

73rd Annual Report 2024



HAFIZ LIMITED

Company Information 2024

Board of Directors : *Muhammad Farooq Usmani* Chairman & Director
: *Fakhruddin Usmani* CEO & Executive Director
: *Quamruddin Osmani* Executive Director
: *Mahmood Wali Muhammad* Non-Executive Director
: *Huma Javaid* Independent Director
: *Kamran Ahmed* Independent Director
: *Muhammad Shazad Fakir* Non-Executive Director

Board of Audit Committee

Chairman : *Kamran Ahmed*
Members : *Muhammad Farooq Usmani*
Mahmood Wali Muhammad

Board of Human Resource Committee

Chairman : *Fakhruddin Usmani*
Members : *Quamruddin Osmani*
Huma Javaid

Chief Financial Officer : *Ali Mubeen Hashmi*
Company Secretary : *Ali Muhammad Usmani*
Bankers : *Habib Metropolitan Bank Ltd.*
: *HBL Islamic Bank Limited*
: *MIB Islamic Bank Limited*
: *National Bank of Pakistan*

Auditors : *FORV/S MAZARS M.F. & Co.*
Chartered Accountants,
Karachi.

Shares Registrar : *F.D. Registrar Service Ltd*
1705, 17th Floor, Saima Trade Tower-A
I. I. Chundrigar Road, Karachi-74000

Registered Office : *97, Alliance Building, 2nd Floor,*
Moolji Street, Mereweather Tower,
Karachi-74000.

Mill at : *D-9, S.I.T.E., Karachi.*
Webside : *www.hafiztm.com*
Email : *htm1951@hotmail.com*

VISION AND MISSION STATEMENT

While keeping our fundamentals correct we shall build upon our recognition as a very good company known and established for our principled and honest business practices and continue to strive for high standards of quality to regain the reputation earned duly in last Seventy Three years.

We are committed to the higher expectations of our customers and through optimum utilization of available resources, make the Company viable and profitable so as to generate adequate profit to make reasonable returns on shareholders equity.

CONTENTS

Company Information	1
Vision & Mission Statement	2
Notice of Meeting	3-4
Chairman Review Report	5-6
Directors Report	7-10
Key Operating and Financial Results	11
Statement of Compliance with Code of Corporate Governance	12-13
Independent Auditors' Review Report	14
Independent Auditors' Report	15-17
Statement of Financial Position	18
Statement of Profit or Loss	19
Statement of Comprehensive Income	20
Statement of Change in Equity	21
Statement of Cash Flows	22
Notes to the Accounts	23-44
Pattern of Shareholding	45
Dividend Mandate Form	46
Form of Proxy	47



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 73rd Annual General Meeting of shareholders of the HAFIZ LIMITED will be held Insha-Allah on Thursday, 24th October, 2024 at 2:30 p.m. at the Registered Office of the Company, 97, Alliance Building, 2nd Floor, Moolji Street, Mereweather Tower, Karachi for the following purposes:

Ordinary Business:

1. To confirm the Minutes of last Annual General Meeting held on 24th October, 2023.
2. To receive, consider and adopt the Annual Audited Accounts of the company for the year ended 30th June, 2024 together with the Directors' and Auditors' reports thereon.

In accordance with Section 223 of the Companies Act, 2017, and pursuant to S.R.O. 389(I)/2023 dated March 21, 2023, the financial statements of the Company have been uploaded on the website of the Company which can be downloaded from the following web link and QR enabled code:

3. To approve as recommended by the directors, the payment of Cash Dividend @ 25% Rs.2.5/- per share for the year ended 30th June, 2024.
4. To appoint Auditors for the year ending 30th June, 2025 and to fix their remuneration.

Special Business:

5. To elect Seven (7) Directors as fixed by the Board of Directors in accordance with provisions of section 159 of Companies Act, 2017 for a term of three (3) years commencing from October 30, 2024. All retiring directors shall be eligible to offer themselves for re-election. The names of the retiring directors are:

i) Fakhruddin Usmani ii) Quamruddin Osmani iii) Muhammad Farooq Usmani
iv) Mahmood Wali Muhammad v) Huma Javed vi) Muhammad Shazad Fakhir
vii) Kamran Ahmed

6. To consider and if thought fit, approve the increase in the Director's fee and to pass the ordinary resolution as proposed in the Statement of Material Facts.
The Statement of Material Facts providing the information as required under Section 134 (3) of the Companies Act, 2017 is appended below.

Any Other Business:

7. To transact any other business of the Company with the permission of the Chair.

By order of the Board
Ali Muhammad Usmani
Company Secretary



Notes:

1. Closure of Share Transfer Books:

The Share Transfer Books of the Company will remain closed from October 17, 2024 to October 24, 2024 (both days inclusive). Transfer received in order at our Share Registrar/Transfer agent, M/s. F.D. Registrar Services (Pvt) Ltd. 1705, 17th Floor, Saima Trade Tower-A, I.I. Chundrigar Road, Karachi-74000, at the close of business on October 16, 2024 will be considered in time for the purpose of above entitlement to the transferees.

2- Participation in the Annual General Meeting:

i) A member, who has deposited his/her shares into Central Depository Company of Pakistan Limited, must bring his/her participant's ID number and CDC account/sub-account number along with original Computerized National Identity Card (CNIC) or original Passport at the time of attending the meeting.

ii) A member entitled to attend and vote at the Annual General Meeting may appoint another member as his/her proxy to attend, speak and vote instead of him/her.

Members whose names appear in the Register of Members as of October 16, 2024, are entitled to attend and vote at the AGM. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend, speak and vote for him / her.

iii) Form of proxy, in order to be valid must be properly filled-in/executed and received at the registered office of the Company situated at 97, Alliance Building, 2nd Floor, Moolji Street, Mereweather Tower, Karachi not later than 48 hours before the time of the meeting.

3. Participation in the AGM through video conferencing:

To attend the AGM through video-conferencing facility, members are requested to register themselves by providing the following information through email at **htm1951@hotmail.com** at least forty-eight (48) hours before the AGM:

(i) Name of Member; (ii) CNIC / NTN No.; (iii) Folio No. / CDC IAS No.; (iv) Cell No.; and (v) Email Address.

(ii) Members will be registered, after necessary verification as per the above requirement and will be provided link via email

4. E-Voting/ Postal Ballot:

The shareholders are allowed to exercise the right of votes through e-voting/ballot, subject to the provision of companies act 2017 and companies postal ballot regulation 2018, if the number of person offered themselves to be elected is more than the number of directors are fixed under section 159(1) of the companies act 2017

5- Payment of Cash Dividend Electronically (E-Dividend Mechanism):

As per provision of Section 242 of Companies Act, 2017 any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders and SECP vide S.R.O.1145(I)/2017 (as amended) directed all shareholders to provide their valid International Bank Account Numbers (IBAN) to receive cash dividend electronically. The shareholders are hereby advised to provide details of their bank mandate specifying: **(i) Title of Account, (ii) IBAN, (iii) Bank Name, (iv) Branch Name and Address** to the Company's Share Registrar, shareholders who hold shares with Participants/CDC are advised to provide the mandate to the concerned Broker /Participant /CDC Investor account services.



6- Change in Address

Members holding shares in physical form are requested to promptly notify Share Registrar of the Company of any change in their addresses. Shareholders maintaining their shares in electronic form should have their address updated with their participant or CDC Investor Accounts Service.

7- Submission of Copies of CNIC (Mandatory):

Pursuant to the Notification SRO.275(I)/2016 dated March 31, 2016 read with S.R.O.19(I)/2014 dated January 10, 2014 and SRO.831(I)/2012 dated July 5, 2012 of the Securities & Exchange Commission of Pakistan (SECP), Dividend Warrant(s) shall mandatorily bear the Computerized National Identity Card (CNIC) numbers of shareholders. Shareholders are therefore requested to fulfill the statutory requirements and submit a copy of their CNIC or NTN in case of corporate entities (if not already provided) to the Company's Share Registrar.

In case of non-availability of a valid copy of the Shareholders' CNIC in the records of the Company, the Company shall be constrained to withhold the Dividend Warrants, which will be released by the Share Registrar only upon submission of a valid copy of the CNIC in compliance with the aforesaid SECP directives.

8- Withholding Tax on Dividend:

Government of Pakistan through Finance Act, 2019, has made certain amendments in withholding tax provision by substituting the definition of "Filers" with "Active Taxpayer List" (ATL), whereby the company is required to collect tax on dividend under Section 150 of the Income Tax Ordinance, 2001 from the person not appearing in the ATL at the rates specified in the Ordinance as increased by 100%. These tax rates are as under:

(a) For persons appearing in Active Taxpayer List **15%**. **(b)** For persons not appearing in Active Taxpayer List **30%**. Shareholders who are filers, are advised to make sure that their names are entered into latest ATL provided on the website of FBR at the time of dividend payment, otherwise they shall be treated as person not appearing in ATL and tax on their cash dividend will be deducted at the rate of 30% instead of 15%.

For Joint Shareholders:

For shareholders holding their shares jointly as per the clarification issued by the Federal Board of Revenue, withholding tax will be determined separately as per status of their names appearing in the ATL for principal shareholder as well as joint-holder(s) based on their shareholding proportions. Therefore, all shareholders who hold shares jointly are required to provide shareholding proportions of principal shareholder and joint-holder(s) in respect of shares held by them to our Share Registrar in writing as follows:

Company Name	Folio/CDS Account #	Total Shares	Principal Shareholder		Joint Shareholder	
			Name and CNIC #	Shareholding Proportion (No. of Shares)	Name and CNIC #	Shareholding Proportion (No. of Shares)

The required information must reach our Shares Registrar within 10 days of this notice; otherwise, it will be assumed that the shares are equally held by Principal shareholder and Joint Holder(s).

Corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the company or Registrar of company. Shareholders while sending NTN or NTN certificates, as the case may be, must quote company name and their respective folio numbers. Without the NTN company would not be in a position to check filer status on the ATL and hence higher tax of 30% may be applied in such cases.

9- Transmission of Audited Financial Statements / Notices Through E-mail:

As notified by the SECP vide SRO.787(I)/2014 dated September 8, 2014, all listed companies are allowed to circulate audited financial statements along with notice of annual general meetings to its shareholders through their e-mail addresses subject to written consent of the shareholders.

Shareholders of the company who wish to receive audited financial statements, notice of general meetings and other financial reports through e-mail are requested to fill the required information on the form is as under:



Name of Shareholder	Folio / CDC Account Number	Email Address (requested to notify immediately for any change)	Contact Number.	CNIC Number (Attach visible & valid copy)	Signature of the Shareholder

The above duly filled form may please be send to Share Registrar of the Company.

10 - Deposit of Physical shares into CDC Account

The shareholders having shares in physical form are advised to open CDC sub-account with any of the brokers or Investor Account directly with the CDC, to place their shares in scrip-less form, this will facilitate them in many ways including safe custody and sale of shares at any time they want, as the trading of physical shares is not permitted as per existing regulations of Pakistan Stock Exchange Limited.

Further, Section 72 of the Act states that after the commencement of this Act from a date notified by the Commission, a company having share capital, shall have shares in book-entry form only. Every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of this Act.

11 - Form of Proxy is enclosed.

Statement under Section 134(3) of the Companies Act, 2017

The following statement sets out the material facts pertaining to the special business to be transacted in the 73rd Annual General Meeting of the company to be held on Thursday, October 24, 2024:

Agenda Item No. 6

The Board of Directors, on the recommendations of Board Human Resource & Remuneration Committee (BHR&RC) has decided to increase the Fee from Rs.5,000/ to Rs. 15,000 per meeting paid to Independent Directors as well as Non-Executive Director for attending the meetings of the Board w.e.f. July 01, 2024.

The decision to increase the fees has been made to compensate for the time and efforts required to discharge director's obligations and to value their skills and expertise in managing the affairs of the Board and Board's Committees. In term of the "Board Remuneration Policy", the payments and increase in the director's fees is being presented to the Shareholders of the company for their approval by passing the following resolution as an Ordinary Resolution, if thought fit:

"Resolved that the Fee Rs.15,000/ per meeting paid to Independent Directors as well as Non-Executive Directors for attending the meetings of the Board w.e.f. July 01, 2024 be and is hereby approved."

The Directors of the company have no personal interest, directly or indirectly, in the above-mentioned special business that would require further disclosure except to the extent of their remuneration.

Statement under Section 166(3) of the Companies Act, 2017

In term of section 159(1) of the companies Act 2017, the directors have fixed the number of elected Directors at Seven (7) to be elected in AGM for the period of three years.

Independent Directors will be elected through the process of election of Directors in term of Section 159 of Companies Act 2017 and they shall meet the criteria laid down in section 166 of the act, and Companies (Manner and Selection of Independent Directors) Regulation 2018.

The Present Directors are interested to the extent that are eligible for re -election as Directors of the company.



REVIEW REPORT BY THE CHAIRMAN

It is an honor to present review report to the stakeholders of **Hafiz Limited** (the “Company”) on the overall performance of the Board of Directors (the “Board”) for the year end 30th June, 2024.

During the year, HAFIZ LIMITED effectively manages the legal and governance framework with respect to Companies Act 2017 and Listed Companies Code of Corporate Governance (CCG) Regulation 2019. The company effectively complied with CCG in conducting audit and HR Remuneration committee meetings, annual evaluation of the board and performance evaluation to ensure the compliance should be adopted smooth direction.

Despite the fact, that Pakistan is facing certain economic and political challenges the Board has developed an assessment of the Company’s objectives, strategies and business & financial performance by timely interacting with the management on regular basis to ensure its sustainability.

By the Grace of Almighty Allah, during current period, company successfully manage to grow and sustain by adopting what seems fit as feasible strategies.

The Board in an effort to grow, shall continue to play a key role in making company a viable unit in long run. Promoting its success and performance and assisting the management to conduct operations in alignment with the policy and strategy approved by the Board while keeping in view the principles of good corporate governance.

On behalf of our company, I wish to acknowledge the contribution of the management, all our employees, and our valued shareholders, for their confidence, continued support and commitment to the Company.

Muhammad Farooq Usmani
Chairman

Karachi:
3rd October, 2024.

چیرمین کی جانب سے جائزہ رپورٹ

30 جون 2024 کے اختتام پر بورڈ آف ڈائریکٹرز ("بورڈ") کی مجموعی کارکردگی پر حافظ لمیٹڈ ("کمپنی") کے اسٹیک ہولڈرز کو جائزہ رپورٹ پیش کرنا اعزاز کی بات ہے۔

ریگولیشن (CCG) کمپنیز ایکٹ 2017 اور لسٹڈ کمپنیز کوڈ آف کارپوریٹ گورننس HAFIZ LIMITED، سال کے دوران 2019 کے حوالے سے قانونی اور گورننس کے فریم ورک کو مؤثر طریقے سے منظم کرتا ہے۔ بورڈ اور کارکردگی کی جانچ پڑتال کو یقینی بنانے کے لیے ہموار سمت اختیار کی جانی چاہیے۔

اس حقیقت کے باوجود کہ پاکستان کو بعض اقتصادی اور سیاسی چیلنجز کا سامنا ہے، بورڈ نے کمپنی کے مقاصد، حکمت عملیوں اور کاروباری اور مالیاتی کارکردگی کا جائزہ تیار کیا ہے تاکہ اس کی پائیداری کو یقینی بنانے کے لیے انتظامیہ کے ساتھ بروقت بات چیت کی جائے۔

اللہ تعالیٰ کے فضل و کرم سے، موجودہ دور میں، کمپنی کامیابی کے ساتھ قابل عمل حکمت عملیوں کو اپنا کر ترقی اور برقرار رکھنے کا انتظام کرتی ہے۔

بورڈ ترقی کی کوشش میں، کمپنی کو طویل مدت میں ایک قابل عمل یونٹ بنانے میں کلیدی کردار ادا کرتا رہے گا۔ اس کی کامیابی اور کارکردگی کو فروغ دینا اور اچھی کارپوریٹ گورننس کے اصولوں کو مد نظر رکھتے ہوئے بورڈ کی طرف سے منظور شدہ پالیسی اور حکمت عملی کے مطابق کام کرنے میں انتظامیہ کی مدد کرنا۔

ہماری کمپنی کی جانب سے، میں انتظامیہ، اپنے تمام ملازمین، اور ہمارے قابل قدر شیئر ہولڈرز کے اعتماد، مسلسل تعاون اور کمپنی کے ساتھ وابستگی کے لیے ان کے تعاون کا اعتراف کرنا چاہتا ہوں۔

کراچی

3 اکتوبر 2024



محمد فاروق عثمانی

چیرمین



DIRECTORS REPORT

To start with the name of Almighty Allah - the most Gracious, and Merciful, and blessing upon our beloved Prophet Peace be upon him.

The Board of Director of your company are pleasure to present the 73rd Annual Report together with the audited financial statements of your company and auditor's report thereon for the year ended June 30, 2024.

Operating Results	2024	2023
	(Rupees)	(Rupees)
<i>Net profit before taxation</i>	43,420,157	30,195,993
<i>Taxation</i>	7,438,604	6,802,540
<i>Net profit after taxation</i>	35,981,553	23,393,453
Appropriation:		
<i>Proposed Final Dividend 25% (2024:20%)</i>	3,000,000	2,400,000
<i>Earnings per share</i>	29.98	19.49

Review:

By the grace of Almighty Allah, the current year, despite some volatile political and economic scenarios, the company report some good and sustained profit. The company is incorporating every possible and calculated effort to expand its business as the company is privilege to be among one of the oldest unit in Pakistan.

As the various internal and external economic indicators are bit under uncertain pressure, along with geopolitical situation is also a matter of evaluation, which has some impact on Pakistan economy as well. The oil price fluctuation, and International Monetary Fund reviews, high rates of electricity tariff are having major impact, whereas some good prospect like reducing policy rates, and some sort of stability in Rupee value has some neutral impact. These all scenarios are under a limelight for company evaluation, along with some other factors as well to decide the expansion plan. Your company is in collaboration as a member on different forums to work of feasible dimensions to expand the business.

Future Outlook:

Although some relief in policy rates, but these are not enough unless it comes down to single digit at least. On the other hand, present Government is putting effort in aligning business community to get some good outcomes and industrial reforms. But by considering domestic and international scenarios, your company is having neutral stance related to industrial growth at masses. So the company is pursuing the current strategy for the period thereon, unless some feasible industrial policies by government.

Dividend:

The Board of Director of your company has announced the final dividend of 25% i.e., Rs.2.5/- per share for the year ended June 2024 to the shareholders of the company.

**Auditors:**

The present auditors M/s. Mazars M.F. & Co., Chartered Accountants retire and offer themselves for re-appointment. As suggested by the audit committee, the Board recommends their appointment as Auditors for the Company for the year ended June 30, 2025.

