



**ANNUAL
REPORT**
for the year ended
June 30, 2023



GOODLUCK INDUSTRIES LIMITED

GOODLUCK INDUSTRIES LIMITED

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GOODLUCK INDUSTRIES LIMITED

COMPANY INFORMATION

Chairman (Non-Executive Director)

Mr. Fahad

Chief Executive Officer (Executive Director)

Mr. Ashfaq

Non-Executive Directors

Mr. Shamsul Haq

Mr. Shamsul-Zuha

Mrs. Naveen Shams

Independent Directors

Mr. Muhammad Safyan Qureshi

Mr. Faizan Ahsan

Mr. Suhail Ahmed Panhwar

Chief Financial Officer

Mr. Saif-ur-Rehman

Company Secretary

Mr. Nafees Shams Qureshi

Audit Committee

Mr. Faizan Ahsan Chairman

Mr. Shamsul-Haq

Mr. Muhammad Usman

Mr. Muhammad Safyan Qureshi

H. R & Remuneration Committee

Mr. Fahad Chairman

Mr. Shamsul-Zuha

Mr. Hasham Khan (Resigned on 28-10-22)

Mr. Suhail Ahmed Panhwar (Appointed on 12-12-22)

Bankers

Bank Al Habib Limited

Habib Metropolitan Bank Limited

Bank Alfalah Limited

Meezan Bank Limited

MCB Bank Limited

United Bank Limited

External Auditor

M/s. Muniff Ziauddin & Co

Chartered Accountants

Legal Advisor

M/s. Merchant Law Associates

Investor Relation Contact

Share Registrar

M/s. C & K Management Associates (Pvt) Ltd

404, Trade Tower, Abdullah Haroon Road

near Metropole Hotel, Karachi

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Registered Office

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GOODLUCK INDUSTRIES LIMITED

Chairman's Review

As required under the Listed Companies (Code of Corporate Governance) Regulations, 2019 an annual evaluation of the Board of Directors of Goodluck Industries 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, 2023, 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.



**Mr. Fahad
Chairman**

Karachi dated: September 15, 2023.

GOODLUCK INDUSTRIES LIMITED

DIRECTORS' REPORT

Dear Shareholders,

The Board is pleased to present Annual Report with the Audited Financial Statements of the Company together with Auditors' Report thereon for the financial year ended June 30, 2023.

General Review

During the fiscal year, 2023 turnover was PKR 1,770,362,048 (2022: PKR 1,235,287,707) the sales proceeds of wheat products of the company has increased in corresponding period of last year. This was due to increase in rates of commodity (wheat) purchases from Food Department "Government of Sindh", as well as from the open market. However due to abnormal increase in electricity, transportation charges and other related items the cost of Sales was PKR 1,742,977,543 (2022: PKR 1,210,732,911) and administration expenses was PKR 21,306,170 (2022: PKR 18,202,177) increased during the last corresponding period.

The business environment remains challenging and competitive. Higher cost of services due to inflationary pressures, after accounting for the finance cost and taxation, the company has after-tax profit Rs. 4,327,162 (2022: PKR 4,596,648) and an Earning per share (EPS) of PKR 14.42 (2022: PKR 15.32).

Appropriation of Profit

The Board of Directors of the Company proposed appropriation of profit for the year ended June 2023 as under:

	2023	2022
Profit before taxation	6,078,335	6,352,619
Taxation	(1,751,173)	(1,755,971)
Profit after taxation	4,327,162	4,596,648
Unappropriated profit brought forward	75,925,029	68,277,399
Dividend declared @ 3/ per ordinary share (2022:3.00)	(900,000)	(900,000)
Adjustment of incremental depreciation	11,863,942	4,569,402
Other comprehensive (loss)/ income	409,703	(618,419)
Unappropriated profit carry forward	91,625,836	75,925,029

Earnings per share - Basic

Earnings per share - Basic during the year ended June 2023 as under:

	2023	2022
Profit after taxation	4,327,162	4,596,648
No. of shares	300,000	300,000
	=====	=====
Earnings per share - Basic	14.42	15.32

Proposed Dividend

The Board of Directors of the Company has proposed to declare payment of cash dividend @ Rs. 3.00 per ordinary share i.e. 30% amounting to Rs. 900,000 for the year ended June 30, 2023 subject to the approval of Shareholders in Annual General Meeting.

Gratuity

The Board of Directors specifically approved the provision for gratuity by Rs. 13,058,435 during the financial year ended June 30, 2023.

Director remunerations

In order to improve the financial position of the Company the Chief Executive and the Board of Directors of Company have decided to forgo fees, remuneration and other prerequisites for the financial year ended June 2023.

Future Program

Considering the prevailing situation in the country the Board of Directors of the company has decided to run the business of the factory as usual and that no major changes or new investment whatsoever is proposed during the forthcoming year.

Appointment of Auditors

The present auditors' M/s. Muniff Ziauddin & Co, Chartered Accountants retire and being eligible, offer themselves for re-appointment and as required by the code of corporate governance the Audit Committee have recommended appointment of M/s. Muniff Ziauddin & Co, Chartered Accountants, as auditors of the Company for the financial year ending June 2024

Financial & Corporate Reporting Framework

The Directors are pleased to state that the Company is compliant with the provisions of the Code of Corporate Governance as required by Securities & Exchange Commission of Pakistan (SECP). Following are the statements on Corporate and Financial Reporting Framework:

- ◆ The financial statements prepared by the management of the Company present its state of affairs fairly, the results of its operations, cash flows and changes in equity.
- ◆ The Company has maintained proper books of accounts.
- ◆ Appropriate accounting policies have been consistently applied in preparation of 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 of Directors has established an efficient system of internal financial controls, for ensuring effective and efficient conduct of operations, safeguarding of Company assets, compliance with applicable laws and regulations, and reliable financial reporting.
- ◆ There are no significant doubts upon the Company's ability to continue as a going concern.
- ◆ There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- ◆ Information about taxes and levies is given in the notes to and forming part of financial statements.
- ◆ Specified pattern of shareholding is included in this report.
- ◆ Past seven years' key operating and financial data is annexed in this annual report.
- ◆ The board consists of 1 female and 8 male directors with following composition:

Independent Director	3
Executive Director	1
Non-Executive Directors	5

- ◆ During the year (4) meetings of the Board of Directors were held. Attendance by each Directors is as follows:

<u>Name of the Directors</u>	<u>No. of meeting attended</u>
Mr. Ashfaq	4
Mr. Shamsul-Haq	3
Mr. Shamul-Zuha	4
Mrs. Naveen Shams	4
Mr. Fahad	4
Mr. Faizan Ahsan	4
Mr. Muhammad Usman	4
Mr. Muhammad Safyan Qureshi	4
Mr. Suhail Ahmed Panhwar (Appointed on 12-12-2022)	3
Mr. Hasham Khan (Resigned on 28-10-2022)	1

- ◆ In accordance with the requirement of the code, an audit committee has been formed and following are its members:

Mr. Faizan Ahsan	Chairman
Mr. Shamsul-Haq	Member
Mr. Muhammad Safyan Qureshi	Member
Mr. Muhammad Usman	Member

During the year, four (4) Quarterly audit committee meetings were held.

- ◆ In accordance with the requirement of the code, an H.R & Remuneration committee has been formed and following are its members:

Mr. Fahad	Chairman
Mr. Shamsul-Zuha	Member
Mr. Suhail Ahmed Panhwar (Appointed on 12-12-22)	Member

During the year, two (2) Half Yearly HR & Remuneration committee meetings were held.

Subsequent Events

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year and the date of this report.

Appreciation

We would like to extend our sincere gratitude to our customers for their trust in our us. We are thankful to our banker, shareholders and suppliers for their continued support. We also appreciate our employees for their relentless dedication and immense contribution to the Company.

On behalf of Board of Directors



Karachi dated 15th September 2023.

Chief Executive

گڈلک انڈسٹریز لمیٹڈ

شیر ہولڈرز کیلئے ڈائریکٹرز کی رپورٹ

معزز شیر ہولڈرز،

گڈلک انڈسٹریز لمیٹڈ کے بورڈ آف ڈائریکٹرز 30 جون 2023ء کو ختم ہونے والے مالیاتی سال کیلئے سالانہ رپورٹ بمعہ کمپنی کے آڈٹ شدہ مالیاتی حسابات اور اس کے ساتھ ساتھ آڈیٹرز کی رپورٹ پیش کر رہے ہیں۔

عام جائزہ:

مالی سال 2023ء کے دوران کاروباری حجم 1,770,362,048 روپے رہا (2022: 1,235,287,707 روپے)، کمپنی کی گندم کی مصنوعات کی فروخت میں گزشتہ سال کی اسی مدت کے مقابلے میں اضافہ ہوا ہے۔ یہ اضافہ محکمہ خوراک "حکومت سندھ" کے ساتھ ساتھ اوپن مارکیٹ سے اجناس (گندم) کی خریداری کی قیمتوں میں غیر معمولی اضافہ کے باعث ہوا۔ تاہم بجلی، ٹرانسپورٹیشن چارجز اور دیگر متعلقہ اخراجات میں بھی غیر معمولی اضافے کی وجہ سے فروخت کی لاگت اس سال 1,742,977,543 روپے رہی جو کہ گزشتہ سال (2022: 18,202,177 روپے) تھی اور انتظامی اخراجات 21,306,170 روپے رہے جو کہ گزشتہ سال (2022: 18,202,177 روپے) تھے۔

کاروباری ماحول چیلنجنگ اور مسابقتی رہا۔ افراط زر کے دباؤ کی وجہ سے سروسز کی زائد قیمت، مالیاتی لاگت اور ٹیکس کے بعد، کمپنی کا بعد از ٹیکس منافع 4,327,162 روپے رہا (2022: 4,596,648) اور فی حصص کی آمدنی گزشتہ سال کے 15.32 روپے کے مقابلے میں اس سال 14.42 روپے رہی۔

منافع کی ترتیب:

اختتامی سال جون 2023ء کے لئے کمپنی کے بورڈ آف ڈائریکٹرز نے درج ذیل مجوزہ منافع کی ترتیب پیش کی ہے:

2022	2023	
6,352,619	6,078,335	منافع قبل از محصولات
(1,755,971)	(1,751,173)	محصولات
4,596,648	4,327,162	منافع بعد از محصولات
68,277,399	75,925,029	غیر تقسیم شدہ منافع کی تفصیل
(900,000)	(900,000)	اعلان کردہ ڈویڈنڈ بحساب 3 روپے فی عام شیئر (2022: 3.00 روپے)
4,569,402	11,863,942	انگریز منٹل ڈیپریسی ایشن کی ایڈجسٹمنٹ
(618,419)	409,703	دیگر متعلقہ آمدنی / (خسارہ)
75,925,029	91,625,836	غیر تقسیم شدہ منافع کی تفصیل

فی حصص بنیادی آمدنی:

اختتامی سال جون 2023ء کے دوران بنیادی آمدنی فی حصص درج ذیل ہے:

2022	2023	
4,596,648	4,327,162	منافع بعد از محصولات
300,000	300,000	حصص کی تعداد
15.32	14.42	بنیادی آمدنی فی حصص

مجوزہ منافع منقسمہ:

