial statements have been prepared under the historical cost convention except for recognition of certain staff retirement benefits at present value as referred to in note 14 to these financial statements.

2.3 Functional and presentation currency

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



Notes to the Financial Statements

For the year ended June 30, 2020

2.4 Significant judgments and key sources of estimation in applying the accounting policies

The preparation of financial statements in conformity with accounting and reporting standards as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates underlying the assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments and estimates made by management that may have significant risk of material adjustments to the financial statements in the subsequent years are as follows:

- i) Impairment of financial assets (note 4.2.3)
- ii) Determination of net realizable value, provision, write off and valuation for stock-in-trade (note 4.5);
- iii) Assumptions and estimates used in accounting for defined benefits plan (note 4.7 and note 14);
- iv) Provision for taxation (note 4.6 and note 24); and
- v) Contingencies and commitments (note 17).

The method of valuation of stock-in-trade, where variances were actualized using inventory turnover ratio has been changed during the year, to profit center wise inventory turnover ratio. Had there been change in the method in prior year for the calculation of variances deferral, the cost of goods sold for the last year would have been higher by an estimated amount of Rs. 8.44 million and stock-in-trade and profit for the year would have been lower by similar amount, which is not material to the financial statements.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO THE PUBLISHED APPROVED ACCOUNTING STANDARDS

3.1 New accounting standard / amendments and IFRS interpretation that are effective for the year ended June 30, 2020

The following standards, amendments and interpretations are effective for the year ended June 30, 2020. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures, except for the impact of IFRS 16 (note 4.1)

**Effective from
accounting period
beginning on or after:**

- IFRS 16 Leases, this standard will supersede IAS 17 'Leases', IFRIC 4, SIC 15 and SIC 27 upon its effective date.

January 01, 2019



Notes to the Financial Statements

For the year ended June 30, 2020

Effective from accounting period beginning on or after:

- IFRS 14 – Regulatory Deferral Accounts - IFRS 14 was originally issued in January 2014 and applies to an entity’s first annual IFRS financial statements for a period beginning on or after 1 January 2016. However, SECP has adopted from July 01, 2019. July 01, 2019
- Amendments to IFRS 9 ‘Financial Instruments’ - prepayment features with negative compensation January 01, 2019
- Amendments to IAS 28 ‘Investments in Associates and Joint Ventures’ - Long-term interests in associates and joint ventures January 01, 2019
- Amendments to IAS 19 ‘Employee Benefits’ - Plan amendment, curtailment or settlement January 01, 2019
- IFRIC 23 ‘Uncertainty over Income Tax Treatments’: Clarifies the accounting treatment in relation to determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12 ‘Income Taxes’. January 01, 2019

Certain annual improvements have also been made to a number of IFRSs.

3.2 New accounting standards / amendments and IFRS interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Company’s operations or are not expected to have significant impact on the Company’s financial statements other than certain additional disclosures.

Effective from accounting period beginning on or after:

Amendment to conceptual framework

- Amendments to the conceptual framework for financial reporting, including amendments to references to the conceptual framework in IFRS January 01, 2020
- Amendments to IAS 1 ‘Presentation of Financial Statements’ and IAS 8 ‘Accounting Policies, Changes in Accounting Estimates and Errors’. Clarify the definition of ‘Material’ and align the definition used in the Conceptual Framework and the Standards January 01, 2020
- Amendments to IAS 1 ‘Presentation of Financial Statements’ - Classification of liabilities as current or non-current January 01, 2023



Notes to the Financial Statements

For the year ended June 30, 2020

- Amendments to IAS 16 'Property, Plant and Equipment' - Proceeds before intended use January 01, 2022
- Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts — cost of fulfilling a contract January 01, 2022
- Amendments to IAS 39 'Financial Instruments: Recognition and Measurement', IFRS 7 'Financial Instruments: Disclosures and IFRS 9 'Financial Instruments' – regarding Interest rate benchmark reform January 01, 2020
- Amendments to IFRS 3 'Business Combinations' Amendment in the definition of business' January 01, 2020

Amendment to conceptual framework

- Amendments to IFRS 3 'Business Combinations' - Reference to the conceptual framework January 01, 2022
- Amendment to IFRS 16 'Leases' - Covid-1 related rent concessions January 01, 2020

Certain annual improvements have also been made to a number of IFRSs.

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 17 – Insurance Contracts

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous years' financial statements except for the change in accounting policies as explained in note 4.1.

4.1 Adoption and impact of IFRS 16 - Leases

The Company has adopted IFRS 16 "Leases" from 1 July 2019 as notified by the Securities and Exchange Commission of Pakistan vide its SRO 434 (I)/2018 dated 09 April 2018. The standard replaces the existing guidance on leases, including IAS 17 "Leases", IFRIC 4 "Determining whether an Arrangement contains a Lease", SIC 15 "Operating Leases – Incentives" and SIC 27 "Evaluating the Substance of Transactions in the Legal Form of a Lease".

IFRS 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to lessee accounting by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged.



Notes to the Financial Statements

For the year ended June 30, 2020

The Company applied IFRS 16 using the modified retrospective approach, under which the Company has recognised lease liabilities at the date of initial recognition for leases previously classified as operating lease under IAS 17 at the present value of the remaining lease payments using the Company's incremental borrowing rate and recognising right of use assets at an amount equal to the lease liabilities, adjusted for the amounts of prepaid rent. Accordingly, the comparative figures presented for 2019 have not been restated.

A contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. The entity recognises a right-of-use asset and lease liability at the lease commencement date. Assets and liabilities arising from a lease are initially measured on a present value basis.

The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses if any, and adjusted for certain re-measurements of the lease liability. The right-of-use asset is depreciated using the straight line method over the shorter of the lease term and the asset's useful life. The estimated useful lives of assets are determined on the same basis as that for owned assets. In addition, the right-of-use asset is periodically reduced by impairment losses, if any.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the entity's incremental borrowing rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, a change in assessment of whether extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The effect of this change is as follows:

4.1.2 Impact on statement of financial position :

Increase in assets - right-of-use assets
Increase in liabilities - lease liabilities
Decrease in net assets

June 30, 2020 **July 01, 2019**
----- Rupees in '000 -----

32,643	3,541
(35,442)	(3,541)
(2,798)	-

June 30, 2020
Rupees in '000

Impact on statement of profit or loss :

Increase in depreciation
Increase in finance costs
Decrease in rent expense
Decrease in profit for the year

9,963
5,530
(12,695)
2,798

The lessee's incremental borrowing rate applied to the lease liability on July 1, 2019 was 6 months KIBOR + 2%.



Notes to the Financial Statements

For the year ended June 30, 2020

4.2 Financial instruments

4.2.1 Initial Recognition

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. These are subsequently measured at fair value or amortised cost as the case may be.

The Company recognizes financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument.

Financial liabilities are not recognized unless one of the parties has performed its part of the contract or the contract is a derivative contract.

4.2.2 Classification and measurement

4.2.2.1 Financial assets

There are three principal classification categories for financial assets:

- Measured at amortized cost ("AC"),
- Fair value through other comprehensive income ("FVTOCI") and
- Fair value through profit or loss ("FVTPL").

Financial asset at amortised cost

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

- 1) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- 2) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset at FVTOCI

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

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

FVTOCI financial assets are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI.



Notes to the Financial Statements

For the year ended June 30, 2020

Financial asset at FVTPL

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Company changes its business model for managing financial assets.

Financial assets designated at fair value through profit or loss are subsequently carried at fair value, with gains and losses arising from changes in fair value recorded in the profit or loss.

4.2.2.2 Financial liabilities

The Company classifies its financial liabilities in the following categories:

- Measured at amortized cost ("AC"), or
- Fair value through profit or loss ("FVTPL").

Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires as follows:

- The amount of change in the fair value of a financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of such changes in other comprehensive income would create or enlarge an accounting mismatch in profit or loss.
- Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss.