Pattern of Shareholding:

The detailed pattern of shareholding as required by the Companies Act, 2017 and the statement of compliance with code of corporate governance 2019 is enclosed.

Number of Board Meetings:

The statement showing the attendance of Directors in BOD meetings is as under:

Serial Number	Name of Directors	Number of BOD Meetings			
		Held	Attended	Leave Granted	Resigned /Appointment
1	Mr. Fakhruddin Usmani	5	5	0	
2	Mr. Quamruddin Osmani	5	5	0	
3	Mr. Muhammad Farooq Usmani	5	5	0	
4	Mr. Mahmood Wali Muhammad	5	5	0	
5	Mrs. Huma Javaid	5	1	4	
6	Mr. Kamran Ahmed	5	5	0	
7	Mr. Muhammad Shazad Fakir	5	5	0	

Audit Committee, Human Resource Committees, Nomination Committee and Risk Management Committee:

The board in compliance with the code of corporate governance has constituted the following committees comprising of the following members:

Audit Committee		Human Resource Committee	
Mr. Kamran Ahmed	Chairman	Mr. Fakhruddin Usmani	Chairman
Mr. Muhammad Farooq Usmani	Member	Mr. Quamruddin Osmani	Member
Mr. Mahmood Wali Muhammad	Member	Mr. Muhammad Shazad Fakir	Member



<i>Nomination Committee</i>		<i>Risk Management Committee</i>	
<i>Mr. Mahmood Wali Muhammad</i>	<i>Chairman</i>	<i>Mr. Quamruddin Osmani</i>	<i>Chairman</i>
<i>Mr. Fakhruddin Usmani</i>	<i>Member</i>	<i>Mr. Fakhruddin Usmani</i>	<i>Member</i>
<i>Mr. Muhammad Shazad Fakir</i>	<i>Member</i>	<i>Mrs. Huma Javaid</i>	<i>Member</i>

During the year under review, the committees have performed its function satisfactory and in accordance with the code of corporate governance.

Acknowledgement:

In the end, we pray Almighty Allah to guide us to select the project, which is not only feasible, but also transparent in nature. We also thank our stakeholders for being with us, and we ensure that the name HAFIZ LIMITED will never let your trust down.

FOR AND ON BEHALF OF THE BOARD

FakhruddinUsmani
Chief Executive Officer

Karachi:
3rd October, 2024.



ڈائریکٹرز کی رپورٹ

سب سے پہلے اللہ کے نام سے شروع کریں جو ہمارے محبوب نبی صلی اللہ علیہ وسلم پر سب سے زیادہ مہربان اور رحم کرنے والے ہیں۔ آپ کی کمپنی کا بورڈ آف ڈائریکٹرز آپ کی کمپنی کے آڈٹ شدہ مالیاتی بیانات اور 30 جون 2024 کو ختم ہونے والے سال کے لیے آڈیٹر کی رپورٹ کے ساتھ 73 ویں سالانہ رپورٹ پیش کرنے پر خوش ہے۔

آپریٹنگ نتائج

2023 (روپے)	2024 (روپے)	
30,195,993	43,420,157	ٹیکس سے پہلے خالص منافع
6,802,540	7,438,604	ٹیکس
23,393,453	35,981,553	ٹیکس کے بعد خالص منافع
		تصرف:
2,400,000	3,000,000	مجوزہ حتمی منافع 25% (2023 : 20%)
		ذخائر میں منتقلی
19.49	29.98	فی حصص آمدنی

جائزہ اللہ کے فضل سے، رواں سال، کچھ غیر مستحکم سیاسی اور معاشی منظر ناموں کے باوجود، کمپنی کچھ اچھے اور مستقل منافع کی اطلاع دیتی ہے۔ کمپنی اپنے کاروبار کو بڑھانے کے لیے ہر ممکن اور سوچی سمجھی کوشش کر رہی ہے کیونکہ کمپنی کو پاکستان کی قدیم ترین اکائیوں میں سے ایک ہونے کا اعزاز حاصل ہے۔

چونکہ مختلف اندرونی اور بیرونی معاشی اشارے قدرے غیر یقینی دباؤ میں ہیں، اس لیے جغرافیائی سیاسی صورتحال کے ساتھ ساتھ تشخیص کا معاملہ بھی ہے، جس کا پاکستانی معیشت پر بھی کچھ اثر پڑتا ہے۔ تیل کی قیمتوں میں اتار چڑھاؤ، اور بین الاقوامی مالیاتی فنڈ کے جائزے، بجلی کے نرخوں کی اونچی شرحوں کا بڑا اثر پڑ رہا ہے، جبکہ کچھ اچھے امکانات جیسے پالیسی کی شرحوں کو کم کرنا، اور روپے کی قیمت میں کسی طرح کی ترقی کے ساتھ ساتھ کچھ غیر جانبدار اثر ڈالتا ہے۔ توسیع کے منصوبے کا فیصلہ کرنے کے لیے کچھ دیگر عوامل کے ساتھ ساتھ یہ تمام منظر نامے کمپنی کی تشخیص کے لیے سرخیوں میں ہیں۔ آپ کی کمپنی کاروبار کو بڑھانے کے لیے قابل عمل جہتوں پر کام کرنے کے لیے مختلف فورمز پر ایک رکن کے طور پر تعاون میں ہے۔

مستقبل کا نقطہ نظر

اگرچہ پالیسی کی شرحوں میں کچھ راحت ہے، لیکن یہ تب تک کافی نہیں ہیں جب تک کہ یہ کم از کم ایک ہندسوں تک نہ آجائے۔ دوسری طرف، موجودہ حکومت کچھ اچھے نتائج اور صنعتی اصلاحات حاصل کرنے کے لیے کاروباری برادری کو مربوط کرنے کی کوشش کر رہی ہے۔ لیکن ملکی اور بین الاقوامی منظر ناموں پر غور کرتے ہوئے، آپ کی کمپنی کا عوام میں صنعتی ترقی سے متعلق غیر جانبدارانہ موقف ہے۔ لہذا کمپنی اس مدت کے لیے موجودہ حکمت عملی پر عمل پیرا ہے، جب تک کہ حکومت کی طرف سے کچھ قابل عمل صنعتی پالیسیاں نہ ہوں۔

ڈیویڈنڈ

فی Rs. 2.5/- آپ کی کمپنی کے بورڈ آف ڈائریکٹرز نے کمپنی کے شیئر ہولڈرز کو جون 2024 کو ختم ہونے والے سال کے لئے 25% یعنی حصص کے حتمی منافع کا اعلان کیا ہے۔



بورڈ کے اجلاسوں کی تعداد:

بی او ڈی اجلاسوں میں ڈائریکٹرز کی حاضری کو ظاہر کرنے والا بیان درج ذیل ہے:

سیریل نمبر	ڈائریکٹرز کے نام	بی او ڈی میٹنگوں کی تعداد		
		منعقد کیا گیا	شرکت کی	رخصت کی اجازت دی گئی
1	جناب فخر الدین عثمانی	5	5	0
2	جناب قمر الدین عثمانی	5	5	0
3	جناب محمد فاروق عثمانی	5	5	0
4	مسز ہما جاوید	5	4	1
5	جناب محمود ولی محمد	5	5	0
6	جناب کامران احمد	5	5	0
7	جناب محمد شزاد فاخر	5	5	0

آڈٹ کمیٹی، ہیومن ریسورس کمیٹیاں، نامزدگی کمیٹی اور رسک مینجمنٹ کمیٹی:

بورڈ نے کارپوریٹ گورننس کے کوڈ کی تعمیل میں مندرجہ ذیل کمیٹیاں تشکیل دی ہیں جن میں درج ذیل ممبران شامل ہیں:

آڈٹ کمیٹی		ہیومن ریسورس کمیٹی	
جناب کامران احمد	چیئر مین	جناب فخر الدین عثمانی	چیئر مین
جناب محمد فاروق عثمانی	رکن	جناب قمر الدین عثمانی	رکن
جناب محمود ولی محمد	رکن	مسز ہما جاوید	رکن

نامزدگی کمیٹی		رسک مینجمنٹ کمیٹی	
جناب محمود ولی محمد	چیئر مین	جناب محمد شزاد فاخر	چیئر مین
جناب فخر الدین عثمانی	رکن	جناب فخر الدین عثمانی	رکن
جناب محمد شزاد فاخر	رکن	جناب قمر الدین عثمانی	رکن

جائزہ کے تحت سال کے دوران، کمیٹیوں نے اطمینان بخش اور کارپوریٹ گورننس کے کوڈ کے مطابق اپنے کام کو انجام دیا ہے۔

اعتراف:

آخر میں ہم اللہ تعالیٰ سے دعا گو ہیں کہ وہ ہمیں اس منصوبے کا انتخاب کرنے کی توفیق عطا فرمائے جو نہ صرف قابل عمل ہے بلکہ شفاف نوعیت کا بھی ہے۔ ہم اپنے اسٹیک ہولڈرز کا بھی شکریہ ادا کرتے ہیں کہ وہ ہمارے ساتھ ہیں اور ہم اس بات کو یقینی بناتے ہیں کہ حافظ کا نام آپ کے اعتماد کو کبھی کم نہیں ہونے دے گا۔