کمپنی کے بورڈ آف ڈائریکٹرز نے اختتامی سال 30 جون 2023ء کے لئے منافع منقسمہ کی تعداد ادائیگی بحساب 3.00 روپے فی حصص یعنی 30% مبلغ 900,000 روپے کی تجویز پیش کی ہے۔

گڈ لک انڈسٹریز لمیٹڈ

گرہجیٹی:

بورڈ آف ڈائریکٹرز نے خصوصی طور پر مالیاتی ختم ہونے والے مالیاتی سال 30 جون 2023ء کے دوران مبلغ 13,058,435 روپے گرہجیٹی کے طور پر منظور کئے ہیں۔

ڈائریکٹرز کی تجویز ہے:

کمپنی کی مالی پوزیشن کو بہتر بنانے کیلئے چیف ایگزیکٹو اور کمپنی کے بورڈ آف ڈائریکٹرز نے فیصلہ کیا کہ اختتامی مالیاتی سال جون 2023ء کے لئے فیس، اجرتیں اور دیگر چارجز کو معاف کر دیا جائے۔

مستقبل کا پروگرام:

ملک کی موجودہ صورتحال کے پیش نظر کمپنی کے بورڈ آف ڈائریکٹرز نے فیصلہ کیا ہے کہ فیکٹری کے کاروبار کو اسی طرح چلایا جائے اور اس میں کوئی بڑی تبدیلی یا نئی سرمایہ کاری نہ کی جائے جو کہ آنے والے سال کیلئے تجویز کی گئی ہے۔

آڈیٹرز کی تقرری:

موجودہ آڈیٹرز میسرز منیف ضیاء الدین اینڈ کمپنی چارٹرڈ اکاؤنٹینٹس ریٹائر ہو گئے ہیں اور کوڈ آف کارپوریٹ گورننس کے تحت دوبارہ تقرری کیلئے اپنے آپ کو پیش کر سکتے ہیں۔ آڈٹ کمیٹی نے میسرز منیف ضیاء الدین اینڈ کمپنی چارٹرڈ اکاؤنٹینٹس کو کمپنی کے آڈیٹرز کے طور پر اختتامی سال جون 2024ء کے لئے بطور آڈیٹرز تقرری کی سفارش کی ہے۔

بورڈ آف کارپوریٹ گورننس کے قواعد پر عملدرآمد:

کمپنی کے ڈائریکٹرز آپ کو مطلع کرنا چاہتے ہیں کہ آپ کی کمپنی نے پاکستان اسٹاک ایکسچینج لمیٹڈ کے قواعد کی فہرست میں درج کوڈ آف کارپوریٹ گورننس پر عملدرآمد کیلئے ضروری اقدامات کئے ہیں:

- ☆ مالیاتی حسابات جو کہ کمپنی کی انتظامیہ نے مرتب کئے ہیں اور اس میں تمام مندرجات بالکل صحیح پیش کئے گئے ہیں جس میں اس کے آپریشن، نقد کالین دین اور ایکویٹی میں تبدیلیاں شامل ہیں۔
- ☆ قانون کے مطابق کمپنی نے حساب کے کھاتے مناسب طریقے سے مرتب کئے ہیں۔
- ☆ مالیاتی حسابات کی تیاری میں مناسب اکاؤنٹنگ کی پالیسیاں مستقل طور پر لاگو ہوتی ہیں اور اکاؤنٹنگ کا تخمینہ معقول اور محتاط فیصلے پر مبنی ہوتا ہے۔
- ☆ انٹرنیشنل فنانشل رپورٹنگ کا معیار جو کہ پاکستان میں قابل اطلاق ہے کے مطابق مالیاتی حسابات کی تیاری میں عمل کیا جاتا ہے۔
- ☆ بورڈ آف ڈائریکٹرز نے آپریشنز کو موثر انداز میں انجام دینے، کمپنی اثاثوں کی حفاظت، قابل اطلاق قوانین اور ضوابط کی تعمیل اور قابل اعتماد مالی رپورٹنگ کے لئے داخلی کنٹرولز کا ایک موثر نظام قائم کیا ہے۔
- ☆ اس کمپنی کو مسلسل چلانے کیلئے اس کی اہلیت پر کوئی شک و شبہ نہیں ہے۔
- ☆ کوئی بھی مواد کارپوریٹ گورننس کی اعلیٰ پریکٹس سے خالی نہیں ہے جس کی تفصیلات ریگولیشن کی فہرست میں دی گئی ہے۔
- ☆ ٹیکس اور لیویز سے متعلق معلومات نوٹس میں دی گئی ہیں جو کہ مالیاتی حسابات کا ایک حصہ ہے۔
- ☆ اس رپورٹ میں شیئر ہولڈنگ کا مخصوص طریقہ کار شامل ہے۔
- ☆ گزشتہ سات سالوں کا اہم آپریشن اور مالیاتی ڈیٹا کی تفصیل منسلک ہے۔
- ☆ بورڈ 8 مرد اور 1 خاتون ڈائریکٹرز پر مشتمل ہے جس کے ممبران درج ذیل ہیں:
- ☆ آزاد ڈائریکٹر (3)، ایگزیکٹو ڈائریکٹر (1)، غیر ایگزیکٹو ڈائریکٹر (5)

گڈ لک انڈسٹریز لمیٹڈ

☆	اس سال کے دوران بورڈ آف ڈائریکٹرز نے چار میٹنگز کا انعقاد کیا تھا جس میں درج ذیل ڈائریکٹرز نے شرکت کی۔
	ڈائریکٹرز کے نام
4	جناب اشفاق
3	جناب شمس الحق
4	محترمہ نوین شمس
4	جناب فہد
4	جناب فیضان احسن
4	جناب محمد عثمان
4	جناب محمد سفیان قریشی
3	جناب سہیل احمد پنہور (12 دسمبر 2022 کو تقرر ہوئی)
1	جناب ہشام خان (28 اکتوبر 2022 کو مستعفی ہوئے)

☆ کوڈ کی ضروریات کے مطابق آڈٹ کمیٹی تشکیل دی گئی ہے جس کے ممبران درج ذیل ہیں:

چیرمین	جناب فیضان احسن
ممبر	جناب شمس الحق
ممبر	جناب محمد سفیان قریشی
ممبر	جناب محمد عثمان

دوران سال آڈٹ کمیٹی کی چار سہ ماہی میٹنگز منعقد کی گئیں۔

☆ کوڈ کی ضروریات کے مطابق ایچ آر اور ریپوزیشن کمیٹی تشکیل دی گئی ہے جس کے ممبران درج ذیل ہیں:

چیرمین	جناب فہد
ممبر	جناب شمس الحق
ممبر	جناب سہیل احمد پنہور (12 دسمبر 2022 کو تقرر ہوئی)

دوران سال ایچ آر اور ریپوزیشن کمیٹی کی دو ششماہی میٹنگز منعقد کی گئیں۔

بعد ازاں واقعات:

مالیاتی سال کے آخر اور اس رپورٹ کی تاریخ کے درمیان کمپنی کی مالیاتی حیثیت میں تبدیلی کیلئے کوئی اثرات مرتب نہیں ہوئے ہیں۔

اظہار تشکر:

بورڈ آف ڈائریکٹرز نے اپنے تمام گاہکوں کا کمپنی پر اعتماد کرنے پر شکریہ ادا کیا اور اپنے تمام مالیاتی اداروں، حصص داروں اور سپلائرز کے تعاون پر مخلصانہ شکریہ ادا کیا ہے۔ کمپنی کے تمام اسٹاف ممبرز کا بھی شکریہ ادا کیا ہے کہ انہوں نے کمپنی کی انتظامیہ کے ساتھ مخلصانہ تعاون کیا ہے۔

از طرف بورڈ آف ڈائریکٹرز

کراچی مورخہ 15 ستمبر 2023ء



چیف ایگزیکٹو

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

Name of company **Goodluck Industries Limited**
Year ended **June 30, 2023**

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

1. The total number of directors are 9 (Nine) as per the following:

- a. Male : 8
- b. Female : 1

2. The composition of the Board is as follows:

Independent Directors	Mr. Muhammad Safyan Qureshi
	Mr. Faizan Ahsan
	Mr. Suhail Ahmed Panhwar
Executive Director	Mr. Ashfaq
Non-executive Directors	Mr. Fahad
	Mr. Shamsul-Haq
	Mr. Shamsul-Zuha
	Mr. Muhammad Usman
	Mrs. Naveen Shams
Female Director	Mrs. Naveen Shams

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

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

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

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

8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;

9. All Directors are compliant with necessary requirements of Directors' Training certification

10. The Board has approved appointment of chief financial officer, company secretary and head of internal audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;

11. 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:

a) Audit Committee

Faizan Ahsan	Chairman
Shamsul-Haq	Member
Muhammad Usman	Member
Muhammad Safyan Qureshi	Member

b) HR and Remuneration Committee

Fahad	Chairman
Shamsul-Zuha	Member
Hasham Khan	Member

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

14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following, -

a) Audit Committee;	4 Quarterly Meetings
b) HR and Remuneration Committee;	2 Half Yearly Meetings

15. The Board has set up an effective internal audit function, which is 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 and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

19. Explanation for non-compliance with requirements, other than regulations 3,6,7,8,27,32,33 and 36 is as follows:

S. No.	Non-Mandatory Requirement	Reg. No.	Explanation
1.	The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	29(1)	Currently, the board has not constituted a separate Nomination Committee and the function are being performed by the Board
2.	The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board	30(1)	Currently, the board has not constituted a separate Nomination Committee and the function are being performed by the Board



Mr. Fahad
Chairman



Mr. Ashfaq
Chief Executive

Karachi dated: 15th September, 2023

GOODLUCK INDUSTRIES LIMITED

Comparative statements of key operations for last seven years

	Jun/2023	Jun/2022	Jun/2021	Jun/2020	Jun/2019	Jun/2018	Jun/2017 Restated	Jun/2016
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Balance Sheet								
Paid up Capital	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Reserve and surplus/(deficit)	91,625,836	75,925,029	60,539,478	60,539,478	54,346,371	45,483,460	37,313,651	35,645,111
Shareholders equity	94,625,836	78,925,029	63,539,478	63,539,478	57,346,371	48,483,460	40,313,651	38,645,111
Long term & Deferred liabilities	55,547,731	59,357,782	27,617,158	27,617,158	29,173,782	33,409,960	36,628,612	22,664,364
Current Liabilities	60,098,269	12,787,900	3,800,547	3,800,547	4,083,235	3,089,852	9,753,273	4,550,400
Operating Assets	966,463,063	984,585,074	342,273,044	342,273,044	356,330,139	356,330,139	366,450,480	209,853,136
Current Assets	153,117,048	87,657,855	62,461,784	62,461,784	58,809,392	49,368,609	46,763,903	43,159,257
Long Term Deposits	948,174	948,174	362,782	362,782	360,782	360,782	360,782	355,282
Trading Results								
Turn over / Sales	1,770,362,048	1,235,287,707	859,757,469	859,757,469	896,779,683	843,665,617	786,490,279	871,085,337
Gross Profit	27,384,505	24,554,796	18,957,572	18,957,572	17,512,095	16,615,649	13,035,216	14,799,910
Other Income	0	0	0	0	0	0	0	0
Operating Profit (Loss)	6,092,123	6,365,916	3,164,838	3,164,838	3,370,243	3,910,824	2,433,514	4,071,427
Finacial charges	13,788	13,297	8,525	8,525	19,059	18,410	3,554	14,951
Profit before tax	6,078,335	6,352,619	3,156,313	3,156,313	3,151,184	3,892,414	2,429,960	4,056,476
Profit after tax	4,327,162	4,596,648	1,035,703	1,035,703	4,115,664	2,473,955	-696,845	1,062,639
Dividend declared	900,000	900,000	990,000	990,000	1,005,000	1,020,000	1,008,000	525,000