4.2.3 Impairment of financial assets

For financial assets measured at amortised cost, IFRS 9 requires recognition of impairment based on expected credit loss (ECL) model rather than incurred credit loss model as previously required under IAS 39. Under IFRS 9, the Company is required to measure loss allowance of an amount equal to lifetime ECL or 12 months ECL based on credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.



Notes to the Financial Statements

For the year ended June 30, 2020

4.2.4 Measurement principles

The measurement basis of financial instruments is determined as follows:

Basis of valuation of instruments at amortised cost

Subsequent to initial recognition, financial assets classified as amortised cost are carried at amortised cost using the effective interest method.

Gains or losses are also recognised in the statement of profit or loss when financial assets carried at amortised cost are derecognised or impaired, and through the amortisation process.

4.2.5 Derecognition of financial assets and liabilities

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

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

4.2.6 Offsetting of financial instruments

Financial assets and financial liabilities are set off and the net amount is reported in the statement of financial position if the Company has a legal 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.

4.3 Cash and cash equivalents

For the purpose of presentation in statement of cash flow, cash and cash equivalents includes cash in hand, balances with banks and investments with maturities upto three months from acquisition date that are subject to insignificant risk of changes in fair value and short term borrowings availed by the Company, which are repayable on demand and form an integral part of the Company's cash management.

4.4 Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date to ascertain whether there is any indication of impairment. If such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognized, as an expense in the statement of profit or loss, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is determined through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

An impairment loss is reversed if there has been change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.



Notes to the Financial Statements

For the year ended June 30, 2020

4.5 Stock-in-trade

Stocks are valued at the lower of cost and estimated net realizable value. Costs are determined by using the first-in, first-out method except for goods-in-transit which are valued at the actual cost accumulated to the balance sheet date. Net realizable value signifies the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. The cost of stocks includes expenditure incurred in acquiring / bringing the inventories items to their existing location and condition. Also, the provisions and write-offs for all damaged and obsolete stock-in-trade are made based on the specific identification of items of stock-in-trade by management.

4.6 Taxation

Current

The charge for current taxation is based on taxable income at the current rate of taxation after taking into account applicable tax credits, rebates and exemptions available, if any, or minimum tax on turnover or alternate corporate tax which ever is higher. However, for income covered under Final Tax Regime (FTR), taxation is based on applicable tax rates under such regime. Income tax paid at import stage under FTR is recognised as tax expense in the period in which related goods are sold.

Deferred

Deferred tax asset is not recognized by the Company as timing of availability of sufficient taxable profit can not be determined.

4.7 Staff retirement benefits

4.7.1 Defined benefit plan

4.7.1.1 Funded pension fund

The Company operates a defined benefit plan i.e., approved funded pension fund scheme for all its permanent employees subject to prescribed qualifying age limit. Contributions are made to the fund on the basis of actuarial recommendations. Actuarial valuation is carried out using projected unit credit method. As per the Company policy, only employees who opted for this scheme and all ex-employees continue to receive benefit under this scheme.

Under the plan, the pensionable benefit per year depends on the pensioner achieving either the normal retirement age or opting for the early retirement. The pensionable benefit also varies in case any pensioner dies.

The Trustees in their meeting held on December 4, 2018 has decided that effective from July 2018 the monthly pension will be pegged with the minimum wage rate as announced by the Government of Pakistan for any financial year. Further, they have also decided in the same meeting that the pension indexation will be applied from July (previously March) of every financial year and that the indexation will be equivalent to the yearly expected inflation rate as advised by the Actuary at the start of every financial year (previously 4.75% annual increase)

Details of the plan are given in note 14 to these financial statements.



Notes to the Financial Statements

For the year ended June 30, 2020

4.7.1.2 Unfunded gratuity scheme

Effective from July 01, 2012, the Company has started to operate a defined benefit plan i.e. approved unfunded gratuity scheme for all its current permanent employees, with the exception of those employees receiving (or are eligible to receive) benefit under approved funded pension scheme, subject to the prescribed qualifying age limit. This scheme is unfunded and actuarial valuation is carried out using projected unit credit method. As per the Company policy, all new employees would be entitled to this gratuity scheme only.

All actuarial gains and losses arising during the year are recognised immediately through 'statement of other comprehensive income' as they occur.

4.7.2 Defined contribution plan

The Company operates an approved funded provident fund scheme for all its permanent employees. Equal monthly contributions are made, both by the Company and its employees, to the fund at the rate of 10 per cent of basic salaries of employees.

4.8 Provisions

Provisions are recognised when the Company has the 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 can be made of the amount of the obligations. However, provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

4.9 Foreign currency translation

Transactions in foreign currencies are recorded into Pak Rupee at the exchange rate prevailing on the date of transaction. At each reporting period, monetary assets and liabilities denominated in foreign currencies are translated into rupees at the rates of exchange prevailing at the balance sheet date. Exchange gains and losses are included in profit and loss account in the year in which they arise.

4.10 Interest income

Mark-up / return on bank balances / other financial asset is recognised on a time proportionate basis on the principal amount outstanding by applying the effective interest rate.

4.11 Dividend

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the periods in which the dividends are approved by the appropriate authority.

4.12 Earnings per share

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



Notes to the Financial Statements

For the year ended June 30, 2020

4.13 Revenue form contracts with customers

Revenue is recognised when a contractual promise to a customer (performance obligation) has been fulfilled by transferring control over the promised goods and services to the customer. Revenue is primarily generated from the sale of finished product to customers. Those sales predominantly contain a single delivery element and revenue is recognised at a single point in time when ownership, risks and rewards transfer. Management has concluded that revenue from sale of goods be recognised at the point in time when control of the product has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been delivered to the customer's destination, the risks of loss have been transferred to the customer and the customer has accepted the product.

A contract liability is recognised for expected discount payable to customers in relation to sales made until the end of the reporting period. Further the Company receives advances from its customers.

4.14 Transition to IFRS 16 - Leases

Accounting policy applicable to lease prior to July 01, 2019

Leases in which a significant portion of the risks and rewards of ownership is retained by the lessor are classified as operating lease. Rentals payable under operating leases are charged to profit and loss account on a straight-line basis over the term of the relevant lease.

5. Right-of-Use Assets

	Note	June 30, 2020	June 30, 2019
----- Rupees in '000 -----			
Opening balance	5.1	-	-
Right-of-use assets recorded on initial application		3,541	-
Addition during the period / year		39,066	-
Depreciation for the period / year		(9,963)	-
Closing balance	5.1	<u>32,644</u>	<u>-</u>

5.1 The right-of-use assets comprises Vehicles from Deinfa Motors (Private) Limited. The lease term of vehicles is 4 years.

6. LONG-TERM DEPOSITS

	Note	June 30, 2020	June 30, 2019
----- Rupees in '000 -----			
Central Depository Company Limited - registration deposit		37	37
Employee medical insurance deposit		-	101
Marine insurance deposit		-	300
Security deposit to suppliers		178	178
		<u>215</u>	<u>616</u>



Notes to the Financial Statements

For the year ended June 30, 2020

	Note	June 30, 2020	June 30, 2019
----- Rupees in '000 -----			
7. STOCK-IN-TRADE			
Finished goods			
- on hand	7.1 & 7.2	396,781	211,391
- in transit		122,955	120,212
		519,736	331,603
Provision due to slow-moving and obsolete inventory	7.3	(688)	(343)
Stock written-off		(7,188)	(4,468)
		511,860	326,792

7.1 Finished goods are held at a third party warehouse under a service agreement.

7.2 Stock-in-trade includes goods costing Rs. 6.054 million (June 30, 2019: Nil) written down by Rs.2.283 million (June 30, 2019: Rs. Nil) to net realizable value amounting to Rs. 3.771 million (June 30, 2019: Nil).