کے لئے اور بورڈ کی طرف سے

فخر الدین عثمانی
چیف ایگزیکٹو آفیسر

کراچی

03-October-2024



KEY OPERATING & FINANCIAL RESULTS FROM 2019 TO 2024

PARTICULARS	2024	2023	2022	2021	2020	2019
	(Rupees in thousands)					
OPERATING DATA						
Revenue	33,833	32,733	25,465	23,035	13,792	11,267
Operating Expenses	15,189	14,753	11,856	6,649	6,647	5,556
Operating Profit / (Loss)	18,644	17,980	13,609	16,386	7,145	5,711
Financial Charges	13	13	12	12	14	12
Gain on change in fair value of investment property	18,227	13,502	11,848	9,714	14,103	19,487
Profit/ (Loss) Before Taxation	43,420	30,196	14,545	40,128	23,643	25,678
Profit/ (Loss) After Taxation	35,981	23,393	12,113	33,299	20,742	24,184
FINANCIAL DATA						
Paid up Capital	12,000	12,000	12,000	12,000	12,000	12,000
Equity Balance	521,303	488,601	479,733	470,299	427,362	408,481
Long Term Loans	56,635	56,635	56,635	56,635	56,635	56,635
Non Current Assets	567,324	549,799	529,667	504,995	491,508	478,340
Current Assets	37,710	23,287	24,721	33,989	14,515	10,590
Current Liabilities	14,496	14,858	17,284	11,689	9,694	11,550
KEY RATIOS						
Net Profit	105.5%	71%	53%	71%	48%	42%
Return on Capital Employed	3.24%	3.22%	2.53%	3.39%	1.44%	1.20%
Current Ratio	2.6	1.57	1.43	2.91	1.50	0.92
Earning per share (Rupees)	29.98	19.49	10.09	27.75	17.28	20.15
Cash Dividend	25.00%	20.00%	20.00%	20.00%	20.00%	17.50%



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

Name of company: HAFIZ LIMITED (the “Company”)

For the year ended: 30th June, 2024.

The Company has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) in the following manner:

1. The total number of directors are **SEVEN** as per the following:
 - a. **Male:** **Six**
 - b. **Female:** **One**
2. The composition of the Board is as follows:
 - a. Independent Directors **Huma Javaid
Kamran Ahmed**
 - b. Other Non-executive Director **Muhammad Farooq Usmani
Mahmood Wali Muhammad
Muhammad Shazad Fakir**
 - c. Executive Director **Fakhruddin Usmani
Quamruddin Osmani**
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 Board.
8. The Board of Directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations
9. The Company stands complied with the requirements of the Regulations with respect to Directors’ Training. Two directors have certification under Directors’ Training Program and four directors met criteria of exemption as allowed under the Regulations. The remaining Director would be attending the Directors’ Training Program within the time limit as allowed under these Regulations.
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 as given below:
 - a. Audit Committee (Name of members and Chairman)



Mr. Kamran Ahmed - Chairman (Independent Director)
Mr. Muhammad Farooq Usmani - Member
Mr. Mahmood Wali Muhammad - Member

b. HR and Remuneration Committee (Name of members and Chairman)
Mr. Fakhruddin Usmani - Chairman (Independent Director)
Mr. Quamruddin Osmani - Member
Mr. Huma Javaid - Member (Independent Director)

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

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

a. Audit Committee Four quarterly meetings were held during the financial year ended June 30, 2024.

b. HR and Remuneration Committee One meeting was held during the financial year ended June 30, 2024.

15. The Board has set up an effective internal audit function. The Head of Internal Audit is considered suitably qualified and experienced for the purpose and is 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 (ICAP) and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan (ICAP) and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent, and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the 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.

Karachi:
03 October, 2024


Fakhruddin Usmani
Chief Executive Officer



INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Hafiz Limited (the Company)

**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 Hafiz Limited for the year ended 30 June 2024 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 30 June 2024.

Place: Karachi
Date: 3rd October 2024

MAZARS M.F. & CO.
Chartered Accountants



INDEPENDENT AUDITOR'S REPORT

To the members of Hafiz Limited

Opinion

We have audited the annexed financial statements of Hafiz Limited (the Company), which comprise the statement of financial position as at 30 June 2024, 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 material accounting policy information 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 30 June 2024 and of the profit, 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 period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Following are the key audit matters:

Key audit matters	How our audit addressed the Key audit matters
<p>1. Valuation of Investment Property</p> <p>As at June 30, 2024, the Company held investment property amounting to Rs. 562.037 million, constituting 92.89% of the total assets, as disclosed in note 8 to the financial statements.</p> <p>As described in note 5.3 to the financial statements, investment property is measured at fair value and accordingly revaluation gain of Rs. 18.226 million was recognized and presented as a “revaluation gain on investment property”.</p> <p>The Company's investment property valuation is performed by an independent qualified professional valuer. The land was valued on the basis of fair market rates for similar sized plots and the building was valued based on the estimated gross replacement cost, depreciated to reflect the residual service potential of the assets taking account the age, condition and obsolescence.</p> <p>We identified valuation of investment property as a key audit matter because of the significance of investment property to the total assets of the Company and the estimation uncertainty and significant judgement involved in the valuation.</p>	<p>Our procedures amongst others comprised of:</p> <ul style="list-style-type: none"> - Evaluating the competence, capabilities and objectivity of the management's external valuer and obtaining an understanding of their scope of work and the terms of engagement; - Reviewing the valuation report prepared by the management's external valuer to understand the basis and methodology of valuation; - Assessing the adequacy of the disclosures in the financial statements in respect of investment property.

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

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Responsibilities of Management and Board of Directors for the Financial Statements

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



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

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

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

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

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

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



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

Report on Other Legal and Regulatory Requirements

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

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

Mazars M.F & Co.

Chartered Accountants

Date: 03rd October 2024

Place: Karachi

UDIN:



STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

	Note	2024 ----- (Rupees) -----	2023 -----
<u>ASSETS</u>			
NON-CURRENT ASSETS			
Property, plant and equipment	7	5,287,038	5,988,565
Investment property	8	562,037,201	543,810,555
Long-term investments	9	1	1
		567,324,240	549,799,121
CURRENT ASSETS			
Short-term investments	10	19,596,204	9,093,634
Stores and spares	11	-	-
Trade debts	12	-	-
Trade deposits and advances	13	228,225	161,290
Taxation - net		4,204,490	4,410,836
Bank balances - current accounts		13,959,687	9,621,137
		37,988,606	23,286,897
Net assets in Bangladesh	14	1	1
Total assets		605,312,847	573,086,019
<u>EQUITY AND LIABILITIES</u>			
SHARE CAPITAL AND RESERVES			
Authorised capital 2,000,000 (2023: 2,000,000) ordinary shares of Rs. 10/- each		20,000,000	20,000,000
Issued, subscribed and paid-up capital	15	12,000,000	12,000,000
Reserves		578,817,198	545,235,645
		590,817,198	557,235,645
NON-CURRENT LIABILITY			
Deferred liability - staff gratuity	16	-	992,320
CURRENT LIABILITIES			
Trade and other payables	17	9,420,528	10,183,881
Unclaimed dividend		5,075,121	4,674,173
		14,495,649	14,858,054
TOTAL EQUITY AND LIABILITIES		605,312,847	573,086,019
CONTINGENCIES AND COMMITMENTS			
	18		

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


Ali Mubeen Hashmi
CFO


Fakhruddin Usmani
CEO


Qumaruddin Osmani
Director



STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 ----- (Rupees) -----	2023 -----
Rental income		33,833,463	32,732,522
Administrative expenses	19	(15,189,420)	(14,753,421)
Unrealized gain on change in fair value of investment property	8	18,226,646	13,502,188
Other charges	20	(1,640,634)	(3,765,934)
		1,396,592	(5,017,167)
Other income	21	8,203,401	2,493,764
Operating profit		43,433,456	30,209,119
Finance cost - bank charges		(13,299)	(13,126)
Profit before taxation		43,420,157	30,195,993
Taxation	22	(7,438,604)	(6,802,540)
Net profit for the year		35,981,553	23,393,453
		----- (Rupees) -----	
Basic and diluted earnings per share	23	29.98	19.49

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

Karachi
03 October, 2024


Ali Mubeen Hashmi
CFO


Fakhruddin Usmani
CEO


Qumaruddin Osmani
Director



STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 ----- (Rupees)	2023 -----
Net profit for the year		35,981,553	23,393,453
Other comprehensive income			
Item that will not be reclassified to statement of profit or loss in subsequent periods;			
Loss on remeasurement of post retirement benefits obligation		-	(111,742)
Total comprehensive income for the year		35,981,553	23,281,711

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

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

Karachi
03 October, 2024


Ali Mubeen Hashmi
CFO


Fakhruddin Usmani
CEO


Qumaruddin Osmani
Director



**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2024**

	RESERVES					Total equity
	Capital	General			Gain on revaluation of investment at fair value through other comprehensive income	
	Interest free loan from Directors Note: 4.18	Unappropriated profit	Fair value reserve for investment property			
Issued, subscribed and paid-up capital						
Balance as at June 30, 2022	12,000,000	56,634,905	96,309,036	371,752,394	(342,401)	536,353,934
Final dividend @ Rs 2/- per share for the year ended June 30, 2022	-	-	(2,400,000)	-	-	(2,400,000)
Net Profit for the year	-	-	23,393,453	-	-	23,393,453
Other comprehensive loss	-	-	(111,742)	-	-	(111,742)
Total comprehensive income for the year	-	-	23,281,711	-	-	23,281,711
Balance as at June 30, 2023	12,000,000	56,634,905	117,190,747	371,752,394	(342,401)	557,235,645
Final dividend @ Rs 2/- per share for the year ended June 30, 2023	-	-	(2,400,000)	-	-	(2,400,000)
Net Profit for the year	-	-	35,981,553	-	-	35,981,553
Other comprehensive loss	-	-	-	-	-	-
Total comprehensive income for the year	-	-	35,981,553	-	-	35,981,553
Balance as at June 30, 2024	12,000,000	56,634,905	150,772,300	371,752,394	(342,401)	590,817,198