Comparative statements of key operations for last seven years

	Jun/2023	Jun/2022	Jun/2021	Jun/2020	Jun/2019	Jun/2018 Restated	Jun/2017	Jun/2016
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Basic earning per share	14.42	15.32	3.45	3.45	13.72	8.25	(2.32)	3.54
Break up value of shares of Rs. 10/= each	315.42	263.08	211.80	211.80	191.15	161.61	134.38	128.82
Earning per share (pretax)	20.26	21.18	10.52	10.52	11.17	12.97	8.10	13.52
Earning per share (Aftertax)	14.42	15.32	3.45	3.45	13.72	8.25	(2.32)	3.54
Percentage								
Gross Profit	1.55	1.99	2.20	2.20	1.95	1.97	1.66	1.70
Profit before tax	0.34	0.51	0.37	0.37	0.37	0.46	0.31	0.47
Profit after tax	0.24	0.37	0.12	0.12	0.46	0.29	(0.09)	0.12
Dividend declared %	30.00	30.00	33.00	33.00	33.50	34.00	33.60	17.50

Notice of the 53rd Annual General Meeting

NOTICE IS HEREBY GIVEN that the Fifty Third Annual General Meeting of **Goodluck Industries Limited** ("**the Company**") will be held on **Saturday, October 14, 2023, at 10:00 a.m.** at Plot No. S-49/A, S.I.T.E, Mauripur Road, Karachi; to transact the following businesses:

ORDINARY BUSINESS:

1. To confirm the minutes of the 52nd Annual General Meeting held on October 15, 2022;
2. To receive, consider, approve and adopt the annual audited financial statements of the Company for the year ended June 30, 2023, together with the Directors' and Auditors' Reports thereon;
3. To approve and declare final cash dividend @ 30% i.e Rs.3.00 per Ordinary Shares of Rs.10/ each for the year June 30, 2023 as recommended by the Board.
4. To appoint Auditors and fix their remuneration for the year ended June 30, 2024. The present Auditors, M/s. Muniff Ziauddin & Co., Chartered Accountants, retire and being eligible, offer themselves for re-appointment
5. To consider any other business with the permission of the Chairman.

By order of the Board

Nafees Shams Qureshi
Company Secretary

Karachi: September 21, 2023

NOTES:

1. The Share Transfer Books of the Company will remain closed for the period from October 07, 2023 to October 14, 2023 (both days inclusive).
2. Members are requested to immediately notify change in their addresses, if any, at our Company's Registered Office or Shares Registrar M/s. C & K Management Associates (Pvt) Limited, 404, Trade Tower, Abdullah Haroon Road, Near Metropole Hotel, Karachi. ("the Share Registrar"), Karachi, Pakistan.
3. A member of the Company entitled to attend and vote at this meeting, may appoint another member as his/her proxy to attend and vote instead of him/her. Proxies, in order to be effective, must be received by the Company at the above said addresses, not less than 48 hours before the meeting.
4. CDC Account holders will further have to observe the following guidelines, as laid down in Circular 01 dated January 20, 2000, issued by the Securities and Exchange Commission of Pakistan:

a) For Attending Meeting:

- i) In case of individual, 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 regulations, shall authenticate his/her identity by showing his/her original National Identity Card (CNIC), or original passport at the time of attending the meeting.
- ii) In case of corporate entity, the Board of Directors' resolution/power of attorney, along with the specimen signature of the nominee, shall be produced (unless it has been provided earlier) at the time of meeting.

b) For Appointing Proxies:

- i) In case of individual, 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 regulations, shall submit the proxy form as per the above requirements.
- ii) Two persons, whose names, addresses, and CNIC numbers shall be mentioned on the form, shall witness the proxy.
- iii) Attested copies of CNIC or passport of the beneficial owners and proxy shall be furnished along with the proxy form.
- iv) The proxy shall produce his/her original CNIC or original passport at the time of the meeting.
- v) In case of corporate entity, the Board of Directors' resolution/power of attorney, along with the specimen signature of the nominee, shall be produced (unless it has been provided earlier) along with the proxy form to the Company.

5. Notice to Shareholders who have not provided CNIC:

CNIC of the shareholders is mandatory in terms of directive of the Securities and Exchange Commission of Pakistan contained in S.R.O. 831(1)/2012 dated July 05, 2012 for the issuance of future dividend warrants etc. and in the absence of such information, payment of dividend may be withheld in term of SECP's above mentioned directive. Therefore, the shareholders who have not yet provided their CNICs are once again advised to provide the attested copies of their CNICs directly to our Shares Registrar without any further delay.

6. Mandate for E-DIVIDENDS for shareholders:

In order to make process of payment of cash dividend more efficient, e-dividend mechanism has been envisaged where shareholders can get amount of dividend credited into their respective bank accounts electronically without any delay. In this way, dividends may be instantly credited to respective bank accounts and there are no changes of dividend warrants getting lost in the post, undelivered or delivered to the wrong address, etc. The Securities and Exchange Commission of Pakistan (SECP) through Notice No. 8(4) SM/CDC 2008 dated April 5, 2013 had advised all Listed Companies to adopt e-dividend mechanism due to the benefits it entails for shareholders. In view of the above, you are hereby encouraged to provide a dividend mandate in favor of e-dividend by providing dividend mandate form duly filled in and signed.

7. Electronic Transmission of Financial Statements Etc.:

SECP through its notification No. SRO 787(1)/2014 dated September 8, 2014 has allowed companies to circulate Annual Audited Financial Statements along with Notice of Annual General Meeting through email instead of sending the same through post, to those members who desires to avail this facility. The members who desire to opt to receive aforesaid statements and notice of AGM through e-mail are requested to send their written consent on the Company's email address: goodluckinltd@live.com, The audited financial statements of the Company for the year ended June30, 2023 have been also available on the Company's web site. : <http://www.goodluckind.com>



MUNIFF ZIAUDDIN & CO.
Chartered Accountants

Independent Member Firm

B K R
INTERNATIONAL

Business Executive Centre
F/17/3, Block 8, Clifton
Karachi – 75600 - Pakistan
Tel: +92-21-35375127-8,
+92-21-35872283
E-mail: info@mzco.com.pk
Web: bkrapakistan.com

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS
OF GOODLUCK INDUSTRIES LIMITED**

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

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **GoodLuck Industries Limited** (the Company) for the year ended June 30, 2023 in accordance with the requirements of regulation 36 of the Regulations.

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

As a part of our audit of 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 Director's 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 requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. 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, 2023.


CHARTERED ACCOUNTANTS

KARACHI

DATE: SEPTEMBER 15, 2023

UDIN: CR202310130LZomDzBxj

Other Offices: at Islamabad & Lahore



**Independent Auditor’s Report to the members of
GoodLuck Industries Limited**

Report on the Audit of the Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes 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, 2023 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

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

Following are the Key Audit Matters:

Key audit matters	How the matter was addressed in our audit
1. Retirement Benefits	
<p>As described in the Accounting Policies in note 5.9 and in note 14.1 to the financial statements, the Company has a defined benefit gratuity plan for its employees.</p> <p>At June 30, 2023, the Company recorded a net retirement benefit liabilities of Rs. 13.058 million (2022: Rs. 11.472 million). The Company did not maintain any</p>	<p>We evaluated the management assessment of the assumptions made in the valuation of the scheme liabilities, and evaluated the information contained within the actuarial valuation report for the scheme.</p> <p>We tested the significant assumptions used in the valuation of the scheme and, with support from other publicly available data and other actuarial reports, we</p>

<p>retirement benefit asset to meet its relevant liabilities.</p> <p>The liability determined on the basis of certain assumptions such as discount rate, inflation and working life of employees, which are complex and an area of significant judgement; changes in any of these assumptions can lead to a material movement in the liability.</p>	<p>considered the process applied by the Company's actuary, the scope of the valuation performed and the key assumptions applied and evaluated their expertise. We benchmarked and performed a sensitivity analysis on the key variables in the valuation model, including:</p> <ul style="list-style-type: none"> -Salary increases; and -Discount rates.
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Information Other than the Financial Statements and Auditors' 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 auditors' report thereon.

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the 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 auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

The engagement partner on the audit resulting in this independent auditor's report is Sohail Saleem.


Chartered Accountants
Karachi

Date: SEPTEMBER 15, 2023

UDIN: AR202310130Ovme4ukJg

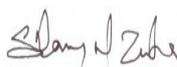
GOODLUCK INDUSTRIES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023

		2023	2022
	Note	<-----Rupees----->	
ASSETS			
Non-current assets			
Property, plant and equipments	6	966,463,063	984,585,074
Long term security deposits	7	948,174	948,174
		967,411,237	985,533,248
Current assets			
Stock in trade	8	14,790,439	8,004,610
Trade debts	9	90,295,116	43,448,509
Income tax refundable	10	25,496,574	17,590,548
Cash and bank balances	11	22,534,919	18,614,188
		153,117,048	87,657,855
TOTAL ASSETS		1,120,528,285	1,073,191,103
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital			
1,000,000 ordinary shares of Rs. 10 each paid in cash		10,000,000	10,000,000
Issued, subscribed and paid up capital:			
300,000 ordinary shares of Rs. 10 each fully paid in cash	12	3,000,000	3,000,000
Capital reserves			
Surplus on revaluation of property, plant and equipment - net of tax	13	910,256,449	922,120,392
Revenue Reserves			
Unappropriated profit		91,625,836	75,925,029
		1,004,882,285	1,001,045,421
LIABILITIES			
Non-current liabilities			
Deferred liabilities	14	55,547,731	59,357,782
Current liabilities			
Trade and other payables	15	57,875,495	10,660,772
Unclaimed dividend	16	2,222,775	2,127,128
		60,098,269	12,787,900
Total liabilities		115,646,001	72,145,681
Contingencies and commitments	17		
TOTAL EQUITY AND LIABILITIES		1,120,528,285	1,073,191,103

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

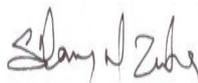
**GOODLUCK INDUSTRIES LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2023**

		2023	2022
	Note	<-----Rupees----->	
Turnover	18	1,770,362,048	1,235,287,707
Cost of sales	19	<u>(1,742,977,543)</u>	<u>(1,210,732,911)</u>
Gross profit		27,384,505	24,554,796
Administrative expenses	20	<u>(20,813,093)</u>	<u>(17,487,740)</u>
Selling expenses		<u>(28,800)</u>	<u>(51,200)</u>
Other operating expenses	21	<u>(450,489)</u>	<u>(649,940)</u>
		<u>(21,292,382)</u>	<u>(18,188,880)</u>
Profit from operations		6,092,123	6,365,916
Finance costs	22	<u>(13,788)</u>	<u>(13,297)</u>
Profit before taxation		6,078,335	6,352,619
Taxation	23	<u>(1,751,173)</u>	<u>(1,755,971)</u>
Profit after taxation		<u>4,327,162</u>	<u>4,596,648</u>
Earnings per share - basic and diluted	24	<u>14.42</u>	<u>15.32</u>