7.3 Movement of provision due to slow-moving and non-performing inventory is as follows:

	Note	June 30, 2020	June 30, 2019
----- Rupees in '000 -----			
Opening balance		343	289
Transfer of provision to stock written-off		(343)	(289)
Charge for the year		688	343
Closing balance		688	343

8. TRADE DEBTS

Unsecured - considered good	8.1	193,290	156,356
-----------------------------	-----	----------------	---------

8.1 Trade receivables are non-interest bearing and the credit period on sale of goods ranges from 22 days to 32 days (June 30, 2019: 22 days to 32 days).

8.2 Aging of trade debts

	Not yet due	1-30 days	31-60 days	Above 60 days
----- Rupees in '000 -----				
June 30, 2020				
Neither due nor impaired	169,255	-	-	-
Past due but not impaired	-	24,032	-	3
	169,255	24,032	-	3
June 30, 2019				
Neither due nor impaired	132,687	-	-	-
Past due but not impaired	-	23,417	3	249
	132,687	23,417	3	249



Notes to the Financial Statements

For the year ended June 30, 2020

	Note	June 30, 2020	June 30, 2019
----- Rupees in '000 -----			
9. OTHER RECEIVABLES AND PREPAYMENT			
Cash margin on imports	9.1	137,819	69,602
Receivable from pension fund		-	4,924
Interest receivable on term deposits		799	1,029
Prepayments		-	4,817
Others		688	758
		139,306	81,130

9.1 This represents cash margin held under lien by the Bank as per BPRD Circular 2 of 2017 issued by State Bank of Pakistan which requires Bank to obtain 100% cash margin on the import of certain items.

	Note	June 30, 2020	June 30, 2019
----- Rupees in '000 -----			
10. OTHER FINANCIAL ASSETS			
Term deposits	10.1	478,957	557,312
10.1 Term deposit includes;			
- having maturity of more than 3 months	10.1.1	265,000	5,000
- having maturity of upto 3 months	10.1.2	213,957	552,312
		478,957	557,312

10.1.1 This represents term deposit, having maturity period of one year and effective interest rates 8.5% (June 30, 2019: 8.35%) per annum.

10.1.2 This represents term deposits, having maturity period of upto 3 months and effective interest rates 5.7% to 6.8% (June 30, 2019: 10.5% to 11.15%) per annum.

	Note	June 30, 2020	June 30, 2019
----- Rupees in '000 -----			
11. BANK BALANCES			
Current account		13,731	4,343
Savings account	11.1	827	1,282
		14,558	5,625

11.1 These are balances maintained with commercial banks. Effective interest rate in respect of saving accounts is 9.56% (June 30, 2019: 11%) per annum.



Notes to the Financial Statements

For the year ended June 30, 2020

12. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

June 30, 2020	June 30, 2019		June 30, 2020	June 30, 2019
----- Number of Shares -----			----- Rupees in '000 -----	
		Ordinary Shares of Rs. 10/-each fully paid:		
15,936,000	15,936,000	- In Cash	159,360	159,360
3,264,000	3,264,000	- Other than cash	32,640	32,640
19,200,000	19,200,000		192,000	192,000

12.1 The Series Acquisition B.V., Netherlands, and its nominees held 17,548,574 ,(91.4%) (June 30, 2019: 17,548,574 ,(91.4%)) ordinary shares of Rs. 10 each of the Company. The ultimate parent of the Company is The Procter & Gamble Company (P&G), USA.

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

12.3 The Company has no reserved shares for issuance under options and sales contracts.

	Note	June 30, 2020	June 30, 2019
		----- Rupees in '000 -----	
13. LEASE LIABILITIES			
Opening balance		-	-
Lease liability recorded on initial application		3,541	-
Lease acquired during the period / year		39,066	-
Finance cost incurred during the period / year		5,530	-
Lease rentals paid during the year		(12,695)	-
Closing balance		35,442	-
Less: Lease liability due with in 12 months		(9,661)	-
Non-current lease liability		25,781	-

14. STAFF RETIREMENT BENEFITS

14.1 Funded post retirement defined benefit plans

14.1.1 The latest actuarial valuation of post retirement benefits i.e. funded pension plans was carried out at June 30, 2020. The projected unit credit method, using the following significant financial assumptions, has been used for the actuarial valuation:



Notes to the Financial Statements

For the year ended June 30, 2020

	June 30, 2020		June 30, 2019	
	Pension	Gratuity	Pension	Gratuity
- Discount rate - per annum compound	9.25%	9.25%	13.25%	14.50%
- Expected rate of increase in salaries - per annum	-	11.25%	-	14.50%
- Expected rate of return on plan assets - per annum	9.25%	-	13.25%	-
- Pension indexation rate - per annum	3.70%	-	8.80%	-

Mortality rates assumed were based on the State Life Insurance Corporation (SLIC) 2001-05 ultimate mortality rates, rated down by one year.

	June 30, 2020		June 30, 2019	
	Pension	Gratuity	Pension	Gratuity
----- Rupees in '000 -----				

14.1.2 Statement of financial position reconciliation

Fair value of plan assets	(103,460)	-	(103,744)	-
Present value of defined benefit obligations (Asset) / liability carried forward in the balance sheet	108,103	20,316	98,820	11,572
	<u>4,643</u>	<u>20,316</u>	<u>(4,924)</u>	<u>11,572</u>

14.1.3 Movement in fair value of plan assets

Fair value at beginning of the year	103,744	-	130,902	-
Interest income	14,674	-	11,462	-
Remeasurement on post retirement benefits	(9,875)	-	(6,053)	-
Benefits paid	(5,083)	-	(4,977)	-
Withdrawals made by the Company	-	-	(27,590)	-
Fair value at the end of the year	<u>103,460</u>	<u>-</u>	<u>103,744</u>	<u>-</u>

14.1.4 Movement in defined benefit obligation

Obligation at beginning of the year	98,820	11,572	94,861	10,725
Current service cost	-	1,357	-	1,064
Interest cost	13,963	1,678	9,237	1,001
Past service cost - vested	-	-	6,893	-
Transfer liability payable to / (from) P&G Pakistan	-	1,419	-	(1,183)
Remeasurement on post retirement benefits	403	4,290	(7,194)	679
Benefits paid	(5,083)	-	(4,977)	(714)
Obligation at the end of the year	<u>108,103</u>	<u>20,316</u>	<u>98,820</u>	<u>11,572</u>

14.1.5 Charged to statement of profit or loss account

Current service cost	-	1,357	-	1,064
Past service cost - vested	-	-	6,893	-
Net interest (income) / cost	(711)	1,678	(2,225)	1,001
	<u>(711)</u>	<u>3,035</u>	<u>4,668</u>	<u>2,065</u>



Notes to the Financial Statements

For the year ended June 30, 2020

	June 30, 2020		June 30, 2019	
	Pension	Gratuity	Pension	Gratuity
	----- Rupees in '000 -----			

14.1.6 Recorded in statement of comprehensive income

Actuarial (gain) / loss arising due to changes in :

Demographic assumptions	-	-	(8,175)	-
Financial assumptions	15,498	-	-	-
Experience adjustment	(5,219)	4,290	7,034	679
	<u>10,279</u>	<u>4,290</u>	<u>(1,141)</u>	<u>679</u>

14.1.7 Actual return on plan assets is as follows:

Interest income	14,674	-	11,462	-
Remeasurement on post retirement benefits	(9,875)	-	(6,053)	-
Actual return on plan assets	<u>4,799</u>	<u>-</u>	<u>5,409</u>	<u>-</u>

14.1.8 Detail of plan assets

Pakistan investment bonds	8,352	-	11,296	-
Term deposit receipts	23,886	-	52,960	-
Units of mutual funds	2,604	-	2,449	-
Bank balances	68,618	-	37,810	-
	<u>103,460</u>	<u>-</u>	<u>104,515</u>	<u>-</u>

14.1.9 The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Changes in assumptions		Impact on obligation of change in assumption			
		Pension		Gratuity	
		Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
----- Rupees -----					
Discount rate	1%	97,929	120,033	17,763	23,372
Pension / salary increase	1%	119,560	98,145	23,387	17,704
Mortality age	1 year	110,797	105,586	20,297	20,335

	June 30, 2020	
	Pension	Gratuity
14.1.10 Weighted average plan duration	10.79 years	13.8 years

14.1.11 The number of active employees covered under the pension fund and gratuity scheme are Nil (June 30, 2019: Nil) and 5 (June 30, 2019: 5) respectively.