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


Ali Mubeen Hashmi
CFO


Fakhruddin Usmani
CEO


Qumaruddin Osmani
Director

Karachi
03 October, 2024

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024**

	2024	2023
	----- (Rupees) -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	43,420,157	30,195,993
Adjustments for non-cash charges and other items:		
Depreciation	1,045,867	970,516
Provision for gratuity	-	130,328
Gain on disposal of operating fixed assets	(114,975)	(887,771)
Loss/Gain on revaluation of short term investments	(7,406,006)	3,316,908
Unrealized gain on revaluation of investment property	(18,226,646)	(13,502,188)
Other income	-	-
Finance cost	13,299	13,126
	(24,688,461)	(9,959,081)
Decrease / (increase) in current assets		
Trade deposits and advances	(66,935)	575,632
	(66,935)	575,632
(Decrease) / increase in current liabilities		
Trade and other payables	(763,353)	(2,820,862)
Cash generated from operations	17,901,408	17,991,682
Income tax paid	(7,232,259)	(6,913,167)
Gratuity paid	(992,320)	-
Finance cost paid	(13,299)	(13,126)
Net cash generated from operating activities	9,663,530	11,065,389
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(1,429,366)	(9,317,365)
Sale proceeds from disposal of fixed assets	1,200,001	2,605,000
Sale proceeds from disposal of short term investments	910,795	2,133,066
Investments made during the year	(4,007,358)	(2,375,670)
Net cash used in investing activities	(3,325,928)	(6,954,969)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(1,999,052)	(2,005,141)
Net cash used in financing activities	(1,999,052)	(2,005,141)
NET INCREASE IN CASH AND CASH EQUIVALENTS	4,338,550	2,105,279
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	9,621,137	7,515,858
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	13,959,687	9,621,137

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


Ali Mubeen Hashmi
CFO


Fakhruddin Usmani
CEO


Qumaruddin Osmani
Director



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Hafiz Limited (the Company) was incorporated in 1951. The shares of the Company are listed on the Pakistan Stock Exchange Limited.

principal activity of the Company was to deal in spinning of textile fibers and now the principal activity of the Company is to earn Rentals on Land and Building.

1.2 Geographical location and address of business units

The registered office and business units of the Company is situated at 97, Alliance Building, 2nd Floor, Moolji Street, Mereweather Tower, Karachi.

2. STATEMENT OF COMPLIANCE

standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

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

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

3. BASIS OF MEASUREMENT

- 3.1 These financial statements have been prepared under the historical cost convention, except for certain investments which have been disclosed in the accounting policies below.
- 3.2 These financial statements are presented in Pak Rupees which is also the Company's functional currency.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under current circumstances. The Company makes estimates and judgments concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

	Notes
- determining the residual values, useful lives and impairment of property, plant and equipment	7
- impairment of financial and non-financial assets	5.19
- Allowance for expected credit loss	12
- provision for tax and deferred tax	22
- Contingencies	18



5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

5.1 New / Revised Standards, Interpretations and Amendments

The Company has adopted the following accounting standards, amendments and interpretations of IFRSs and the improvements to accounting standards which became effective for the current year:

Interest Rate Benchmark Reform - Phase 2 which amended IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

COVID-19-Related Rent Concessions (Amendments to IFRS 16)

The adoption of the above standards, amendments, interpretations and improvements did not have any effect on the accounting policies.

5.2 Property, plant and equipment

Operating fixed assets

These are stated at cost less accumulated depreciation / amortisation and impairment loss, if any.

Depreciation is charged to the statement of profit or loss applying the reducing balance method. Depreciation on additions is charged from the month asset is available for use and in case of deletion, up to the month preceding the month of disposal.

Maintenance and normal repairs are charged to statement of profit or loss as and when incurred. Major renewals and improvements are capitalized and the assets so replaced, if any, are retired.

An item of operating fixed assets and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of operating fixed assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

5.3 Investment property

These are initially recognized at cost, which is the fair value of consideration given. Subsequently it is measured at fair value, any gain or loss arising from a change in the fair value of investment property is recognised in the statement of profit or loss for the period in which it arises.

If an item of property, plant and equipment becomes an investment property because its use has changed, any difference between the carrying amount and the fair value at the date of transfer is recognized in the statement of changes in equity as a fair value reserve for investment property. However, if a fair value gain reverses a previous impairment loss the gain is recognized in the statement of profit or loss to the extent of impairment charged previously in the statement of profit or loss. Upon the disposal of such investment property, any surplus previously recorded in the statement of changes in equity is transferred to retained earnings, the transfer is not made through the statement of profit or loss.

5.4 Stores and spares

These are valued at lower of cost, determined using weighted average method, and Net Realisable Value (NRV), less provision for obsolete items (if any). Items in transit are valued at cost comprising purchase price, freight value and other charges incurred thereon upto the reporting date. Provision is made for items which are obsolete and slow moving and is determined based on management estimate regarding their future usability.



5.5 Trade debts

These are recognized and carried at original invoice amount being the fair value and subsequently measured at amortised cost. Provision is made on the basis of lifetime Expected Credit Losses that result from all possible default events over the expected life of the trade debts. Bad debts are written off when considered irrecoverable.

5.6 Loans, advances and deposits

These are initially recognised at cost, which is the fair value of the consideration given. Subsequent to initial recognition, assessment is made at each statement of financial position date to determine whether there is an indication that a financial asset or group of assets may be impaired. If such indication exists, the estimated recoverable amount of that asset or group of assets is determined and any loss is recognised for the difference between the recoverable amount and the carrying value.

5.7 Cash and cash equivalents

For the purpose of cash flow statement, cash and cash equivalents comprise of cash in hand, bank balances and short-term investments with a maturity of three months or less from the date of acquisition net of short-term borrowings. The cash and cash equivalents are readily convertible to known amount of cash and are therefore subject to insignificant risk of changes in value.

5.8 Taxation

Current

Charge for current taxation is based on taxable income at the current rates of taxation after taking into account tax rebates and credits available, if any.

Deferred

Deferred tax is provided using the statement of financial position liability method, on all temporary differences at the statement of financial position date between the tax basis of assets and liabilities and their carrying amount for financial reporting purposes.

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

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. Unrecognised deferred tax assets are re-assessed at each statement of financial position date and are recognised to the extent that it has become probable that future taxable profit will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the statement of financial position date.

Deferred tax asset amounting to Rs. 11,677 million (2023: Rs. 15.371 million) has not been recognized in these financial statements in accordance with the above policy.

5.9 Unclaimed dividend

The Company recognises unclaimed dividend which was declared and remained unclaimed by the shareholder from the date it was due or payable.



5.10 Trade and other payables

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

5.11 Contingent liabilities

Contingent liability is disclosed when

- there is a 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 within the control of the Company; or
- there is a 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 measure with sufficient reliability.

5.12 Borrowing costs

Borrowing costs that are directly attributable to the acquisition and construction of assets and incurred during the period in connection with the activities necessary to prepare the asset for its intended use are capitalised as a part of the cost of related asset.

5.13 Staff retirement benefits

The Company operates an un-approved and unfunded defined gratuity scheme for all permanent employees who have completed the minimum qualifying year of service for entitlement of gratuity. Gratuity is based on employees' last drawn salary. Provisions are made to cover the obligations under the scheme on the basis of actuarial recommendations. The actuarial valuations are carried out using the Projected Unit Credit Method.

Actuarial gain or loss (remeasurements) are immediately recognised in 'Other Comprehensive Income' as they occur. The amount recognised in the statement of financial position represents the present value of defined benefit obligations as reduced by the fair value of the plan assets. Current service costs and any past service costs together with net interest cost are charged to the statement of profit or loss.

Retirement benefits are payable to employees on completion of prescribed qualifying period of service under the Plan.

5.14 Provisions

Provisions are recognised in the statement of financial position where the Company has a legal constructive obligation as a result of past event, it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each statement of financial position date and adjusted to reflect current best estimate.

5.15 Revenue recognition

Revenue is recognised at amounts that reflect the consideration that the Company expects to be entitled to in exchange for transferring goods or services to a customer. Revenue is measured at the fair value of the consideration received or receivable. Rental income from properties is recognized as revenue as per the tenancy agreements on accrual basis.



5.16 Other income

Other income is recognised to the extent it is probable that the economic benefits will flow to the Company and amount can be measured reliably. Other income is measured at the fair value of the consideration received or receivable and is recognised on the following basis:

- Dividend income is recognised when the right to receive the dividend is established.
- Gain on disposal is recognised at the time of disposal of operating fixed assets.

5.17 Foreign currency transactions

Foreign currency transactions are translated into Pak Rupees at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the exchange rates prevailing at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using exchange rates at the date when the fair value was determined. Exchange gains or losses are included in statement of profit or loss of the current period.