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

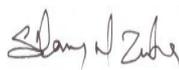
**GOODLUCK INDUSTRIES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2023**

	2023	2021
	<-----Rupees----->	
Profit for the year	4,327,162	4,596,648
Other comprehensive income:		
Items that will not be subsequently reclassified in profit or loss (net of tax)		
Surplus arisen on property, plant and equipments	-	654,950,907
Related deferred tax	-	(33,335,763)
	-	621,615,144
Remeasurement loss on defined benefit plans	577,046	(871,012)
Related deferred tax	(167,343)	252,593
	409,703	(618,419)
Other comprehensive income for the year	409,703	620,996,725
Total comprehensive income for the year	4,736,864	625,593,373

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

GOODLUCK INDUSTRIES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2023

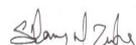
Share capital	Capital reserve	Revenue reserve	Total
Issued, subscribed and paid up capital	Surplus on revaluation of property, plant and equipment	Unappropriated profit	

<----- Rupees ----->

Balance as at July 1, 2021	3,000,000	305,074,650	68,277,398	376,352,048
Total comprehensive income for the year ended June 30, 2022				
Profit for the year	-	-	4,596,648	4,596,648
Other comprehensive income (net of tax)	-	621,615,144	(618,419)	620,996,725
	-	621,615,144	3,978,229	625,593,373
Transfer on account of incremental depreciation (net of tax) - Refer note 13	-	(4,569,402)	4,569,402	-
Transactions with owners:				
Final cash dividend @ Rs.3.00 per ordinary share for the year ended June 30, 2021	-		(900,000)	(900,000)
Balance as at June 30, 2022	3,000,000	922,120,392	75,925,029	1,001,045,421
Total comprehensive income for the year ended June 30, 2023				
Profit for the year	-	-	4,327,162	4,327,161
Other comprehensive income (net of tax)	-	-	409,703	409,703
	-	-	4,736,864	4,736,864
Transfer on account of incremental depreciation (net of tax) - Refer note 13	-	(11,863,942)	11,863,942	-
Transactions with owners:				
Final cash dividend @ Rs.3.00 per ordinary share for the year ended June 30, 2022	-	-	(900,000)	(900,000)
Balance as at June 30, 2023	3,000,000	910,256,449	91,625,836	1,004,882,285

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


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

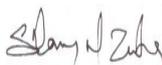
GOODLUCK INDUSTRIES LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

	2023	2022
	<-----Rupees----->	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	6,078,335	6,352,619
Adjustments for:		
Depreciation	18,151,111	8,181,799
Provision for gratuity	2,318,032	1,735,909
	20,469,143	9,917,708
CASH FLOW FROM OPERATING ACTIVITIES - BEFORE WORKING CAPITAL CHANGES	26,547,478	16,270,327
WORKING CAPITAL CHANGES		
(Increase) / Decrease in current assets:		
Stock in trade	(6,785,829)	7,360,336
Trade debts	(46,846,607)	(15,698,043)
Income tax refundable	-	-
	(53,632,436)	(8,337,707)
Increase/(decrease) in creditors, accrued & other liabilities		
Trade and other payables	47,214,722	8,874,638
CASH GENERATED FROM OPERATIONS	20,129,765	16,807,258
Income tax paid	(15,220,781)	(9,982,016)
Gratuity paid	(154,800)	(216,000)
NET CASH GENERATED FROM OPERATING ACTIVITIES	4,754,184	6,609,242
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(29,100)	(92,300)
NET CASH USED IN INVESTING ACTIVITIES	(29,100)	(92,300)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid	(804,352)	(789,740)
NET CASH USED IN FINANCING ACTIVITIES	(804,352)	(789,740)
NET INCREASE IN CASH AND CASH EQUIVALENT	3,920,731	5,727,202
CASH AND CASH EQUIVALENTS - at the beginning of the year	18,614,188	12,886,985
CASH AND CASH EQUIVALENTS - at the end of the year	22,534,919	18,614,188

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

GOODLUCK INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

1 STATUS AND NATURE OF BUSINESS

Goodluck Industries Limited (the Company) is a public limited company incorporated in Pakistan on November 13, 1967 under the repealed Companies Act, 1913 (Repealed with the enactment of the repealed Companies Ordinance, 1984 and the Companies Act, 2017). The shares of the Company are listed on Pakistan Stock Exchange Limited. The principal activities of the Company is milling of wheat and all kinds of grains.

Geographical location and addresses of Company's major business units including mills/plants is as under:

Karachi	Purpose
S-49/A, S.I.T.E., Maripur Road, Karachi	The registered office and the factory premises

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 applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS) 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

These financial statements have been prepared under the historical cost convention except for certain items as disclosed on the relevant accounting policies below.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupee (Rs./Rupees), which is the functional currency of the Company. Amount presented in the financial statements have been rounded off to the nearest of Rs./Rupees unless otherwise stated.

3. KEY JUDGEMENTS AND ESTIMATES

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgement in the process of applying the Company's accounting policies. The area involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and related primarily to:

- Useful lives, residual value and depreciation method of property, plant and equipment (refer note 5.1 & 6)
- Provision for impairment of stock in trade (refer note 5.2 & 8)
- Impairment loss of non financial assets other than stock in trade (refer note 5.8)
- Provision for expected credit loss (refer note 5.11.2)
- Obligation of defined benefit obligation (refer note 5.9 & 15.1)
- Estimation of provisions (Refer note 5.5)
- Estimation of contingent liabilities (refer note 5.12 & 18)
- Current income tax expense, provision for current tax recognition of deferred tax (refer note 5.7 & 24)

4. NEW AND AMENDED STANDARDS AND INTERPRETATIONS

4.1. Standards, amendments to published standards and interpretations that are effective in the current year

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2022. However, these do not have any significant impact on the Company's financial statements.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

		Effective date (annual reporting periods beginning on or after)
IAS 1	Presentation of Financial Statements (Amendments)	01-Jan-23
IAS 8	Accounting Policies, Changing in Accounting Estimates and Errors (Amendments)	01-Jan-23
IAS 12	Income Taxes (Amendments)	01-Jan-23
IFRS 4	Insurance Contracts (Amendments)	01-Jan-23
IAS 7	Statement of Cash Flows (Amendments)	01-Jan-23
IFRS 7	Financial Instruments	01-Jan-23
IFRS 16	Leases (Amendments)	01-Jan-24

4.2. Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

The above standards, amendments to approved accounting standards and interpretations are not likely to have any material impact on the Company's financial statements.

Other than the aforesaid standards, interpretations and amendments, International Accounting Standards Board (IASB) has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the Securities and Exchange Commission of Pakistan (SECP) as at June 30, 2023;

IFRS 1 First-time Adoption of International Financial Reporting Standards
IFRS 17 Insurance Contracts
IFRIC 12 Service Concession Arrangement

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as described below.

5.1 Property, plant and equipment

Items of property, plant and equipment other than leasehold land, building, plant & machinery and capital work in progress are measured at cost less accumulated depreciation and impairment loss (if any).

Leasehold land, buildings and plant & machinery are measured at revalued amounts less accumulated depreciation and impairment loss (if any).

Capital work in progress is stated at historical cost less impairment loss (if any).

Any revaluation increase arising on the revaluation of leasehold land, buildings and plant & machinery improvements is recognised in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property, plant and equipment", except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of land, buildings and leasehold improvements is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset. The revaluation reserve is not available for distribution to the Company's shareholders. The surplus on revaluation buildings and leasehold improvements to the extent of incremental depreciation charged (net of deferred tax) is transferred to inappropriate profit.

Depreciation is charged over their estimated useful lives, using diminishing balance method at the rates specified in note 6.

Depreciation on additions to property, plant and equipment is charged from the month of purchase or from the month of commercial productions in respect of additions made during the year while proportionate depreciation is charged on assets disposed off during the year till the month of disposal.

Normal repairs and replacements are taken to the statement of profit or loss. Major improvements and modifications are capitalized and assets replaced, if any, other than those kept as stand-by, are retired.

An item of property plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition of an item of property plant and equipment is determined as the difference between sales proceeds and the carrying amounts of the asset and is recognized in as other income on the statement of profit or loss. The case of the derecognition of a revalued Property, the attributable to revaluation surplus remaining surplus on the surplus on revaluation is transferred directly to the unappropriated profit.

Judgements and estimates

The useful lives, residual values and depreciation methods are reviewed on regular basis. The effect of changes in an estimate is accounted for on a proportionate basis.

Impairment

An asset is carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

5.2 Stock in trade

Stock in trade is valued at the lower of cost and estimated net realizable value. Cost is determined as follows:

<u>Stages of Stock-in-trade</u>	<u>Basis of Valuation</u>
Raw Material at warehouses	At lower of annual average cost and net realizable value.
Raw Material In transit	At cost accumulated to the statement of financial position date.
Work in process	At cost.
Finished Goods	Purchase cost of direct materials, labour and a reasonable allocation of overheads based on normal operating capacity on a weighted average basis.

Net realizable value is determined on the basis of estimated selling price of the product in the ordinary course of business less estimated cost of completion and the estimated cost necessary to be incurred to make the sale.

Judgements and estimates

Stock in trade write down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market condition. A review is made on each reporting date on stock for excess, obsolescence and decline in net realizable value and an allowance is recorded against the stock balances for any such decline

5.3 Trade debts and other receivables

Trade debts and other receivables are recognized initially at the amount of consideration that is unconditional, unless they contain significant financing component in which case such are recognized at fair value.

The company holds the trade debts with the objective of collecting the contractual cashflows and therefore measures the trade debts subsequently at amortised cost using the effective interest rate method.

5.4 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred and are subsequently measured at amortized cost using the effective interest rate method. Borrowings are classified as current liabilities unless the Company has an unconditional / contractual right to defer settlement of the liability for at least twelve months after the statement of financial position date.

5.5 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of a past event, and it is probable that the outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amount of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognized provision is recognized in the statement of profit or loss unless the provision was originally recognized as part of the cost of an asset.

5.6 Share Capital

Share capital is classified as equity and recognised at the face value. Incremental cost net of tax and directly attributable to the issue of new shares are shown as a deduction in equity.

5.7 Taxation

Taxation comprises current and deferred tax. Income tax expense is recognized in the statement of profit or loss.

5.7.1 Current tax

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

5.7.2 Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is also not recognised if they arise from the initial recognition of an asset or liability in a transaction other than a business combination that at a time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses and credits only if it probable that future taxable amounts will be available to utilise those temporary differences and unused tax losses and credits.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Judgements and estimate

Significant judgment is required on determining the income tax expenses and provision for tax. There are many transactions and calculations for which the ultimate tax determination is uncertain as these matters are being contested at various forums. The Company recognizes liabilities for the anticipated tax issues based on estimates on whether additional taxes will be due. Where the final tax outcome of these matters is different from the amount that are initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made.