Notes to the Financial Statements

For the year ended June 30, 2020

14.1.12 The Company maintains the fund of provident fund in a separate trust. As at year end, Company has invested surplus fund of the trust in listed collective investment scheme and savings account which is in accordance with the provisions of section 218 of the Companies Act, 2017

	Note	June 30, 2020	June 30, 2019
----- Rupees in '000 -----			
15. TRADE AND OTHER PAYABLES			
Trade creditors	15.1	377,374	235,245
Other payable		54,630	76,247
Accrued liabilities	15.2	71,301	128,630
Payable to Workers' Welfare Fund		9,064	9,064
Payable to pension fund	14.1.2	4,643	-
		517,012	449,186

15.1 This represents payable to related party, Procter and Gamble International Operations SA (PGIO).

15.2 This includes payable to following related parties:

	Note	June 30, 2020	June 30, 2019
----- Rupees in '000 -----			
Procter & Gamble Pakistan (Private) Limited		19,548	23,684
Procter & Gamble International Operations SA-ROHQ		19,748	9,848
		39,296	33,532

16. CONTRACT LIABILITIES

Advance from customer	13,436	13,436
Discount accruals	80,339	69,507
	93,775	82,943

17. CONTINGENCIES AND COMMITMENTS

17.1 Contingencies

17.1.1 The income tax assessments of the Company have been completed up to and including tax year 2019 (i.e. year ended on June 30, 2019). The tax returns for the tax years from 2003 to 2019 are treated as assessment orders under section 120 of the Income Tax Ordinance, 2001 on the date returns were filed, unless amended otherwise.

In respect of assessment years 2000-2001 and 2001-2002, the Commissioner of Income Tax (Appeals) made certain additions / disallowances which resulted in additional tax liability amounting to Rs. 49.422 million and Rs. 8.247 million respectively. The Company then filed appeal before the ATIR where some relief was granted while other issues were confirmed against the Company vide combined appellate order dated November 28, 2015. The Company has also filed reference on all the issues decided by ATIR against the Company before Honorable High Court of Sindh which is pending for adjudication.



Notes to the Financial Statements

For the year ended June 30, 2020

In respect of the above, the Company has made a payment of the full amount and made a provision of Rs. 41.875 million in previous years which management believes based on the advice of its tax advisor is sufficient to cover any future obligation of the Company.

17.1.2 The Commissioner Inland Revenue has filed an appeal in the High Court of Sindh against the order of Appellate Tribunal Inland Revenue, issued in favour of the Company for the years 1999-2000 and 2000-01. The case pertained to alleged incorrect payment / short payment of sales tax by the Company on various transactions in these years. The initial demand of sales tax and additional tax raised by the tax department was amounting to Rs. 34.5 million. The Company is now pursuing the case in the Court; however, no provision has been made in these financial statements as the management anticipates based on the advice of its legal advisor that the case would be decided in the favour of the Company.

17.1.3 In 2007, an ex-employee of the Company filed a case regarding payment of severance cost and provident fund amounting to Rs. 28.899 million in the High Court of Sindh (the Court). In response, a written statement was filed by the Company on September 29, 2007 and subsequently the issues were filed by the Company on May 10, 2008. Through order dated November 20, 2007, the Court has instructed to record evidence in this matter. This matter will now come up for recordal of Company's evidence in September 2020. However, based on the advice from the Company's legal advisor, at this stage, it would not be possible to determine the outcome of the aforesaid case. Therefore, the management has not made any provision against this case in these financial statements.

17.1.5 The Company received an order dated April 29, 2019 from Additional Commissioner, Punjab Revenue Authority (PRA) in respect of financial years 2016, 2017 and 2018 for alleged short withholding and deposit of the sales tax withholding on various payments related to advertisement and sales promotion, auditor's remuneration, legal and professional services and warehousing and transportation amounting to Rs. 45.72 million. The Company has filed an appeal before Commissioner Appeal against the order on May 29, 2019. Moreover, the Lahore High Court (LHC) vide interim order dated June 17, 2019 in CP No. W.P.No. 36500 of 2019 has refrained the tax authorities from taking any coercive action on account of demand raised till the decision of ATIR. The management anticipates based on the advice of its tax advisor that the case would be decided in the favor of the Company. Accordingly, no provision has been made in these financial statements.

Note	June 30, 2020	June 30, 2019
	----- Rupees in '000 -----	

17.2 Commitments

Operating lease

Not later than one year	-	3,612
Later than one year but not later than five years	-	9,807
	-	<u>13,419</u>

17.2.1 There is no commitment in the current period because of the adoption of IFRS 16 (note 4.1) due to which all the future commitments under operating leases are recognised as lease liabilities with the corresponding right-of-use assets. In prior year, this includes the operating leases for vehicles for 4 years.



Notes to the Financial Statements

For the year ended June 30, 2020

	Note	June 30, 2020	June 30, 2019
----- Rupees in '000 -----			
18. REVENUE FROM CONTRACT WITH CUSTOMER - NET			
Gross sales		2,656,106	2,609,968
Trade discounts		(288,930)	(268,021)
Sales tax		(395,882)	(379,226)
		<u>1,971,294</u>	<u>1,962,721</u>
19. COST OF GOODS SOLD			
Finished goods			
Opening stock		326,792	382,081
Purchases		1,498,262	1,255,477
		<u>1,825,054</u>	<u>1,637,558</u>
Closing stock	19.1	(511,860)	(326,792)
		<u>1,313,194</u>	<u>1,310,766</u>
19.1 Finished goods have been written down to net realizable value by Rs. 2.283 million (June 30, 2019: Rs. Nil) and are charged to cost of goods sold.			
	Note	June 30, 2020	June 30, 2019
----- Rupees in '000 -----			
20. SELLING, MARKETING AND DISTRIBUTION EXPENSES			
Advertising and sales promotion		129,505	217,889
Warehousing and transportation		38,652	55,453
Salaries, wages and other benefits		54,348	39,024
Traveling and conveyance		2,061	3,062
Rent, rates and taxes		53,346	12,398
Depreciation - Right-of-use asset		8,731	-
Others		402	712
		<u>287,045</u>	<u>328,538</u>
21. ADMINISTRATIVE EXPENSES			
Salaries, wages and other benefits		17,314	21,524
Legal and outsourced professional services		21,212	17,914
Rent, rates and taxes		1,180	1,955
Auditors' remuneration	21.1	1,903	1,560
Traveling and conveyance		3,324	1,396
Depreciation - Right-of-use asset		1,233	-
Others		966	1,437
		<u>47,132</u>	<u>45,786</u>



Notes to the Financial Statements

For the year ended June 30, 2020

	Note	June 30, 2020	June 30, 2019
----- Rupees in '000 -----			
21.1 Auditors' remuneration			
Audit fee		893	883
Half yearly review		491	491
Review of compliance with Code of Corporate Governance		28	28
Other services		412	107
Out of pocket expenses		79	51
		<u>1,903</u>	<u>1,560</u>
22. OTHER OPERATING EXPENSES			
Exchange loss - net		16,779	36,462
Stocks written-off		7,188	4,468
Provision for obsolete stock		688	343
Others		1,818	538
		<u>26,473</u>	<u>41,811</u>
23. OTHER INCOME			
Interest income on term deposits and savings accounts		59,505	28,446
Others		467	1,798
		<u>59,972</u>	<u>30,244</u>
24. INCOME TAX EXPENSE			
Current year tax	24.1	130,022	94,132
Prior year tax		(615)	(54)
		<u>129,407</u>	<u>94,078</u>
24.1 The tax charge for the year includes the following:			
- tax under Minimum Tax Regime on commercial imports		112,163	85,883
- tax under Normal Tax Regime on interest income		17,859	8,249
		<u>130,022</u>	<u>94,132</u>
24.2 Relationship between tax expense and accounting profit			
Accounting profit for the year		<u>351,531</u>	<u>258,471</u>
Tax rate		<u>29%</u>	<u>29%</u>
Tax charge		101,944	74,957
Prior year tax		(615)	(54)
Effect of taxes paid under Final Tax Regime		-	19,175
Effect of taxes paid under Minimum Tax Regime		28,078	-
		<u>129,407</u>	<u>94,078</u>