5.18 Interest free loan from Directors

These are classified as equity. According to Technical Release - 32 issued by the Institute of Chartered Accountants of Pakistan (ICAP), any loan to an entity by the director which is agreed to be paid at the discretion of the entity does not pass the test of liability and is to be recorded as equity at face value. This is not subsequently re-measured. The decision by the entity at any time in future to deliver cash or any other financial asset to settle the director's loan would be a direct debit to equity.

5.19 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Under IFRS 9 Financial assets are classified, at initial recognition, as subsequently measured at following:

- (a) at amortised cost
- (b) at fair value through other comprehensive income (FVTOCI); and
- (c) at fair value through profit or loss (FVTPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the business model for managing them.

(a) At amortised cost

A financial asset is measured at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective 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.



(b) At fair value through other comprehensive income

A financial asset is measured at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; 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.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis. The company has irrevocably elected to carry its quoted investments in equity instruments under this category.

(c) At fair value through profit and loss

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Susbequent measurement

For purposes of subsequent measurement, financial assets are classified into following categories;

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)

These assets are subsequently measured at fair value. Interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.



Financial assets at fair value through OCI with no recycling of cumulative gains and losses (equity instruments)

These assets are subsequently measured at fair value. Gains and losses on these financial assets never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at fair value through profit or loss

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

At each reporting date, the Company assesses whether financial assets are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the respective asset.



The Company uses the standard's simplified approach and calculates ECL based on life time ECL on its financial assets. The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the financial assets and the economic environment.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss. This category generally applies to interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When 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 or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

5.20 Dividends and appropriation to reserves

The Company recognises a liability for dividend to equity holder when it is authorized as per corporate laws in Pakistan. The transfer of reserves within the equity are recognized when these are approved as per the applicable laws.



6. STANDARDS, INTERPRETATIONS AND AMENDMENTS TO APPROVED ACCOUNTING STANDARDS THAT ARE NOT YET EFFECTIVE

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

Standard or Amendments	Effective date (annual periods beginning on or after)
Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	January 1, 2026
IFRS 18 Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 1, 2027
Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	January 1, 2026
Cost Method (Amendments to IAS 7)	
Derecognition of Lease Liabilities (Amendments to IFRS 9)	
Determination of a 'De Facto Agent' (Amendments to IFRS 10)	
Disclosure of Deferred Difference between Fair Value and Transaction Price (Amendments to Guidance on implementing IFRS 7)	
Gain or Loss on Derecognition (Amendments to IFRS 7)	
Hedge Accounting by a First-time Adopter (Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards)	
Introduction and Credit Risk Disclosures (Amendments to Guidance on implementing IFRS 7)	
Transaction Price (Amendments to IFRS 9).	
IFRS 10 / IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments)	Not Yet Finalized

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

Standard	IASB effective date (annual periods beginning on or after)
IFRS 1 First time adoption of IFRSs	01 January 2004
IFRS 17 Insurance Contracts	01 January 2023

The management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than the impact on presentation / disclosures.



7. PROPERTY, PLANT AND EQUIPMENT

	COST		ACCUMULATED DEPRECIATION				WRITTEN DOWN VALUE		
	As at July 01, 2023	Additions	Disposals/ Written Off	As at June 30, 2024	Rate	Charge for the year	On disposals/ Written Off	As at June 30, 2024	As at June 30, 2024
		(Rupees)	(Rupees)		%	(Rupees)	(Rupees)		
Plant and machinery	56,217,686	-	(56,217,686)	-	10	125,931	(55,084,304)	-	-
Tools and equipments	466,091	-	(466,091)	-	10	259	(463,755)	-	-
Electrical fittings	3,425,342	-	(3,425,342)	-	10	56,102	(2,920,426)	-	-
Furniture and fixtures	2,090,680	-	-	2,090,680	10	81,885	-	1,353,710	736,970
Office equipment	2,240,700	220,000	-	2,460,700	10	99,169	-	1,453,080	1,007,620
Vehicles	4,204,392	2,850,000	(1,300,000)	5,754,392	20	682,520	(214,974)	2,211,943	3,542,449
2023	68,644,891	3,070,000	(61,409,119)	10,305,772		1,045,867	(58,683,460)	5,018,734	5,287,038

	COST		ACCUMULATED DEPRECIATION				WRITTEN DOWN VALUE		
	As at July 01, 2022	Additions	Disposals	As at June 30, 2023	Rate	Charge for the year	On disposals	As at June 30, 2023	As at June 30, 2023
		(Rupees)	(Rupees)		%	(Rupees)	(Rupees)		
Plant and machinery	56,217,686	-	-	56,217,686	10	139,924	-	54,958,373	1,259,313
Tools and equipments	466,091	-	-	466,091	10	288	-	463,496	2,595
Electrical fittings	3,425,342	-	-	3,425,342	10	62,335	-	2,864,324	561,018
Furniture and fixtures	2,010,680	80,000	-	2,090,680	10	87,988	-	1,271,825	818,855
Office equipment	2,148,350	92,350	-	2,240,700	10	93,247	-	1,353,911	886,789
Vehicles	5,404,392	1,300,000	(2,500,000)	4,204,392	20	586,734	(782,771)	1,744,397	2,459,995
2023	69,672,541	1,472,350	(2,500,000)	68,644,891		970,516	(782,771)	62,656,326	5,988,565



8. INVESTMENT PROPERTY

	As at July 01, 2023	Addition / Transfer	Revaluation	As at June 30, 2024
Land - freehold	474,000,000	-	16,000,000	490,000,000
Building on freehold land	47,678,295	-	2,226,646	49,904,941
Capital work in progress (Note 8.4)	22,132,260	-	-	22,132,260
2024	543,810,555	-	18,226,646	562,037,201
	As at July 01, 2022	Addition / Transfer	Revaluation	As at June 30, 2023
Land - freehold	462,000,000	-	12,000,000	474,000,000
Building on freehold land	46,176,107	-	1,502,188	47,678,295
Capital work in progress (Note 8.4)	14,287,245	7,845,015	-	22,132,260
2023	522,463,352	7,845,015	13,502,188	543,810,555

8.1 Had there been no revaluation the written down values of revalued investment property (after providing depreciation, if any) would have been as follows:

	2024 ----- (Rupees)	2023 -----
Land - freehold	94,880,000	94,880,000
Building on freehold land	1,559,071	1,624,032
	96,439,071	96,504,032

The forced sale value is estimated as follows:

Land - freehold	392,000,000	379,200,000
Building on freehold land	39,923,953	38,142,636
	431,923,953	417,342,636

8.2 Investment property was revalued and the value has been determined on the basis of valuation carried out by an independent valuer as of June 30, 2024. The land was valued on the basis of fair market rent and the building was valued based on the estimated gross replacement cost, depreciated to reflect the residual service potential of the assets taking account of the age, condition and obsolescence.

8.3 Details of the Company's immovable investment property

	Land Area (square yards) ----- (Rupees)	Building Covered Area (square feet) -----
Plot no.9, Manghopir road, S.I.T.E, Karachi.	28,701	258,311

8.4 Capital work in progress

During the year, Company has given advance for the purchase of land in the area of K-28, Phase II, Block A, Trans Lyari Quarters, Hawksbay Road, District Maripur, Karachi.



HAFIZ LIMITED

	Note	2024 ----- (Rupees) -----	2023 ----- (Rupees) -----
9. LONG-TERM INVESTMENTS			
Quoted - at fair value through other comprehensive income			
Pan Islamic Steamship Company Limited 275,000 (2023: 275,000) ordinary shares of Rs. 100/- each Less: Provision for impairment	9.1	<u>16,137</u> <u>(16,136)</u> 1	<u>16,137</u> <u>(16,136)</u> 1
Change in fair value		-	-
		<u>1</u>	<u>1</u>

9.1 During the year 2015, Pan Islamic Steamship Company Limited shares were delisted from Pakistan Stock Exchange Limited due to which no trading is taking place in these shares. The Company has made full provision against it, leaving a token value of Rs.1.

	Note	2024 ----- (Rupees) -----	2023 ----- (Rupees) -----
10. SHORT-TERM INVESTMENTS			
Investments at fair value through profit or loss	10.1	<u>19,596,204</u>	<u>9,093,634</u>

10.1 Financial Assets

Quoted - at fair value through profit or loss

AISHA STEEL MILLS LIMITED 25,000 (2023: 25,000) ordinary shares of Rs. 10/- each	605,635	605,635
AMTEX LIMITED 25,000 (2023: 25,000) ordinary shares of Rs. 10/- each	26,351	26,351
AZGARD NINE LIMITED 10,000 (2023: 10,000) ordinary shares of Rs. 10/- each	125,568	125,568
CHAKWAL SPINNING MILLS LIMITED 50,000 (2023: 50,000) ordinary shares of Rs. 10/- each	187,520	187,520
CNERGYICO PK LIMITED 225,000 (2023: 130,000) ordinary shares of Rs. 10/- each	1,593,951	1,314,537
COLONY TEXTILE MILLS LIMITED 40,000 (2023: 40,000) ordinary shares of Rs. 10/- each	216,876	216,876
DOST STEELS LIMITED 10,000 (2023: 10,000) ordinary shares of Rs. 10/- each	64,607	64,607
FAUJI FOODS LIMITED Nil (2023: 27,000) ordinary shares of Rs. 10/- each	-	222,625
GHANDHARA NISSAN LIMITED 3,000 (2023: 3,000) ordinary shares of Rs. 10/- each	217,845	217,845
GHAZI FABRICS INTERNATIONAL LIMITED 20,000 (2023: 20,000) ordinary shares of Rs. 10/- each	239,892	239,892
HIRA TEXTILE MILLS LIMITED 60,000 (2023: 60,000) ordinary shares of Rs. 10/- each	284,906	284,906
IMAGE PAKISTAN LTD 6,612 (2023: 6,612) ordinary shares of Rs. 10/- each	73,259	73,259
K-ELECTRIC LIMITED 1,000,000 (2023: 770,000) ordinary shares of Rs. 10/- each	3,594,998	2,683,158
LALPIR POWER LIMITED 20,000 (2023: 20,000) ordinary shares of Rs. 10/- each	382,024	382,024
NISHAT CHUNIAN LIMITED 7,500 (2023: 3,500) ordinary shares of Rs. 10/- each	262,434	142,424
NISHAT CHUNIAN POWER LIMITED 5,000 (2023: 20,000) ordinary shares of Rs. 10/- each	95,424	-
NISHAT POWER LIMITED 35,000 (2023: 35,000) ordinary shares of Rs. 10/- each	769,922	769,922
PAKISTAN INTERNATIONAL BULK TERMINAL 45,000 (2023: 10,000) ordinary shares of Rs. 10/- each	349,168	131,999