Further, the carrying amount of the deferred tax asset is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profit. If required, carrying amount of the deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profit to allow the benefit of part of all that recognized deferred tax assets to be utilized. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Off-setting

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intend either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

5.8 Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non financial assets (other than stock in trade and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

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 amortisation, if no impairment loss had been recognised. The increase in the carrying amounts shall be treated as reversals of impairment losses for individual assets and recognised in profit or loss unless the asset is measured at revalued amount. Any reversal of impairment loss of a revalued asset shall be treated as a revaluation increase.

5.9 Staff retirement benefits

Defined benefit plan

Defined benefit plan provide an amount of gratuity that an employee will receive on or after retirement, usually depend on one or more factors such as age, years of service and compensation. The liability recognised in the statement of financial position in respect to defined benefit plan is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligations are calculated annually by an independent actuary using the Project Unit credit method. When the calculation result in a potential assets for a company, the recognised assets is limited to the present value of economic benefits available in the form of any future refunds from plan or reductions in future contributions to the plan.

The present value of defined benefit obligations are determined by discounting estimated future cash outflows using interest rates of high quality corporate bonds or the market rates on government bonds. These are denominated in the currency in which the benefit will be paid.

Remeasurement gain/losses are recognised in other comprehensive income.

Judgements and estimates

In determining the liability for long service payments management must make an estimate of salary increase and discount rate in the present value calculation and number of employees expected to leave before they receive the benefits.

5.10 Trade and other payables

Liabilities for trade and other payables are carried initially at cost which is the fair value of the consideration to be paid in future for goods and services received and subsequently measured at amortized cost using effective interest method.

5.11 Financial instruments

5.11.1 Financial assets

The Company classifies its financial assets at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Financial assets at amortised cost

Financial assets at amortised cost are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and 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. Interest income from these financial assets, impairment losses, foreign exchange gains and losses, and gain or loss arising on de-recognition are recognised directly in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and 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 assets at fair value through profit or loss

Financial assets at fair value through profit or loss are those financial assets which are either designated in this category or not classified in any of the other categories. A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises.

Financial assets are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently premeasured to fair value, amortized cost or cost as the case may be. Any gain or loss on the recognition and de-recognition of the financial assets and liabilities is included in the profit or loss for the period in which it arises.

Equity instrument financial assets / mutual funds are measured at fair value at and subsequent to initial recognition. Changes in fair value of these financial assets are normally recognised in profit or loss. Dividends from such investments continue to be recognised in profit or loss when the Company's right to receive payment is established. Where an election is made to present fair value gains and losses on equity instruments in other comprehensive income there is no subsequent reclassification of fair value gains and losses to profit or loss following the de-recognition of the investment.

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Assets or liabilities that are not contractual in nature and that are created as a result of statutory requirements imposed by the Government are not the financial instruments of the Company.

5.11.2 Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade debtors, the Company applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company recognises in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date.

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.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than past due for a reasonable period of time. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Loss allowances for financial assets measured at amortised cost are deducted from the Gross carrying amount of the assets.

The Gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering of a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery.

The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

5.11.3 Financial liabilities

All financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortised costs are initially measured at fair value minus transaction costs. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective yield method.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange and modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the profit or loss.

5.11.4 Off setting of financial assets and financial liabilities

A financial asset and a financial liability is offset and net amount is reported in the financial statements if the company has a legally enforceable right to set off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

5.12 CONTINGENCIES

Contingent liability

There is possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly with in the control of the Company' or

There is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets

Contingent assets are disclosed when there is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. Contingent assets are not recognized until their realization becomes virtually certain.

5.13 Revenue recognition

Revenue comprises the fair value for the sale of goods net of sales tax and discounts. Revenue from the sale of goods is recognized when control of the goods passes to customers and the customers can direct the use of and substantially obtain all the benefits from the goods.

Revenue is recognised when specific criteria have been met for each of the company's activities as described below:

Revenue from contract with customers

Sale of goods is recognised when the company has transferred control of the products to the customers and there is no unfulfilled obligation that could affect the customer's acceptance of the goods.

Contract assets

Contract assets arise when the company perform its performance obligation by transferring goods to the customer before the customer pay its consideration or before payment is due.

Others

Return on deposit is accrued on time proportion basis by refrence to the principle outstanding and the applicable rate of return.

5.14 Borrowing cost

Borrowing cost relating to the acquisition, construction or production of a qualifying asset are recognized as part of the cost of that asset. All other borrowing costs are recognized as an expense in the period in which these are incurred.

5.15 Cash and cash equivalent

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of the statement of cash flow, cash and cash equivalents comprise of cash on hand and cash at bank.

5.16 Dividend distribution

Dividend distribution to the Company's shareholders to recognized as a liability in the period in which the dividends are approved by the Company's shareholders.

5.17 Basic and diluted 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.

6. PROPERTY, PLANT AND EQUIPMENT - 2023

Particulars	C O S T				Rate %	D E P R E C I A T I O N				Book Value	
	As At July 01, 2022	Revaluation	Additions	Deletions		As At June 30, 2023	As At July 01, 2022	Adjustment on deletions	Charge For the year	As At June 30, 2023	As At June 30, 2023
	<----- Amount in Rupees ----->					<----- Amount in Rupees ----->					
Lease hold land:											
Cost	2,558,720	-	-	-	-	-	-	-	-	-	2,558,720
Revaluation	797,441,280	-	-	-	-	-	-	-	-	-	797,441,280
	800,000,000	-	-	-	800,000,000	-	-	-	-	-	800,000,000
Factory building											
Cost	606,906	-	-	-	606,906	10	603,336	-	357	603,693	3,213
Revaluation	107,582,621	-	-	-	107,582,621	10	27,335,471	-	8,024,715	35,360,186	72,222,435
	108,189,527	-	-	-	108,189,527		27,938,807	-	8,025,072	35,963,879	72,225,648
Non-factory building											
Cost	860,639	-	-	-	860,639	5	786,581	-	3,703	790,284	70,355
Revaluation	19,085,783	-	-	-	19,085,783	5	2,072,561	-	850,661.10	2,923,222	16,162,561
	19,946,422	-	-	-	19,946,422		2,859,142	-	854,364	3,713,506	16,232,916
Plant and Machinery											
Cost	8,879,133	-	-	-	8,879,133	10	8,260,145	-	61,899	8,322,044	557,089
Revaluation	115,582,502	-	-	-	115,582,502	10	37,238,490	-	7,834,401	45,072,891	70,509,611
	124,461,635	-	-	-	124,461,635		45,498,635	-	7,896,300	53,394,935	71,066,700
R.O Plant	2,650,000	-	-	-	2,650,000	10	1,170,288	-	147,971	1,318,259	1,331,741
Filtration Plant	700,000	-	-	-	700,000	10	343,492	-	35,651	379,143	320,857
Lift	900,000	-	-	-	900,000	10	437,647	-	46,235	483,882	416,118
Electric Installation and Equipment	642,738	-	-	-	642,738	10	557,952	-	8,479	566,431	76,307
Office Equipment	113,605	-	-	-	113,605	10	94,368	-	1,924	96,292	17,313
Furniture & fixtures	705,932	-	6,500	-	712,432	10	390,052	-	32,238	422,290	290,142
Vehicles	12,033,131	-	-	-	12,033,131	20	6,795,716	-	1,047,483	7,843,199	4,189,932
Tarpaulins	486,181	-	22,600	-	508,781	25	373,344	-	33,859	407,203	101,578
Other Assets	6,671	-	-	-	6,671	10	6,522	-	15	6,537	134
Pager	11,499	-	-	-	11,499	10	10,892	-	61	10,953	546
Telephone Systems	121,238	-	-	-	121,238	10	107,767	-	1,347	109,114	12,124
Computers	280,411	-	-	-	280,411	10	242,571	-	3,784	246,355	34,056
Weighbridge	1,019,716	-	-	-	1,019,716	10	900,021	-	11,970	911,991	107,725
Fortified Flour Microfeeder	150,000	-	-	-	150,000	10	106,416	-	4,358	110,774	39,226
	1,072,418,706	-	29,100	-	1,072,447,806		87,833,632	-	1,441,334	105,984,743	966,463,063
									16,709,777		
As at June 30, 2023	1,072,418,706	-	29,100	-	1,072,447,806		87,833,633	-	18,151,111	105,984,743	966,463,063

6.1 Forced sale value as per the last revaluation report as of June 30, 2023

Asset class	Forced sale value Rupees
Lease hold land	640,000,000
Building	77,870,400
Plant, machinery and equipment	55,274,100
Total	773,144,500

6.2 Particulars of immovable property (i.e. land and building) in the name of the Company are as follows:

	Location	Usage of Immovable Property	Total Area (Square feet)	* Covered Area (Square feet)
a) Lease hold	Plot No.S-49/A, Maripur Road, S.I.T.E, Karachi	Office and Manufacturing facility	174,240	54,793
b) Building	Plot No.S-49/A, Maripur Road, S.I.T.E, Karachi	Office and Manufacturing facility	54,793	54,793

* The covered area includes multi storey buildings.

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

	Note	2023	2022
		Rupees	
Cost of sales	19	17,245,408	7,848,432
Administrative expenses	20	905,703	333,367
		18,151,111	8,181,799

6.4 Had there been no revaluation the related figures of leasehold land, building, and plant and machinery would have been as follows:

	2023			2022		
	Cost	Accumulated Depreciation	Bookvalue	Cost	Accumulated Depreciation	Bookvalue
Lease hold Land	2,558,720	-	2,558,720	2,558,720	-	2,558,720
Factory Building	606,906	603,336	3,570	606,906	602,939	3,967
Non - Factory Building	860,639	840,124	20,515	860,639	819,610	41,030
Plant and machinery	8,879,133	8,260,146	618,987	8,879,133	8,191,369	687,764

6.5 Details of revaluation of freehold land, buildings on freehold land, plant and machinery, and tools and equipments are mentioned in note 13.

6.6 Revaluation of freehold land, building, plant and machinery and tools and equipments were performed by M/s MYK Associates (Private) Limited, who are independent professionally qualified valuer.

The valuation of land was determined based on market comparable approach that reflects recent transaction prices for similar properties. The valuation of building was determined using cost approach that reflects the cost to a market participant to construct assets of comparable utility and age, adjusted for obsolescence. The valuation of plant and machinery were based on the estimated gross replacement cost, depreciated to reflect the residual service potential of the assets taking account of the age, conditions and obsolescence.