Notes to the Financial Statements

For the year ended June 30, 2020

	Note	June 30, 2020	June 30, 2019
----- Rupees in '000 -----			
25. EARNINGS PER SHARE - BASIC AND DILUTED			
Profit for the year		222,124	164,393
Weighted average number of ordinary shares outstanding during the year (Number of shares)		19,200,000	19,200,000
Earnings per share - basic and diluted (Rupees)		11.57	8.56
	Note	June 30, 2020	June 30, 2019
----- Rupees in '000 -----			
26. CASH AND CASH EQUIVALENTS			
Bank balances	11	14,558	5,625
Term deposits having maturity up to 3 months	10	213,957	552,312
		228,515	557,937
27. CASH FLOWS FROM OPERATIONS			
Profit before tax		351,531	258,471
Adjustment for non-cash charges and other items:			
Expense (reversed) / recognised on employee benefits - pension	14.1.5	(711)	4,668
Expense recognised on employee benefits - gratuity	14.1.5	3,035	2,065
Depreciation on right-of-use assets	5	9,963	-
Interest expense	13	5,530	7,376
Exchange loss - net	22	16,779	36,462
Stock-in-trade written down to net realizable value	7.2	2,283	-
Provision due to slow moving and obsolete inventory	7.3	688	343
Stocks written off	7	7,188	4,468
Interest income on term deposits and saving accounts	23	(59,505)	(28,446)
Working capital changes	28	(272,152)	478,987
		64,629	764,394
28. WORKING CAPITAL CHANGES			
(Increase) / decrease in current assets:			
Stock-in-trade		(195,227)	50,478
Trade debts		(36,934)	11,706
Trade deposits		(3,586)	(896)
Sales tax refundable		(31,729)	17,440
Other receivables and prepayment		(58,406)	93,711
		(325,882)	172,439
Increase / (decrease) in current liabilities:			
Trade and other payables		42,898	284,574
Contract liabilities		10,832	21,974
		53,730	306,548
		(272,152)	478,987



Notes to the Financial Statements

For the year ended June 30, 2020

29. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise the holding company (The Series Acquisition B.V., Netherlands), the ultimate parent company (The Procter & Gamble Company, USA), related group companies, companies in which directors have interest, staff retirement benefit plans, directors of the Company, key management personnel and close member of the family of all the aforementioned related parties. The Company carries out transactions with various related parties at agreed terms. Amount due from and to related parties are shown under 'other receivables' and 'trade and other payables', whereas remuneration of directors, chief executive and executives are disclosed in note 29. Other significant transactions with related parties are as follows:

Name	Relationship with the Company	Nature of transaction	June 30,	June 30,
			2020	2019
			----- Rupees in '000 -----	
Procter and Gamble International Operations SA, Lancy	Associate due to common parent company	Purchases of finished goods	955,113	973,666
		Reimbursement of expenses	-	-
Procter and Gamble Pakistan (Private) Limited	Associate due to common parent company	Expenses reimbursed to	96,631	102,688
		Expenses reimbursed from	39,361	21,381
Procter and Gamble International Operations S.A, ROHQ	Associate due to common parent company	Services received	10,227	6,963
The Series Acquisition B.V., Netherlands	Holding Company	Dividend	61,421	21,936
Gillette Pakistan Provident Fund	Retirement benefit plan	Contribution to provident fund	1,390	1,309
Gillette Pakistan Pension Fund	Retirement benefit plan	Income from pension fund	714	2,225
		Past service cost	-	6,893

Name

Procter and Gamble International Operations SA, Lancy
Procter and Gamble International Operations S.A, ROHQ
The Series Acquisition B.V, Netherlands

Country of Incorporation

Switzerland
Philippines
Netherlands



Notes to the Financial Statements

For the year ended June 30, 2020

30. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

30.1 The aggregate amount charged in these financial statements for remuneration, including certain benefits to the Chief Executive, the Director and Executives of the Company are as follows:

	Chief Executive		Executives	
	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
	----- Rupees in '000 -----			
Basic salary	7,395	6,629	8,417	6,721
Bonus	3,165	391	166	-
Housing allowance	3,328	2,983	3,788	3,025
Leave fare assistance allowance	1,109	994	1,262	1,008
Utilities allowance	740	663	841	672
Retirement benefits	1,937	1,264	450	539
Others	91	702	683	929
	<u>17,765</u>	<u>13,626</u>	<u>15,607</u>	<u>12,894</u>
Number of persons	<u>1</u>	<u>1</u>	<u>3</u>	<u>3</u>

	Note	June 30, 2020	June 30, 2019
		----- Rupees in '000 -----	
Number of employees as at year end		<u>5</u>	<u>5</u>
Average number of employees during the year		<u>5</u>	<u>5</u>

30.2 Chief Executive and executives of the company are also provided with free use of company maintained cars.

30.3 The aggregate amount of fees paid to two (June 30, 2019: two) non-executive directors is Rs. 375,000 (June 30, 2019: Rs. 550,000).



Notes to the Financial Statements

For the year ended June 30, 2020

31. FINANCIAL RISK MANAGEMENT

31.1 Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below and disclosed in note 4.2.

	June 30, 2020	June 30, 2019
	At amortised	At amortised
	Cost	Cost
	----- Rupees in '000 -----	
Financial assets		
Long-term deposits	215	616
Trade debts	193,290	156,356
Other receivables	138,618	71,389
Other financial assets	478,957	557,312
Bank balances	14,558	5,625
	825,638	791,298
Financial liabilities		
Trade and other payables	507,948	440,122
Contract liabilities	80,339	69,507
Unclaimed dividend	13,769	4,380
Lease liabilities	35,442	-
	637,498	514,009

31.2 Financial risk factors

The Company is exposed to market risk (including interest rate risk, price risk and currency risk), credit risk and liquidity risk arising from its business activities. The Company's overall risk management strategy seeks to minimize adverse effects from the unpredictability of risk factors on the Company's financial performance.

The Board of Directors has overall responsibility for the oversight of financial risk management for the Company. To assist the Board in discharging its oversight responsibility, the management has been made responsible for identifying, monitoring and managing the Company's financial risk exposures.

31.2.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market variables. Market risk comprises three types of risk: interest rate risk, price risk and currency risk. The exposure to these risks and their management is explained below:

i. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.



Notes to the Financial Statements

For the year ended June 30, 2020

	Carrying amount	
	June 30, 2020	June 30, 2019
	----- Rupees in '000 -----	
Fixed rate instruments		
Financial assets		
Other financial assets	<u>478,957</u>	<u>557,312</u>
Variable rate instruments		
Financial assets		
Bank balances	<u>827</u>	<u>1,282</u>

Sensitivity analysis for fixed rate instruments

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

Sensitivity analysis for variable rate instruments

As at June 30, 2020, the Company holds balance in savings accounts and lease liabilities exposing the Company to cash flow interest rate risk. In case of 100 basis points increase / decrease in interest on bank balances, and lease liabilities with all other variables held constant, the net income and net assets would have been lower by Rs. 499,028, and higher by Rs. 509,119 (June 30, 2019: Rs. 50,710)

ii Price risk

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

The Company is not exposed to any kind of price risk.