HAFIZ LIMITED

PAKISTAN STOCK EXCHANGE LIMITED		
2,000 (2023: 2,000) ordinary shares of Rs. 10/- each	34,502	34,502
PAKISTAN TELECOMMUNICATION COMPANY LTD		
85,000 (2023: 55,000) ordinary shares of Rs. 10/- each	798,987	625,136
POWER CEMENT LIMITED		
464,000 (2023: 364,000) ordinary shares of Rs. 10/- each	3,741,507	3,306,708
SINDH MODARABA		
33,000 (2023: 33,000) ordinary shares of Rs. 10/- each	311,774	311,774
TARIQ GLASS INDUSTRIES LIMITED		
3,125 (2023: 3,125) ordinary shares of Rs. 10/- each	304,937	304,937
THE CRESCENT TEXTILE MILLS LIMITED		
10,000 (2023: 10,000) ordinary shares of Rs. 10/- each	171,216	171,216
WORLDCALL TELECOM LIMITED		
3,500,000 (2023: 2,785,000) ordinary shares of Rs. 10/- each	7,662,338	6,537,099
ZEPHYR TEXTILES LIMITED		
6,000 (2023: 6,000) ordinary shares of Rs. 10/- each	84,369	84,369
	22,200,008	19,064,888
Unrealised Loss on revaluation of investments	(2,603,804)	(9,971,254)
	19,596,204	9,093,634



HAFIZ LIMITED

	Note	2024 ----- (Rupees) -----	2023 -----
11. STORES AND SPARES			
Stores		196,970	196,970
Spares		2,531,821	2,531,821
		<u>2,728,791</u>	<u>2,728,791</u>
Less: provision for obsolescence		(2,728,791)	(2,728,791)
		<u>-</u>	<u>-</u>
12. TRADE DEBTS - unsecured			
Considered good		2,012,797	2,012,797
Less: allowance for expected credit losses		(2,012,797)	(2,012,797)
		<u>-</u>	<u>-</u>
13. TRADE DEPOSITS AND ADVANCES - unsecured			
Deposits		148,846	148,846
Funds at Ghani Securities		9,379	12,444
Advance to staff		70,000	-
Advances to suppliers		3,807,863	3,807,863
Less: provision against doubtful advances		(3,807,863)	(3,807,863)
		<u>-</u>	<u>-</u>
		<u>228,225</u>	<u>161,290</u>
13.1 These are in normal course of business.			
14. NET ASSETS IN BANGLADESH			
Board Loan Unit		10,196,790	10,196,790
Less: Loan from PICIC and interest accrued thereon		(4,741,141)	(4,741,141)
		<u>5,455,649</u>	<u>5,455,649</u>
Investment: 712,500 (2023: 712,500) fully paid ordinary shares of Rs. 10/- each Hafiz Jute Mills Limited		7,125,000	7,125,000
Chittagong branch:			
Vehicles		106,085	106,085
Office equipment		24,319	24,319
Furniture and fixtures		3,641	3,641
		<u>134,045</u>	<u>134,045</u>
Less: Accumulated depreciation		(44,389)	(44,389)
Less: Provision		(12,670,304)	(12,670,304)
		<u>1</u>	<u>1</u>



15. SHARE CAPITAL

15.1 Authorized Capital

The Company has authorised capital of 2,000,000 ordinary shares of Rs. 10/- each amounting to Rs. 20 million.

15.2 Issued, subscribed and paid-up capital

2024	2023		2024	2023
Number of ordinary shares of Rs. 10/- each			----- (Rupees) -----	
395,000	395,000	Fully paid in cash	3,950,000	3,950,000
105,000	105,000	Other than cash	1,050,000	1,050,000
700,000	700,000	Issued as fully paid bonus shares	7,000,000	7,000,000
<u>1,200,000</u>	<u>1,200,000</u>		<u>12,000,000</u>	<u>12,000,000</u>

16. DEFERRED LIABILITY - STAFF GRATUITY

Staff gratuity	16.1	-	992,320
----------------	------	---	---------

16.1 Amount recognised in statement of financial position

Opening balance		992,320	750,250
Charge for the year	16.2	-	130,328
Recognised in other comprehensive income		-	111,742
Benefits paid		(992,320)	-
Closing balance		-	992,320

16.2 Movement in the present value of defined benefit obligation

Current service cost		-	30,920
Interest cost		-	99,408
		-	130,328

16.3 Principal actuarial assumptions

Expected rate of increase in salary level	0.00%	15.25%
Valuation discount rate	0.00%	16.25%



	Note	2024 ----- (Rupees) -----	2023 -----
17. TRADE AND OTHER PAYABLES			
Accrued liabilities		1,327,293	3,278,379
Security deposits	17.1	7,598,820	6,023,230
Advance from tenant		-	387,857
War risk insurance premium	18.1.1	494,415	494,415
		<u>9,420,528</u>	<u>10,183,881</u>

17.1 All security deposits are interest free and are payable on demand.

18. CONTINGENCIES AND COMMITMENTS

18.1 Contingencies

18.1.1 The Company has a contingent liability of Rs. 1.12 million in respect of "War Risk Insurance Dues" for the year 1971 imposed by Federation of Pakistan through its secretary commerce. The Company has filed an appeal with the Honorable High Court of Sindh and the case is still in progress. The management and its legal adviser are confident of a favourable outcome, however, as a matter of prudence the Company has made a provision of Rs. 0.494 million.

18.1.2 During the year 1992, the Company was served a notice by the Honorable High Court of Sindh in respect of termination of various employees demanding a compensation of Rs. 0.41 million be paid to such employees. The management and its legal adviser are confident of a favourable outcome, hence, no provision in respect of the above amount has been made in these financial statements.

18.1.3 During the year 2010, SECP vide its order EMD/233/253/2002-1131 dated May 20, 2010 under the provisions of Section 473 of the Companies Ordinance, 1984 directed the Company to reverse the Director's loan of Rs. 57,790,720 and write back advances from suppliers/creditors to the Statement of profit and loss of the Company. The Company's appeal before SECP has been dismissed but the Company has filed appeal before Honorable High Court of Sindh. The outcome of the above appeal is pending and the management is confident that the appeal will be decided in Company's favour accordingly, no related adjustments have been recorded in these financial statements.

18.2 Commitments

There were no outstanding commitments as at June 30, 2024 (2023: Nil).



	Note	2024 ----- (Rupees) -----	2023 -----
19. ADMINISTRATIVE EXPENSES			
Directors' remuneration		3,300,000	3,300,000
Salaries and benefits		2,875,180	2,747,828
Utilities		2,505,625	2,062,399
Postage, telegram and telephone		292,748	311,404
Printing and stationery		257,919	407,556
Vehicle running expense		892,806	774,534
Legal and professional		715,452	280,000
Auditors' remuneration	19.1	710,000	710,000
Fees and subscription		886,577	1,468,397
Rent, rates and taxes		376,201	396,002
Repairs and maintenance		365,428	756,025
Depreciation	7	1,045,867	970,516
Entertainment		807,499	460,335
Advertisement		70,000	61,500
Travelling expenses		24,000	-
Others		64,118	46,925
		<u>15,189,420</u>	<u>14,753,421</u>
19.1 Auditors' remuneration	Note	2024 ----- (Rupees) -----	2023 -----
Audit fee		600,000	600,000
Half-yearly review		50,000	50,000
Other services		50,000	50,000
Out of pocket expenses		10,000	10,000
		<u>710,000</u>	<u>710,000</u>
20. OTHER CHARGES			
Loss on sale of short term investments		-	610,544
Loss on revaluation of investments		-	2,706,364
Receivables written off during the year		-	449,026
Write Off of Operating Fixed Assets		1,640,634	-
		<u>1,640,634</u>	<u>3,765,934</u>
21. OTHER INCOME			
Income from financial assets			
Gain on revaluation of investments		7,367,449	
Dividend		682,420	369,100
Gain on sale of short term investments		38,557	-
		<u>8,088,426</u>	<u>369,100</u>
Income from non financial assets			
Gain on disposal of operating fixed assets		114,975	887,771
Liability no longer payable written back		-	1,236,893
		<u>8,203,401</u>	<u>2,493,764</u>



25. TRANSACTIONS WITH RELATED PARTIES

Related party comprises of directors and key management personnel of the Company. Details of transactions with related parties have been disclosed in the respective notes to the financial statements.