6.7 The fair value of assets subject to revaluation model fall under level 2 of fair value hierarchy.

PROPERTY, PLANT AND EQUIPMENT - 2022

Particulars	C O S T				Rate %	D E P R E C I A T I O N				Book Value As At June 30, 2022	
	As At July 01, 2021	Revaluation	Additions	Deletions		As At June 30, 2022	As At July 01, 2021	Adjustment on deletions	Charge For the year		As At June 30, 2022
	<----- Amount in Rupees ----->					<----- Amount in Rupees ----->					
Lease hold land:											
Cost	2,558,720	-	-	-	2,558,720	-	-	-	-	2,558,720	
Revaluation	257,441,280	540,000,000	-	-	797,441,280	-	-	-	-	797,441,280	
	260,000,000	540,000,000	-	-	800,000,000	-	-	-	-	800,000,000	
Factory building											
Cost	606,906	-	-	-	606,906	10	602,939	397	603,336	3,570	
Revaluation	51,157,439	56,425,182	-	-	107,582,621	10	24,688,586	2,646,885	27,335,471	80,247,150	
	51,764,345	56,425,182	-	-	108,189,527		25,291,525	2,647,282	27,938,807	80,250,720	
Non-factory building											
Cost	860,639	-	-	-	860,639	5	782,683	3,898	786,581	74,058	
Revaluation	7,262,372	11,823,411	-	-	19,085,783	5	1,799,413	273,148	2,072,561	17,013,222	
	8,123,011	11,823,411	-	-	19,946,422		2,582,096	277,046	2,859,142	17,087,280	
Plant and Machinery											
Cost	8,879,133	-	-	-	8,879,133	10	8,191,369	68,776	8,260,145	618,988	
Revaluation	68,880,188	46,702,314	-	-	115,582,502	10	33,722,746	3,515,744	37,238,490	78,344,012	
	77,759,321	46,702,314	-	-	124,461,635		41,914,115	3,584,520	45,498,635	78,963,000	
R.O Plant	2,650,000	-	-	-	2,650,000	10	1,005,875	164,413	1,170,288	1,479,712	
Filtration Plant	700,000	-	-	-	700,000	10	303,880	39,612	343,492	356,508	
Lift	900,000	-	-	-	900,000	10	386,274	51,373	437,647	462,353	
Electric Installation and Equipment	642,738	-	-	-	642,738	10	548,531	9,421	557,952	84,786	
Office Equipment	113,605	-	-	-	113,605	10	92,230	2,138	94,368	19,237	
Furniture & fixtures	613,632	-	92,300	-	705,932	10	354,954	35,098	390,052	315,880	
Vehicles	12,033,131	-	-	-	12,033,131	20	5,486,362	1,309,354	6,795,716	5,237,415	
Tarpaulins	486,181	-	-	-	486,181	25	335,731	37,613	373,344	112,837	
Other Assets	6,671	-	-	-	6,671	10	6,505	17	6,522	149	
Pager	11,499	-	-	-	11,499	10	10,825	67	10,892	607	
Telephone Systems	121,238	-	-	-	121,238	10	106,270	1,497	107,767	13,471	
Computers	280,411	-	-	-	280,411	10	238,366	4,205	242,571	37,840	
Weighbridge	1,019,716	-	-	-	1,019,716	10	886,722	13,299	900,021	119,695	
Fortified Flour Microfeeder	150,000	-	-	-	150,000	10	101,573	4,843	106,416	43,584	
	417,375,499	654,950,907	92,300	-	1,072,418,706		79,651,834	1,746,021	87,833,632	984,585,074	
								6,435,777			
As at June 30, 2022	417,375,499	654,950,907	92,300	-	1,072,418,706		79,651,834	-	8,181,798	87,833,632	984,585,074

	Note	2023 <-----Rupees----->	2022
7	LONG TERM SECURITY DEPOSITS		
	Karachi Electric Limited	211,132	211,132
	Pakistan Telecommunication Corporation Limited	8,450	8,450
	Sui Southern Gas Company Limited	23,500	23,500
	Mobilink	1,500	1,500
	Warid Communication	20,000	20,000
	Cellular Services - Ufone	23,700	23,700
	Central Depository Company of Pakistan Limited	25,000	25,000
	Euro Track skygate International (Private) Limited	42,000	42,000
	Pakistan Flour Mills Association	585,392	585,392
	Telenor	7,500	7,500
		948,174	948,174
7.1	These include Rs 0.21 million (2022: Rs 0.21 million) representing amount deposited as reserve with Karachi Electric Limited.		
8	STOCK IN TRADE		
	Raw Material	5,639,916	2,593,292
	Finished goods	2,058,295	3,266,478
	Packing material	7,092,228	2,144,840
		14,790,439	8,004,610
9	TRADE DEBTS		
	Unsecured		
	- Considered good	90,295,116	43,448,509
	Considered doubtful		
	- receivable against transportation	258,312	258,312
		90,553,428	43,706,821
	Less: Allowance for ECL	(258,312)	(258,312)
		90,295,116	43,448,509
9.1	As at June 30, 2023, trade receivables of Rs. 90.295 million (2022: Rs 43.448 million) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default.		
9.2	This amount is receivable from Government of Sindh (GoS) in lieu of transportation charges paid by the company for purchases of wheat from GoS. As per arrangements, transportation charges are refundable from GoS.		
10	INCOME TAX REFUNDABLE		
	Balance as at July, 01	17,590,548	11,868,862
	Provision made during the year	(7,314,755)	(4,260,331)
		10,275,793	7,608,531
	Income tax refunded	(299,812)	(272,813)
	Advance income tax deducted	15,520,593	10,254,830
		25,496,574	17,590,548
11	CASH AND BANK BALANCES		
	With banks on		
	- Current accounts - Local currency	21,904,485	18,587,575
	Cash on hand	630,434	26,613
		22,534,919	18,614,188

12 ISSUED SUBSCRIBED AND PAID UP CAPITAL

2023 2022
 <-----Rupees----->

Number of shares			2023	2022
2023	2022			
300,000	300,000	300,000 ordinary shares of Rs. 10 each fully paid in cash	<u>3,000,000</u>	<u>3,000,000</u>

Shares held by the related parties of the Company

CEO, Director, & their spouse and minor children	2023	2022	2023	2022
	Number of shares	Number of shares	Percentage holding	Percentage holding
Ashfaq Haji Hasham	16,000	16000	5.33%	5.33%
Muhammad Usman	8,000	8000	2.67%	2.67%
Fahad	6,400	6400	2.13%	2.13%
Shamsh-ul-Haque	40,800	37250	13.60%	12.42%
Shamsh-uz-Zoha	40,250	36700	13.42%	12.23%
Naveen Shams	400	400	0.13%	0.13%
Zahida	1,500	1500	0.50%	0.50%
Afsheen Ashfaq	10,000	10000	3.33%	3.33%
NIT and ICP	50	50	0.02%	0.02%

12.1 The Company has one class of ordinary shares fully paid in cash which carries no right to fixed income. The shareholders 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.

13 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - NET OF TAX

The Company revalued, its leasehold land, buildings on leasehold land and plant & machinery to replace the carrying amounts of these assets with their market values / depreciated market values

Date of Valuation	Name of Valuer	Surplus Arisen
30/Aug/12	M/s Yunus Mirza & Co.	225,892,372
30/Jun/17	M/s MYK Associates (Private) Limited & Co.	158,848,907
28/Jun/22	M/s MYK Associates (Private) Limited & Co.	654,950,907

	2023	2022
	<-----Rupees----->	
Balance as at July 01	973,045,664	324,530,535
Surplus arising during the year	-	654,950,907
Less: Incremental depreciation on revalued assets for the year - net of tax	(16,709,777)	(6,435,778)
Balance as at June 30	<u>956,335,887</u>	<u>973,045,664</u>
Less: related deferred tax of:		
- balance as at July 01	50,925,273	19,455,885
- surplus arisen during the year	-	33,335,763
- incremental depreciation for the year	(4,845,835)	(1,866,375)
	<u>46,079,438</u>	<u>50,925,273</u>
Balance as at June 30	<u>910,256,449</u>	<u>922,120,392</u>

13.1 The surplus on revaluation of property, plant and equipment is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017

	Note	2023 <-----Rupees----->	2022
14 DEFERRED LIABILITIES			
Staff retirement benefit	14.1	13,058,435	11,472,249
Deferred taxation	14.2	42,489,296	47,885,523
		55,547,731	59,357,782
14.1 Staff retirement benefit			
Defined benefit plan - (unfunded gratuity)	14.1.4	13,058,435	11,472,249
14.1.1	As stated in note 5.9, the company operates a defined benefit plan i.e. an unapproved gratuity scheme for all its permanent employees subject to completion of first year of service. Actuarial valuation of the plan is carried out every year and the latest actuarial valuation was carried out as at June 30, 2023. The disclosures made in notes 15.1.2 to 15.1.12 are based on the information included in that actuarial report.		
14.1.2 Principal actuarial assumptions	The projected unit credit method using the following significant assumptions was used for this valuation:		
		2023	2022
- Discount rate - per annum compound		16.25%	13.25%
- Expected rate of increase in salaries - per annum		14.25%	11.25%
- Expected remaining working lifetime of members		8 years	7 years
- Average Duration of Liability		7 years	6 years
14.1.3 Mortality Rate			
- The rates assumed were based on		SLIC (01-05) Mortality Table	SLIC (01-05) Mortality Table
14.1.4 Reconciliation of balance due to defined benefit plan			
Present value of defined benefit obligation	14.1.5	13,058,435	11,472,249
Fair value of plan assets		-	-
Closing net liability		13,058,435	11,472,249
14.1.5 Movement of the liability recognised on the statement of financial position.			
Opening net liability		11,472,249	9,081,328
Charge for the year		2,318,032	1,735,909
Remeasurement chargeable to other comprehensive income		(577,046)	871,012
Benefits paid during the year		(154,800)	(216,000)
Closing net liability		13,058,435	11,472,249
14.1.6 Movement in present value of defined benefit obligations			
Opening present value of defined benefit obligations		11,472,249	9,081,328
Current service cost for the year	15.1.7	808,215	838,576
Interest cost		1,509,817	897,333
Net remeasurement loss/ (gain) on obligation	15.1.9	(577,046)	871,012
Benefits paid during the year		(154,800)	(216,000)
Closing present value of defined benefit obligations		13,058,435	11,472,249
14.1.7 Charge for the year has been allocated as under:			
Cost of sales		1,029,554	972,816
Administrative expenses		1,288,478	763,093
		2,318,032	1,735,909

2023 2022
 <-----Rupees----->

14.1.8 The following amounts have been recognised in the statement of profit or loss in respect of the defined benefit plan.

Current service cost	808,215	838,576
Net Interest cost	<u>1,509,817</u>	<u>897,333</u>
Expenses	<u><u>2,318,032</u></u>	<u><u>1,735,909</u></u>

14.1.9 **Remeasurement chargeable to other comprehensive income**

Actuarial (gain)/loss due to changes in demographic assumptions	-	-
Actuarial loss/ (gain) due to experience adjustments	<u>(577,046)</u>	871,012
Amount chargeable to other comprehensive income	<u><u>(577,046)</u></u>	<u><u>871,012</u></u>

14.1.10 **Expected future costs**

Expected future expense chargeable to Profit and loss for the year ending June 30, 2024 is Rs. 3.436 million.

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

	Impact on defined benefit obligation		
	Change in assumptions	Increase in assumption	Decrease in assumption
	<-----Rupees----->		
Discount rate	1%	12,179,988	14,000,547
Salary growth rate	1%	14,000,238	12,179,838

14.1.12 The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the staff retirement gratuity recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous method.