As the Company is not exposed to price risks, therefore, no sensitivity analysis is provided for this risk.

iii. Currency risk

Foreign currency risk arises mainly where receivables and payables exist due to transactions with foreign undertakings and bank balances in foreign currency. The Company's exposure to foreign currency risk is as follows;



Notes to the Financial Statements

For the year ended June 30, 2020

	USD	EURO	Total
	----- Rupees in '000 -----		
June 30, 2020			
Trade and other payables	(19,748)	(377,374)	(397,122)
Net exposure	<u>(19,748)</u>	<u>(377,374)</u>	<u>(397,122)</u>
June 30, 2019			
Trade and other payables	(9,848)	(235,245)	(245,093)
Net exposure	<u>(9,848)</u>	<u>(235,245)</u>	<u>(245,093)</u>

In respect of monetary assets and liabilities denominated in foreign currencies, the Company ensures that its net exposure is kept to an acceptable level and balance the risk itself.

The following significant exchange rates have been applied:

	Average rate		Reporting date rate	
	2020	2019	2020	2019
Rupees per	----- Rupees -----			
USD	169.76	136.40	176.34	163.24
EURO	191.45	155.49	199.61	185.62
GBP	215.88	176.51	217.08	206.84

Foreign currency sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in the USD, Euro and GBP exchange rates, with all other variables held constant, on the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities).

	Change in rate	USD	EURO	Total
		----- Rupees in '000 -----		
June 30, 2020	+10%	(1,975)	(37,737)	(39,712)
	-10%	1,975	37,737	39,712
June 30, 2019	+10%	(985)	(23,525)	(24,510)
	-10%	985	23,525	24,510

31.2.2 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

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



Notes to the Financial Statements

For the year ended June 30, 2020

	Note	June 30, 2020	June 30, 2019
----- Rupees in '000 -----			
Long-term deposits		215	616
Trade debts		193,290	156,356
Other receivables		138,618	71,389
Other financial assets		478,957	557,312
Bank balances		14,558	5,625
		825,638	791,298

Customer credit risk is managed as per the Company's established policy, procedures and controls relating to customer credit risk management. Credit limits are established for all customers. Outstanding customer receivables are regularly monitored and shipments are only made if the credit history of the customer is clean.

Credit risk from balances with banks is managed by treasury in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties.

The Company is exposed to credit risk from its operating activities primarily for trade debts, other receivables, deposits with banks and other financial assets. The names and credit ratings of banks, where the Company maintains its bank balance are as follows

Name of bank	Rating agency	Credit rating	
		Short-term	Long-term
Habib Bank Limited	JCR-VIS	A-1+	AAA
Citibank, N.A.	Moody's	P-1	AA3
Standard Chartered Bank (Pakistan) Limited	PACRA	A-1+	AAA

31.2.3 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or encounters difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The financial liabilities of the Company are analysed into the relevant maturity buckets based on their contractual maturity dates in the table below:



Notes to the Financial Statements

For the year ended June 30, 2020

	Carrying Amount	Contractual Cash Flow	Less than 1 month
	----- Rupees in '000 -----		
June 30, 2020			
Trade and other payables	507,948	(507,948)	(507,948)
Lease liabilities	35,442	(35,442)	(9,661)
Contract liabilities	80,339	(80,339)	(80,339)
Unclaimed dividend	13,769	(13,769)	(13,769)
June 30, 2019			
Trade and other payables	440,122	(440,122)	(440,122)
Contract liabilities	69,507	(69,507)	(69,507)
Unclaimed dividend	4,380	(4,380)	(4,380)

Management closely monitors the Company's liquidity and cash flow position by maintaining availability of financing through banking arrangements.

31.3 Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The carrying amount of all financial assets and liabilities reflected in these financial statements approximate their fair values as they are short term in nature.

31.3.1 Fair Value Hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into level 1 to 3 based on the degree to which the fair value is observable.

Level - 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level - 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level - 3 fair value measurement are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at June 30, 2020, the Company does not hold any financial instrument, which can be categorised in any of the above levels.



Notes to the Financial Statements

For the year ended June 30, 2020

32. CAPITAL RISK MANAGEMENT

The Company's objectives, policies and processes for managing capital are as follows:

- to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares. The capital structure of the Company consists of equity comprising issued share capital and unappropriated profit. The Company's overall strategy remains unchanged from 2019.

The Company is not subject to any externally imposed capital requirements.

33. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison and to reflect the substance of the transaction.

34. DATE OF AUTHORISATION FOR ISSUE

These financial statements have been approved by the Board of Directors of the Company and authorised for issue on September 28, 2020.

35. GENERAL

Figures have been rounded off to the nearest thousand rupee.

KHALID AHMED FARID
Chief Executive Officer

SYED IRSHAD HASSAN
Chief Financial Officer

SHEIKH ADIL HUSSAIN
Director



NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 33rd Annual General Meeting of the Company will be held on October 26, 2020 at the Lemon Grill, Ramada Karachi Creek, Zulfiqar Street 1, DHA Phase VIII, Karachi at 10:15 am to transact the following business:

1. To confirm the minutes of Annual General Meeting of the Company held on October 25, 2019.
2. To receive, consider and adopt the audited financial statements of the Company for the year ended June 30, 2020, together with reports of the directors and auditors.
3. To appoint auditors for the year ending June 30, 2021 and fix their remuneration. Messer's. Deloitte Yousuf Adil, Chartered Accountants, the present auditors have retired and being eligible have offered themselves for reappointment.
4. Any other business with the permission of the Chair.

By Order of the Board

Moosa Haroon
Company Secretary

Notes

Closure of Share Transfer Books: The Share Transfer Books of the Company will remain closed from October 16, 2020 to October 26, 2020 (Both Days included) during which no transfer of shares will be accepted for registration. Transfers in good order, received by Company's registrar, M/s. FAMCO Associates (Pvt.) Limited by close of business on October 15, 2020 will be treated on time for ascertaining the entitlement of shareholders for the purpose of attending and vote at Annual General Meeting.

Participation in Annual General Meeting: A member entitled to attend, speak and vote at the above said meeting is entitled to appoint another person as his/her proxy to attend, speak and vote instead of him/her and proxy as appointed shall have such rights, as respects attending, speaking and voting at the above said meeting as are available to the Member.

CDC account holders will further have to follow the guidelines as laid down in Circular no. 1 dated January 26, 2000 issued by Securities and Exchange Commission of Pakistan.

Duly completed, signed and stamped instrument of proxy(as enclosed) and the other authority under which it is signed, or a notarially certified copy thereof in order to be valid, must be lodged with the Company Secretary at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. The proxy need not be a Member of the Company.

- A. **For Attending the Meeting:** In case of the individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Central Depository Company of Pakistan Limited Regulations shall authenticate his/her identity by showing his/her original computerized CNIC or original passport at the time of attending meeting. In case of corporate entity/trust, the Board of Directors/Trustees resolution/power of Attorney with specimen signature of nominee shall be produced at the time of meeting. The members registered on CDC are also requested to bring their particulars, IDs and account numbers in CDC.

Mandatory Payment of Cash Dividend Through Electronic Mode and Submissions of Copies of Valid CNIC & NTN Certificates:

- I. The Provisions of section 242 of the Companies Act, 2017 require the listed companies that any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders accordingly, the shareholders, holding physical sharers are requested to provide their IBAN information on Dividend Mandate Form to the Company's Share Registrar. In case of CDC account holders, the same information should be provided directly to the CDS participants/CDC investor Account Services. The Company or its share Registrar cannot act on any request received directly from members holding shares in electronic form for any change of bank particulars or bank mandate. The Mandate Form is also available at the Company's website i.e. www.gillettepakistan.com.