Historical information

	2022	2021	2020	2019	2018
	-----Rupees-----				
Present value of defined benefit obligation	11,472,249	9,081,328	7,929,582	8,254,098	7,062,902
Experience adjustment on obligation	<u>(871,012)</u>	<u>(141,648)</u>	<u>768,601</u>	<u>658,517</u>	<u>151,240</u>

14.1.13 The average duration of the defined benefit obligation is 6 years (2022: 6 years).

14.1.14 **Maturity Profile**

	2023	2022
	<-----Rupees----->	
Time in years		
1	789,098	717,362
2	1,144,122	953,435
3	1,594,354	1,328,628
4	2,255,713	1,735,164
5	2,553,659	2,128,049
6-10	<u>14,846,597</u>	<u>12,372,164</u>

	2023	2022
	<-----Rupees----->	
14.2 Deferred taxation		
Revaluation surplus on property plant and equipment	<u>42,321,942</u>	<u>50,925,273</u>
Deferred tax liability arising on taxable temporary differences due to:		
Accelerated depreciation	<u>271,715</u>	362,113
Revaluation surplus on property, plant and equipment	<u>46,079,438</u>	50,925,273
Property, plant and equipments	<u>46,351,153</u>	51,287,386
Deferred tax assets arising on deductible temporary differences due to:		
Provision for gratuity	<u>(3,786,946)</u>	(3,326,952)
Allowances for ECL	<u>(74,910)</u>	(74,910)
	<u>42,489,296</u>	<u>47,885,524</u>

14.2.1 The movement in temporary differences is as follows:

	Balance as at 30 June 2022	Recognized in profit or loss	Recognized in other comprehensive income	Balance as at 30 June 2023
Taxable temporary differences				
Accelerated tax depreciation	362,113	(90,398)	-	271,715
Revaluation surplus on property plant and equipment	50,925,273	(4,845,835)	-	46,079,438
Deductible temporary differences				
Staff retirement benefit - Gratuity	(3,326,952)	(627,337)	167,343	(3,786,946)
Allowance for ECL	(74,910)	-	-	(74,910)
	<u>47,885,524</u>	<u>(5,563,582)</u>	<u>167,343</u>	<u>42,489,296</u>

	Note	2023	2022
		<-----Rupees----->	
15 TRADE AND OTHER PAYABLES			
Accrued expenses		<u>844,887</u>	773,416
Trade Creditors - Wheat Purchases		<u>56,227,219</u>	8,888,226
Other liabilities		<u>8,660</u>	4,950
Workers profit participation fund	15.1	<u>326,441</u>	350,128
Workers welfare fund	15.2	<u>468,288</u>	644,052
		<u>57,875,495</u>	<u>10,660,772</u>
15.1 Workers' Profit Participation Fund			
Balance as at July 01		<u>350,128</u>	293,285
Expense recognised during the year		<u>326,441</u>	350,128
		<u>676,569</u>	643,413
Less: Payments during the year		<u>(350,128)</u>	(293,285)
Balance as at June 30		<u>326,441</u>	350,128
15.2 Workers' Welfare Fund			
Balance as at July 01		<u>644,052</u>	617,053
Expense recognised during the year		<u>124,048</u>	299,812
		<u>768,100</u>	916,865
Less: Payments during the year		<u>(299,812)</u>	(272,813)
Balance as at June 30		<u>468,288</u>	644,052
16 UNCLAIMED DIVIDEND			
Unclaimed dividend	16.1	<u>2,222,775</u>	2,127,128
16.1	A separate bank account is maintained with a commercial bank for unclaimed dividend.		

17 CONTINGENCIES AND COMMITMENTS

17.1 CONTINGENCIES

The management is defending these cases and there is no likelihood of losing the same. However, in case of unfavourable outcome, there is no material financial impact.

S.NO.	WRIT PETITION	FORUM	ISSUE INVOLVED	STATUS
1	447 of 2003	SHC	Appeal by Sindh Flour Milling Association against judgment passed by the Single bench of High Court in J.M Application No. 157 of 1995.	Pending
2	003/2019	Senior Civil /Asst.Session Judge II Karachi East	Execution Application for Compension of damages against Supplier for R.O. Plant judgment passed by the Senior Civil Judge East. In favour of the Company.	Pending
3	IInd Appeal 218/2020	SHC	Appeal by Supplier for R.O. Plant against judgments passed by the Senior Civil / Asst.Session Judge II East and Add. Distrixt & Session Judje X Karachi East	Pending

17.2 COMMITMENTS

There are no commitments as at reporting date (2022 : Nil)

	Note	2023 -----Rupees-----	2022
18 TURNOVER			
Maida I		435,507,969	344,519,011
Maida II		81,949,162	45,349,362
Atta		535,652,935	230,409,776
Katta Packings		512,047,841	441,946,907
Bran		204,212,266	172,424,249
Refraction		991,875	638,402
		1,770,362,048	1,235,287,707
19 COST OF SALES			
Raw material consumed	19.1	1,651,248,893	1,132,213,971
Packing material consumed	19.2	16,955,376	21,267,421
Power charges		43,061,877	34,997,890
Salaries and benefits	19.3	7,644,988	7,025,933
Labor charges		3,045,124	2,319,235
Machinery repair and maintenance		2,392,955	3,270,557
Oil and lubricant		174,739	149,265
Depreciation	6.3	17,245,408	7,848,432
		1,741,769,360	1,209,092,704
Opening stock (Finished Goods)		3,266,478	4,906,685
Less: Closing stock (Finished Goods)		(2,058,295)	(3,266,478)
		1,208,183	1,640,207
		1,742,977,543	1,210,732,911
19.1 Raw material consumed			
Opening stock		2,593,292	9,882,418
Wheat purchases		1,654,295,517	1,124,924,845
Less: Closing stock		(5,639,916)	(2,593,292)
		1,651,248,893	1,132,213,971
19.2 Packing material consumed			
Opening stock		2,144,840	575,843
Purchases		21,902,764	22,836,418
Less: Closing stock		(7,092,228)	(2,144,840)
		16,955,376	21,267,421
19.3	This includes Rs. 1,029,554 (2022: Rs. 972,816) in respect of staff retirement benefits.		

20 ADMINISTRATIVE EXPENSES

Salaries and benefits	20.1	16,016,789	14,120,795
Printing and stationery		565,840	321,345
Fees and subscriptions		975,346	816,479
Rates and taxes		199,217	205,308
Telephone, internet & postage expenses		186,055	170,818
Conveyance expenses		25,000	22,000
Motor cycle expense		376,710	282,960
Entertainment		56,880	46,332
Repairs and maintenance		457,810	250,415
Water charges		-	-
Gas charges		280,580	246,070
Cleaning expenses		11,770	15,600
Auditors' remuneration	20.2	734,400	641,400
Miscellaneous expenses		20,993	14,851
Depreciation	6.3	905,703	333,367
		20,813,093	17,487,740

20.1 This includes Rs. 1,288,478 (2022: Rs. 763,093) in respect of staff retirement benefits

Note
2023 <-----Rupees-----> 2022

20.2 AUDITORS' REMUNERATION**Audit Services**

Audit fee	500,000	500,000
Half yearly review	64,800	60,000
	564,800	560,000

Non-audit service

Tax advisory services	129,600	48,600
Sales tax @ 8%	40,000	32,800
	734,400	641,400

21 OTHER OPERATING EXPENSES

Workers Profit Participation Fund	326,441	350,128
Workers Welfare Fund	124,048	299,812
	450,489	649,940

22 FINANCE COSTS

Bank charges	13,788	13,297
	13,788	13,297

23 TAXATION

Current	7,314,755	4,260,331
Deferred	(5,563,582)	(2,504,359)
	1,751,173	1,755,972

23.1 Reconciliation between tax expense and accounting profit

Accounting profit for the year	6,078,335	6,352,619
Tax at the applicable tax rate of 29%	1,762,717	1,842,260
Tax effect of amounts / expenses that are inadmissible for tax purpose	708,203	590,359
Tax effect of amounts / expenses that are admissible for tax purpose	(80,866)	(149,586)
Tax effect of depreciation allowance for tax purpose	4,924,701	1,977,298
Effect of deferred tax	(5,563,582)	(2,504,359)
	1,751,173	1,755,972

23.2 Tax expense on items recognized in other comprehensive income

Remeasurements of defined benefit liability	(167,343)	252,593
---	------------------	---------

23.3 Management assessment on sufficiency of provision for income taxes

As per management's assessment, sufficient tax provision has been made on the company's financial statements. The comparison of tax provision as per financial statements viz-a-viz tax assessment for the last three years is as follows:

	2022	2021	2020	2019
Provision as per financial statements	4,260,331	3,876,672	3,280,930	3,678,912
Tax assessment	4,260,331	3,961,234	3,030,116	3,679,181
Difference	-	84,562	250,814	(269)

24 **EARNING PER SHARE - BASIC AND DILUTED**

	<-----Rupees----->
Profit after taxation	<u>4,327,162</u> <u>4,596,648</u>
	(Number of shares)
Weighted average number of ordinary shares outstanding	<u>300,000</u> <u>300,000</u>
Earnings per share - basic	<u>14.42</u> <u>15.32</u>

24.1 There are no dilutive potential ordinary shares outstanding as at June 30, 2023 and 2022.

25 **REMUNERATION OF CHIEF EXECUTIVE DIRECTORS AND EXECUTIVES**

	2023			2022		
	Chief Executive	Directors	Executives	Chief Executive	Directors	Executives
	Rupees			Rupees		
Meeting fee	-	-	-	-	-	-
Managerial remuneration	-	-	-	-	-	-
Basic Salary	-	-	-	-	-	-
House rent	-	-	-	-	-	-
Utilities	-	-	-	-	-	-
Conveyance	-	-	-	-	-	-
Staff retirement benefit	-	-	-	-	-	-
Others	-	-	-	-	-	-
	-	-	-	-	-	-
Number of person	<u>1</u>	<u>8</u>	<u>-</u>	<u>1</u>	<u>8</u>	<u>-</u>

In order to improve financial position of the company, the directors of the Company have decided to forgo fees, remuneration and other perquisites.

26 **TRANSACTIONS WITH RELATED PARTIES**

Related parties comprise associated companies, companies where directors also hold directorship, retirement benefits fund and key management personnel. Details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these financial statements, are as follows.

			2023	2022
			<-----Rupees----->	
Related Party	Relationship	Nature of transaction		
Transactions during the year;				
Staff retirement benefit	Other related party	Charge for the year	<u>2,318,032</u>	1,735,909
		Benefits paid	<u>154,800</u>	216,000
		Remeasurement loss	<u>(577,046)</u>	871,012
Balance at the year end;				
Staff retirement benefit	Other related party	Balance payable	<u>13,058,435</u>	11,472,249

27 **FINANCIAL INSTRUMENTS BY CATEGORY**

		2023	2022
		<-----Rupees----->	
Financial assets			
At amortized cost			
	Long term security deposits	948,174	948,174
	Trade debts	90,295,116	43,448,509
	Cash and bank balances	22,534,919	18,614,188
		<u>113,778,209</u>	<u>63,010,871</u>
Financial liabilities			
At amortized cost			
	Trade and other payables	57,080,766	9,666,592
	Unclaimed dividend	2,222,775	2,127,128
		<u>59,303,540</u>	<u>11,793,720</u>

28 FINANCIAL RISK MANAGEMENT

The company's activities expose it to a variety of financial risk, market risk, credit risk and liquidity risk. The company's overall risk management programme focuses on having cost efficient funding as well as to manage financial risk to minimize earning volatility and provide maximum return to shareholders

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

28.1 Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing returns.