- II. The designated bank account details should be of the title holder of the shares or Account title in Central Depository Company System.
- III. Individual members who have not yet submitted photocopy of their valid CNIC and Corporate Entities who have not yet submitted their NTN are once again reminded to send the same at the earliest directly to the Company's share registrar. Please also provide Folio No. with the Copy of CNIC/NTN, the Company would withhold further dividend payments to such shareholders as per the provision of Section 243(3) of the Companies Act 2017 and Regulation 6 of the Companies (Distribution of Dividend) Regulations, 2017.

Submission of Zakat Exemption: Members are requested to submit declaration as per Zakat & Ushr Ordinance, 1980 for Zakat exemption.

Change of Address: Members are requested to communicate to the Company's registrar any change in their address.

Shareholders are requested to provide above mentioned information/documents to (i) respective Central Depository System (CDS) Participants and (ii) in case of physical securities to the Company's Registrar.

Circulation of Notice of Meeting & Annual Accounts: The Securities and Exchange Commission (SECP) vide SRO No. 470(I)/2016, has allowed listed companies to circulate their Annual Audited accounts to its members through CD/DVD/USB at their registered addresses instead of sending them in hard copies, subject to approval obtained from shareholders in General meeting. Accordingly, the Company has obtained approval from members in the 30th AGM held on Oct 24, 2017. Pursuant to approval of the members, as aforesaid, the Annual Audited Financial Statements of the Company for the year ended June 30, 2020, have been circulated to the members through CD/DVD/USB.

Conversion of shares in book entry form: Members holding shares are requested to consider converting their shares from physical form to eliminate all risks associated with physical shares. Members can contact the Company's share registrar for assistance in this regard.

In compliance with SECP notification S.R.O. 1196(3)/2019 dated 3rd October, 2019, the audited financial statements and reports of the Company for the year ended June 30, 2020 are being placed on the Company's website: www.gillettepakistan.com/ for the information and review of shareholders.

Members can also avail video conference facility at Lahore and Islamabad. In this regard, please fill the following form 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 meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city.

The Company will intimate Members regarding venue of video conference facility at least 5 days before the date of the Annual General Meeting along with complete information necessary to enable them to access such facility.

I/We, _____ of _____, being a member of Gillette Pakistan Limited, holder of _____ ordinary share (s) as per Register Folio/CDC Account No. _____ hereby opt for video conference facility at _____

Signature of Member(s)



۲۔ نامزد بینک اکاؤنٹ کی تفصیلات سینٹرل ڈیپازٹری کمپنی سسٹم میں شیئر یا اکاؤنٹ ٹائل رکھنے والے ٹائل ہولڈر کی ہونی چاہیے۔

۳۔ انفرادی ممبران جنہوں نے ابھی تک اپنا جرنل CNIC اور کارپوریٹ اداروں کی فوٹو کاپی جمع نہیں کروائی ہے جنہوں نے ابھی تک اپنا NTN جمع نہیں کروایا ہے انہیں ایک بار پھر یاد دلایا گیا ہے کہ وہ دوبارہ جلد از جلد براہ راست کمپنی کے رجسٹرار کو بھیجیں۔ براہ کرم CNIC/NTN کی کاپی کے ساتھ فوٹو نمبر بھی فراہم کریں۔ کمپنی ایسے شیئر ہولڈرز کو کمپنیز ایکٹ 2017 کی دفعہ (3) 243 اور کمپنیوں کے ضابطہ 6 کے تحت (منافع کی تقسیم) ضابطہ 2017 کے تحت مزید منافع کی ادائیگی روک دے گی۔

زکوٰۃ مستثنیٰ (Exemption) جمع کروانا:

اراکین سے گزارش ہے کہ زکوٰۃ مستثنیٰ کے لئے زکوٰۃ اور عشر آ رہینس 1980 کے مطابق اعلامہ پیش کریں۔

ایڈریس کی تبدیلی: ممبران سے گزارش ہے کہ وہ کمپنی کے رجسٹرار کو ان کے پتے میں کسی قسم کی تبدیلی سے آگاہ کریں۔

شیئر ہولڈرز سے گزارش ہے کہ وہ مذکورہ بالا معلومات / دستاویزات (1) متعلقہ سینٹرل ڈیپازٹری سسٹم (CDS) کے شریک اور (2) کمپنی کے رجسٹرار کو Physically سیکورٹیز کی صورت میں فراہم کریں:-

اجلاس اور سالانہ اکاؤنٹس کے نوٹس کی سرکولیشن: سیکورٹیز اینڈ ایکسچینج کمیشن (SECP) کے تحت SRO نمبر 470(I)/2016 کی درج کمپنیوں کو اجازت دی گئی ہے کہ وہ اپنے سالانہ آڈٹ اکاؤنٹ اپنے ممبروں کو CD/DVD/USB کے ذریعے اپنے اندراج شدہ پتوں پر بھیجیں، بجائے اس کے کہ وہ شیئر ہولڈرز سے جنرل میٹنگ میں منظوری حاصل کر کے ان کو ہارڈ کاپی بھیجیں۔ اس کے مطابق کمپنی نے 24 اکتوبر 2017 کو منعقدہ 30 ویں AGM میں ممبروں سے منظوری حاصل کی ہے۔ جیسا کہ مذکورہ بالا ممبروں کی منظوری کے لئے، کمپنی کے سالانہ آڈٹ شدہ مالیاتی بیانات / اسٹیٹمنٹ 30 جون 2020 کو ختم ہوئے سال کے لئے ممبروں کو CD/DVD/USB کے ذریعے بھیجے گئے ہیں۔ کتاب (Book) کے اندراج فارم میں شیئر کی تبدیلی: شیئر رکھنے والے ممبران سے گزارش ہے کہ وہ اپنے شیئر کو Physically شکل سے تبدیل کرنے پر غور کریں تاکہ Physically شیئر سے وابستہ تمام حضرات کو ختم کیا جاسکے۔ ممبران اس سلسلے میں معاونت کے لئے کمپنیوں کے شیئر رجسٹرار سے رابطہ کر سکتے ہیں۔

SECP کے نوٹیفیکیشن کی تعمیل میں SRO 1196(3)/2019 مورخہ 3 اکتوبر 2019 کمپنی کے آڈٹ شدہ بیانات / اسٹیٹمنٹ اور 30 جون 2020 کو ختم ہونے والے سال کی رپورٹس کو کمپنی ویب سائٹ www.giltepakistan.com / شیئر ہولڈرز کی معلومات اور جائزے کے لئے رکھا گیا ہے۔

ممبران لاہور اور اسلام آباد میں ویڈیو کانفرنس سہولت سے بھی فائدہ اٹھا سکتے ہیں۔ اس سلسلے میں براہ کرم مندرجہ ذیل فارم کو پُر کریں اور سالانہ جنرل اجلاس کے انعقاد سے 10 دن پہلے کمپنی کے رجسٹرار ڈیڈ لائن پر جمع کروائیں۔

اگر کمپنی مجموعی طور پر 10 فیصد یا اس سے زیادہ شیئر ہولڈرز کے جغرافیائی محل وقوع میں مقیم ممبروں سے ویڈیو کانفرنس کے ذریعے اجلاس میں شرکت کے لئے رضامندی حاصل کرتی ہے تو کمپنی اس ملاقات میں کم سے کم 10 دن قبل اس شہر میں کانفرنس سہولت کا بندوبست کرے گی کہ اس شہر میں ایسی سہولت موجود ہے۔

کمپنی سالانہ جنرل میٹنگ کی تاریخ سے کم از کم 5 دن پہلے ویڈیو کانفرنس کی سہولت کے مقام سے متعلق ممبروں کو آگاہ کرے گی اور اس کے ساتھ ایسی معلومات تک رسائی کے قابل بنائے جانے کے لئے ضروری معلومات حاصل کرے۔

میں/ ہم _____ کے _____ جیلیٹ پاکستان لمیٹڈ کے ممبر ہونے کے ناطے _____ کے حامل
رجسٹر فوٹو / C D C اکاؤنٹ نمبر _____ کے مطابق عام شیئر کے تحت ویڈیو کانفرنس کی سہولت کے لئے
_____ حاصل ہیں۔

دستخط ممبران



اطلاع برائے سالانہ اجلاس عام

نوٹس کے ذریعے یہ بتایا گیا ہے کہ کمپنی کی 33 ویں سالانہ جنرل میٹنگ 26 اکتوبر 2020 کو لینن گرل، رماڈا کراچی کریک، ذوالفقار اسٹریٹ 1، ڈی ایچ اے فیو VIII، کراچی میں صبح 10:15 بجے درج ذیل کاروبار سے متعلق ہوگی۔

(1) 25 اکتوبر 2019 کو منعقدہ کمپنی کی سالانہ جنرل میٹنگ کے اجلاس کی تصدیق کرنے کے لئے۔

(2) ڈائریکٹرز اور آڈیٹر کی رپورٹ کے ساتھ 30 جون 2020 کو ختم ہونے والے سال کے لئے کمپنی کے آڈٹ شدہ مالی بیانات / اسٹیٹمنٹ موصول، غور و فکر اپنانے کے لئے۔

(3) 30 جون 2021 کو ختم ہونے والے سال کے لئے آڈیٹرز کی تقرری اور ان کا معاوضہ ٹھیک کرنا۔ میسرز ڈیلویٹ یوسف عادل، چارٹرڈ اکاؤنٹنٹ، موجودہ آڈیٹرز ریٹائر ہو چکے ہیں اور اہل ہونے کے ناطے انہیں دوبارہ تقرری کے لئے پیش کیا گیا ہے۔

(4) چیئر پرسن کی اجازت سے کوئی دوسرا کاروبار کیا جائے گا۔

بحکم بورڈ
موسیٰ ہارون
کمپنی سیکریٹری

نوٹ:

شیرز کی منتقلی کے کھاتوں کا اختتام: کمپنی کے شیرز ٹرانسفر کے کھاتے 16 اکتوبر 2020 سے 26 اکتوبر 2020 تک بند رہیں گے (دونوں دن شامل ہیں) اس دوران رجسٹریشن کے لئے کسی بھی شیرز کی منتقلی قبول نہیں کی جائے گی۔ شیرز کی منتقلی کی درخواستیں جو درست حالت میں کمپنی کے رجسٹرر FAMCO Associate Pvt Limited کو 15 اکتوبر 2020 کے کاروبار بند ہونے تک موصول ہو جائے گی ان شیرز ہولڈرز کو سالانہ اجلاس عام میں شرکت اور حق رائے کا استحقاق حاصل ہوگا۔

سالانہ عمومی اجلاس میں شرکت: مذکورہ اجلاس میں تقریر اور ووٹ ڈالنا ممبر کا حق ہے کہ وہ کسی کی بجائے تقریر کرنے اور ووٹ ڈالنے کے لئے اپنا نمائندہ (Proxy) مقرر کرے اور مقرر کردہ نمائندے کے پاس مذکورہ بالا اجلاس میں شرکت، بولنے اور ووٹنگ کے احترام جیسے حقوق حاصل ہوں گے جیسا کہ ممبر کو دستیاب ہیں۔

ICDC کاؤنٹ ہولڈرز کو مزید سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے جاری کردہ 26 جنوری 2000 کے سرکلر نمبر 1 میں دی گئی ہدایات پر عمل کرنا ہوگا۔

نمائندے کے مناسب طریقے سے مکمل، دستخط شدہ اور مہر ثبت آلہ (جیسا کہ منسلک ہے) اور دوسرا اتھارٹی جس کے تحت اس پر دستخط کیئے جاتے ہیں یا اس کی تصدیق کے لئے تصدیق شدہ کاپی منسلک مستند ہوتی ہے، لازمی ہے کہ وہ کمپنی کے رجسٹرڈ آفس میں سیکریٹری کے پاس اجلاس کے آغاز سے 48 گھنٹے قبل درج ہوں۔ نمائندہ کمپنی کے ممبر ہونے کی ضرورت نہیں ہے۔

A- اجلاس میں شرکت کے لئے: ان افراد کی صورت میں جب اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر یا وہ شخص جس کی سیکورٹیز گروپ اکاؤنٹ میں ہیں اور ان کی رجسٹریشن کی تفصیلات پاکستان الیکٹرونک ڈیپازٹمنٹ کمپنی کے مطابق اپ لوڈ کی جاتی ہیں تو وہ اپنا اصلی کمپیوٹرائزڈ NIC یا اصلی پاسپورٹ دکھا کر اپنی شناخت کی تصدیق کرے گا۔ میٹنگ میں شرکت کے وقت کارپوریٹ / اعتماد کی صورت میں، بورڈ آف ڈائریکٹرز / ٹرسٹیز / پاور آف اٹارنی برائے نامزد نمونے کے دستخط کے ساتھ میٹنگ کے وقت پیش کئے جائیں گے۔ CDC میں رجسٹرڈ ممبران سے بھی درخواست ہے کہ وہ اپنی تفصیلات، شناختی کارڈ اور اکاؤنٹ نمبر جو CDC میں رجسٹرڈ ہیں ساتھ لائیں۔

B- الیکٹرانک موڈ (Mode) کے ذریعے نقد منافع کی لازمی ادائیگی اور درست CNIC اور NTN سرٹیفیکیٹ کی کاپیاں جمع کروائیں:

ایکویزٹا ایکٹ 2017 کی دفعہ 242 کی دفعات میں درج کمپنیوں کا تقاضا ہے کہ نقد میں ادا ہونے والے کسی بھی منافع کو صرف الیکٹرانک موڈ (Mode) کے ذریعے حقدار شیرز ہولڈرز کے ذریعے متعین کردہ بینک اکاؤنٹ میں ادا کیا جائے گا۔ اس کے مطابق Physically شیرز کے حامل شیرز ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنے IBAN کی معلومات اور اپنے حصہ / منافع (Dividend Mandate Form) فارم پر کمپنی شیرز رجسٹر اوفراہم کریں۔ CDC اکاؤنٹ ہولڈر کے معاملے میں وہی معلومات براہ راست CDS کے شرکاء / CDC انوسٹر اکاؤنٹ سروسز کو فراہم کی جانی چاہیے۔ کمپنی یا اس کا شیرز رجسٹرر بینک تفصیلات یا بینک مینڈیٹ (منافع / حصہ) میں کسی تبدیلی کے لئے الیکٹرانک میں شیرز رکھنے والے ممبروں سے براہ راست موصولہ کسی درخواست پر عمل نہیں کر سکتا ہے۔ مینڈیٹ (منافع / حصہ) کا فارم کمپنی کی ویب سائٹ یعنی www.gillettepakistan.com پر بھی دستیاب ہے۔



PROXY FORM

The Company Secretary
Gillette Pakistan Limited
11th Floor, The Harbour Front,
Dolmen City, HC-3, Block-4,
Abdul Sattar Edhi Avenue Clifton,
Karachi - 75600, Pakistan.
Tel: + (92 21) 3520 5088
Fax: + (92 21) 3529 6150

Folio No. _____

I / We _____

being a Member of Gillette Pakistan Limited hereby appoint _____

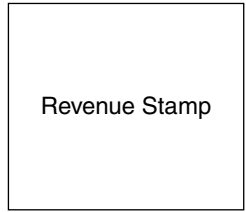
or failing him / her _____

as my / our proxy in my / our absence to attend and vote for me / us and on my / our behalf at the 33rd Annual General Meeting of the Company to be held on October 26, 2020 and at any adjournment thereof.

As witness my hand this _____ day of _____ 2020

Signed by the said _____

in the presence of _____



Important:








1. Signatures should agree with the specimen signatures registered with the Company.
2. This form of proxy duly completed and signed across a revenue stamp, must be deposited at the Company's registered office not less than 48 hours before the time for holding the Meeting.



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