28.2 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly where receivables and payables exist due to transactions entered in foreign currencies. As at June 30, 2023, the company is not exposed to currency risk.

28.3 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. Majority of the interest rate risk arises from long and Short term borrowings from financial institutions. As at June 30, 2023, the interest rate risk profile of the Company's doesn't have any interest-bearing financial instrument.

28.4 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. As at June 30, 2023 the Company is not exposed to price risk.

28.5. Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. The Company does not have any significant exposure to customers from any single customer.

Credit risk of the Company arises principally from trade debts, advances, deposits, other receivables and bank balances. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows:

		2023	2022
	Note	<-----Rupees----->	
Trade debts	28.5.1	90,295,116	43,448,509
Long term deposits		948,174	948,174
Bank balances		21,904,485	18,587,575
		<u>113,147,775</u>	<u>62,984,258</u>

28.5.1 Set out below is the information about the credit risk exposure on the Company's trade debts

	Trade debts	
	<-----Rupees----->	
	June 30, 2023	June 30, 2022
30 days	54,177,070	26,069,105
31 to 90 days	28,894,437	13,903,523
91 to 180 days	7,223,609	3,475,881
180 days to 1 year	-	-
Over 1 year	-	-
	90,295,116	43,448,509

Concentration of credit risks exists when changes on economic and industry factors similarly affect the group of counter parties whose aggregated credit exposure is significant on relation to the company's total credit exposure . The company's financial assets are broadly diversified and transactions are entered into with diverse credit worthy parties, thereby mitigating any significant concentration risk. Therefore, the company believes that it is not exposed to major concentration of credit risk.

However, impairment analysis is always performed as each reporting date using a provision matrix to measure expected credit losses. Generally trade debtors are written off if past due for more than one year and are not subject to enforcement activity.

Other financial assets at amortised cost includes advances, deposits and other receivables.

The credit quality of balances with banks can be assessed by reference to external credit ratings as shown below:

Bank	Rating agency	Long - term Rating	Short - term Rating	2023	2022
				----- (Rupees) -----	
United Bank Limited	JCR-VIS	AAA	A1+	726,313	2,257,080
Bank Al Falah Limited	PACRA	AA+	A1+	5,500,157	10,369,053
Bank Al-Habib Limited	PACRA	AAA	A1+	14,688,613	2,724,634
Habib Metro Bank Limited	PACRA	AA+	A1+	180,594	2,799,237
MCB Bank Limited	PACRA	AAA	A-1+	808,806	437,571
				21,904,484	18,587,575

28.6. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or would have difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The following are the contractual maturities of financial liabilities, including interest payments, excluding the impact of netting agreements:

	Contractual cashflows		
	Maturity within one year	Maturity after one year	Total
	Rupees		
2023			
Trade and other payables	57,080,766	-	57,080,766
Unclaimed dividend	2,222,775	-	2,222,775
	59,303,540	-	59,303,540
2022			
Trade and other payables	9,666,592	-	9,666,592
Unclaimed dividend	2,127,128	-	2,127,128
	11,793,720	-	11,793,720

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages liquidity risk by maintaining sufficient cash and bank balances and availability of financing through banking arrangements, which includes Short term finances.

29 FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying value of all the financial instruments reflected in the financial statements approximates to their fair values.

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. The carrying values of all financial assets and liabilities reflected in the financial statements approximate to their fair values.

Fair value hierarchy;

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 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 measurements 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 30 June, 2022, the company has no financial instruments that falls into any of the above category. There were no transfer between level 1, 2 and 3 in the year.

30 CAPITAL RISK MANAGEMENT

The objective of the company when managing capital i-e its shareholder's equity is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits to other stakeholders; and to maintain a strong capital base to support the sustained development of its businesses.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders.

The company manage its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions consistent with others in the industry. The company manages its capital risk by monitoring its liquid assets and keeping in view future investment requirements and expectation of the shareholders.

As at June 30, 2023 and 2022, the company had surplus reserves to meet its requirements.

31 ENTITY-WIDE INFORMATION

31.1 The Company constitutes of a single reportable segment.

31.2 Information about products

The Company's principal classes of products accounted for the following percentages of sales:

	2023	2022
	Percentage	
Maida I	25%	28%
Maida II	5%	4%
Atta	30%	19%
Katta Packings	29%	36%
Bran	12%	14%
Refraction	0%	0%
	<u>100%</u>	<u>100%</u>

31.3 Information about geographical areas

The Company does not hold non-current assets in any foreign country. Revenues from external customers attributed to foreign countries in aggregate are not material in the overall context of these financial statements.

31.4 Information about major customers

The Company does not have transactions with any external customer which amount to 10 percent or more of its revenues.

32. CAPACITY AND PRODUCTION

The tentative capacity recognized by the Food Department, Government of Sindh is 257,500 Kgs per day on working of 24 hrs basis.

The actual production was as under:

Products	2023	2022
	<----- Kgs ----->	<----- Kgs ----->
Maida I	3,860,450	4,763,150
Maida II	776,900	680,300
Atta	5,382,100	3,672,400
Katta - Polythene bags	6,411,740	7,558,850
Bran	3,763,494	4,017,780
Refraction - by product	26,430	72,420
	<u>20,221,114</u>	<u>20,764,900</u>

The production decreased by about 543.78 M.T during the year compared to the last year production. The company could not utilize its full capacity due to:

- a) Non-availability of sufficient quantity of wheat in open market as Govt food department imposed ban on movement of wheat from one province to other and one district to other from time to time.
- b) Fixation of wheat quota by the Food Department.
- c) Shortage of wheat during off season.
- d) Less production of wheat crops in Pakistan and Sindh in particular, which added to the shortage of wheat.

33. NUMBER OF EMPLOYEES

	Number	
Number of employees at the year end	<u>42</u>	<u>44</u>
Average number of employees during the year	<u>42</u>	<u>43</u>

34. NON-ADJUSTING EVENTS AFTER THE DATE OF STATEMENT OF FINANCIAL POSITION

The Board of Director have proposed a final dividend for the year ended June 30, 2023 for Rs: 3.00 (2022: Rs: 3.00) per ordinary share, amounting to Rs: 900,000 (2022: Rs. 900,000/-) at their meeting held on **September 15 ,2023** . The proposed dividend will be approved in the forthcoming annual general meeting of the Company.

These financials statements do not reflect the proposed dividend, which will be accounted for in the statement of changes of equity as appropriator from unappropriated profit in the year ending June 30, 2024.

35. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purposes of comparison and better presentation. No major reclassification was made during the year.

36. DATE OF AUTHORIZATION OF FINANCIAL STATEMENTS

These financial statements were approved and authorized for issue on **15th September, 2023** by the Board of directors of the company.

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

GOODLUCK INDUSTRIES LIMITED

PATTERN OF SHARE HOLDING

As at 30th June 2023

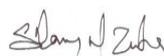
Number of Shareholders	Share holding		Total Shares held
	From	To	
25	1	100	1,730
19	101	500	5,855
8	501	1,000	6,900
13	1,001	5,000	23,489
6	5,001	10,000	50,400
3	10,001	15,000	35,639
2	15,001	20,000	34,937
0	20,001	25,000	-
1	25,001	30,000	-
3	30,001	60,000	141,050
80			300,000

Categories of share holders	Number	Share held	Percentage
<u>Associated Companies Undertakings and related parties</u>		0	0
<u>NIT and ICP</u>		1	50
<u>Directors, CEO, & their Spouse and Minor Children</u>		8	
Ashfaq		16,000	5.33
Muhammad Usman		8,000	2.67
Fahad		6,400	2.13
Shamshul-Haque		40,800	13.60
Shamsul-Zuha		40,250	13.42
Naveen Shams		400	0.13
Zahida		1,500	0.50
Afsheen Ashfaq		10,000	3.33

Categories of share holders	Number	Share held	Percentage
<u>Public Sector Companies and Corporations</u>		0	
<u>Bank, Development Finance/Institution Non-Banking Finance Institution Insurance Companies, Modarbas and Mutual Funds</u>		0	
<u>Share holding 10 percent or more voting interest in the Company</u>			
<u>Individuals</u>			
Holding more than 10%	1	60,000	20
Holding less than 10%	70	116,600	38.87
	80	300,000	100.00



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

PROXY FORM

I / We _____
of _____
being a member of **GOODLUCK INDUSTRIES LIMITED** and holder of _____
ordinary shares as per Share Register Folio No. _____ and / or CDC Participant I.D.
No. _____ and Sub Account No. _____
hereby appoint _____ of _____
_____ or failing him _____
of _____
as my proxy to vote for me and on my behalf at the Annual General Meeting of the Company to be held on
October 14, 2023 and at any adjournment thereof.

Signed this _____ day of _____ 2023

WITNESS:

1 Signature _____
Name _____
Address _____
CNIC / Passport No. _____

Signature



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

2 Signature _____
Name _____
Address _____
CNIC / Passport No. _____

Note: Proxies, in order to be effective, must be received by the Company not less than 48 hours before the meeting. A proxy must be a member of the Company.

CDC Shareholders and their proxies are each requested to attach an attested photocopy of their Computerized National Identity Card or Passport with this proxy form before submission to the Company

تشکیل نیابت داری

میں/ہم _____
 ساکن _____ بحیثیت ممبر گڈ لک انڈسٹریز لمیٹڈ کے _____
 رکن و حامل _____ عام حصص بمطابق شیئرز رجسٹر فو لیو نمبر _____
 اور/یا سی ڈی سی کے شراکتی آئی ڈی نمبر _____ اور ذیلی کھاتہ نمبر _____
 محترم/محترمہ _____ ساکن _____
 یا بصورت دیگر محترم/محترمہ _____ ساکن _____
 کو اپنی جگہ 14 اکتوبر 2023 کو منعقد یا ملتوی ہونے والے سالانہ اجلاس عام میں رائے دہندگی کے لئے اپنا نمائندہ مقرر کرتا/کرتی ہوں/کرتے ہیں۔

گواہ:

1 دستخط _____
 نام _____
 پتہ _____

ریونیٹنگ چپاں کریں

دستخط

سی این آئی سی یا پاسپورٹ نمبر _____
 2 دستخط _____
 نام _____
 پتہ _____

(دستخط کمپنی میں پہلے سے موجود
 نمونے کے مطابق ہونے چاہئیں)

سی این آئی سی یا پاسپورٹ نمبر _____

نوٹ: پرائیکسز کے مؤثر ہونے کیلئے ضروری ہے کہ ان کی تفصیل اجلاس شروع ہونے سے 48 گھنٹے قبل کمپنی کو موصول ہو جائے۔ یہ ضروری ہے کہ پرائیکسز کمپنی کارکن ہو۔

سی ڈی سی شیئرز ہولڈرز اور ان کے پرائیکسز سے گزارش ہے کہ وہ پرائیکسز فارم پیش کرنے سے قبل اپنے کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقل اپنے پرائیکسز فارم کے ساتھ ضرور منسلک کر لیں۔

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