26. FINANCIAL INSTRUMENTS BY CATEGORY

	2024	2023
	----- (Rupees) -----	
26.1 Financial assets as per statement of financial position		
At amortised cost		
Trade deposits and advances	228,225	161,290
Bank balances	13,959,687	9,621,137
At fair value through OCI		
Long-term investments	1	1
At fair value through profit and loss		
Investment property	562,037,201	543,810,555
Short term investments	19,596,204	9,093,634
26.2 Financial liabilities as per statement of financial position		
At amortised cost		
Trade and other payables	9,420,528	10,183,881
Unclaimed dividend	5,075,121	4,674,173



27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial instruments are subject to credit risk, liquidity risk and equity price risk. The Board of Directors oversees policies for managing each of these risks which are summarised below.

27.1 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.

Concentration of credit risk arises when a number of counterparties 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. Concentration of credit risk indicates the relative sensitivity of the Company's performance to developments affecting a particular industry.

The Company is exposed to credit risk on trade debts, trade deposits, short-term investments and bank balances. The Company seeks to minimize the credit risk exposure through having exposure only to customers considered credit worthy and obtaining securities where applicable.

Quality of financial assets

The credit quality of financial assets is analyzed as under:

	2024	2023
	----- (Rupees) -----	
Bank balances		
Ratings		
A1+	<u>13,959,687</u>	<u>9,621,137</u>

* This includes rating assigned by an international rating agency to foreign banks.

Financial assets other than bank balances, are not exposed to any material credit risk.

27.2 Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with the financial instruments. To guard against the risk, the Company has diversified funding sources and the assets are managed with liquidity in mind. The maturity profile is monitored to ensure that adequate liquidity is maintained.

Year ended June 30, 2024

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	----- (Rupees) -----				
Trade and other payables	9,420,528	-	-	-	9,420,528
Unclaimed dividend	5,075,121	-	-	-	5,075,121
	<u>14,495,649</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,495,649</u>

Year ended June 30, 2023

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	----- (Rupees) -----				
Trade and other payables	10,183,881	-	-	-	10,183,881
Unclaimed dividend	4,674,173	-	-	-	4,674,173
	<u>14,858,054</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,858,054</u>



27.3 Equity price risks

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

The Company's quoted equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification. Reports on the equity portfolio are submitted to the Company's Board of Directors on a regular basis. The Board of Directors review and approve all equity investment decisions.

As at the statement of financial position date, the exposure to listed equity securities at fair value was Rs. 19,596,204. A decrease of 10% in the share price of these securities would have an impact of approximately Rs 1,959,620 on equity. An increase of 10% in the share price of the listed security would impact equity with the similar amount.

28. CAPITAL RISK MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern and continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company is currently financing its operations through equity.

29. FAIR VALUE OF FINANCIAL INSTRUMENTS

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 other financial assets and liabilities reflected in the financial statements approximate their fair values.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of financial position date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from their book value.

Fair value hierarchy

The table below analyses financial instruments carried at fair value by valuation method. The different level have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level1);
- 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 2); and
- Inputs for the asset or liability that are not based on observable market data (level 3).

	2024	Level 1	Level 2	Level 3	Total
		(Rupees)			
Assets					
- Investments carried at fair value through profit or loss		<u>19,596,204</u>	<u>562,037,201</u>	<u>-</u>	<u>581,633,405</u>
	2023	Level 1	Level 2	Level 3	Total
		(Rupees)			
Assets					
- Investments carried at fair value through profit or loss		<u>9,093,634</u>	<u>543,810,555</u>	<u>-</u>	<u>552,904,189</u>



30. SUBSEQUENT EVENTS

The Board of Directors in its meeting held on 3rd October, 2024 has proposed the following:

- (i) payment of cash dividend of Rs. 2.5/- per share for the year ended June 30, 2024 for approval of the members at the Annual General Meeting to be held on 24th October, 2024.

31. NUMBER OF EMPLOYEES

Total number of employees

	2024	2023
Total number of Company's employees as at June, 30	<u>5</u>	<u>5</u>
Average number of Company's employees during the year	<u>5</u>	<u>5</u>

32. DISCLOSURE REQUIREMENTS FOR ALL SHARES ISLAMIC INDEX

Following information has been disclosed as required under Paragraph 10 of Part I of the 4th Schedule to the Companies Act, 2017 relating to "All Shares Islamic Index".

Description	Explanation
Trade deposits and advances	Non interest bearing
Security deposits	Non interest bearing
Bank Balances	All bank balances are maintained with conventional banks
Relationship with Shariah compliant banks	Company does not have any relationship with bank under Islamic windows of operations

33. GENERAL

33.1 Corresponding figures have been re-arranged and reclassified, wherever necessary. However, there were no significant reclassifications to report.

33.2 Figures have been rounded off to the nearest rupees.

34. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue on 3rd october 2024 by the Board of Directors of the Company.



HAFIZ LIMITED

FORM - "34"

Pattern of holding of shares held by the share holders as on 30th June, 2024

No. of shareholders	From	To	Share Value RS.10/-each
797	1	100	31,899
134	101	500	32,597
25	501	1000	19,681
27	1001	5000	64,146
9	5001	10000	60,545
4	10001	15000	48,903
2	15001	20000	37,065
3	20001	25000	67,910
12	25001	30000	313,626
3	30001	35000	100,342
7	35001	40000	254,151
1	40001	115000	50,979
1	115001	120000	118,156
1025			1,200,000

Categories of Share Holders

	No of share holders	Shares Held	%
Directors, chief Executive officer and their spouse and minor	9	267,226	22.27%
Associated Companies, Undertaking and related parties	1	118,156	9.84%
NIT & ICP	2	2,226	0.19%
Bank, Development Finance Institutions, non-banking Finance institutions	5	140	0.01%
Insurance companies	1	200	0.02%
Modarbas and mutual funds	1	20	0.00%
Shareholders holding 10%	-	-	0.00%
General Public	1,003	809,888	67.49%
Others (Joint Stock Companies)	3	2,144	0.18%
	1,025	1,200,000	100.00%

Directors Chief Executive officer and their spouse and Minor

MR. Fakhruddin Usmani	1	36,000	3.00%
MR. Quamruddin Osmani	1	35,000	2.92%
MR. Muhammad Farooq Usmani	1	34,980	2.92%
MR. Mahmood wali Muhammad	1	36,000	3.00%
MR. Muhammad Shazad Fakhir	1	20,000	1.66%
MRS. Sabra Fakhruddin (Spouse of Directors & CEO)	1	30,362	2.53%
MRS. Zahida Quamruddin (Spouse of Directors & CEO)	1	27,455	2.29%
MRS. Nasreen Farooq Usmani (Spouse of Directors & CEO)	1	25,831	2.15%
MRS. Parveen Mahmood (Spouse of Directors & CEO)	1	21,598	1.80%
	9	267,226	22.27%

Associated Companies, Undertakings

Textile Trading Company Limited	1	118,156	9.84%
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NIT and ICP

Investment corporation of Pakistan	1	1,203	0.10%
National Bank of Pakistan	1	1,023	0.09%
	2	2,226	0.19%

Bank Development Finance Institutions, Non Banking Finance Companies

Habib Bank Ltd. KSE Br. Karachi	1	6	0.00%
hbl A/c A.G Ismail	1	2	0.00%
HLB A/c A.K haji Moosa	1	2	0.00%
Muslim Commercial Bank Ltd	1	100	0.01%
Habib Bank Ltd. Hs Br. Karachi	1	30	0.00%
	5	140	0.01%

Insurance Companies

Pakistan Insurance Corporation	1	200	0.02%
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Mutual Fund

H.M invesment (pvt) limited	1	20	0.00%
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General Public

a) local b) Foreign	1,003	809,888	67.49%
b) Foreign	-	-	0.00%
	1,003	809,888	67.49%

Other (Joint Stock Companies)

BCGA punjab (pvt) Limited	1	2,004	0.17%
Fateh textile mills limited	1	100	0.01%
Zam Zam Limited	1	40	0.00%
	3	2,144	0.18%
	1,025	1,200,000	100.00%



HAFIZ LIMITED

HAFIZ LIMITED

97 Alliance Building, 2nd floor, Moolaji Street, Mereweather, Tower, Karachi-74000. (Farooqi Masjid)

NOTICE OF MANDATORY PAYMENT OF DIVIDEND THROUGH ELECTRONIC MODE

Subsequent to promulgation of Companies Act, 2017, and as per section 242 of the said Act now it is mandatory for listed companies that dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders.

Keeping in view the same, all cash dividend, if declared, by the Company in future will be directly transferred in bank account. In order to enable us to follow the directives of the regulators in regard to payment of dividend only through electronic mode, you are requested to please provide/update your bank account detail in below mentioned format.

I hereby authorize **HAFIZ LIMITED** to directly credit cash dividend declared by it, if any, in the below mentioned bank account.

Bank Account Details of Transfer for Cash Dividend

**(Mandatory to provide)*

i) Shareholder's Detail	
Name of Company	
Name of shareholder	
Folio No/CDC Participants ID A/c No.	
CNIC No	
Passport No, (in case of foreign shareholder)**	
Land Line Phone Number	
Cell Number	

ii) Shareholder's Bank Detail	
Title of Bank Account	
Bank Account Number (24 Digital) IBAN - PK	
Bank's Name	
Branch Name and Address	

1. It is stated that the above-mentioned information is correct, that I will intimate the changes in the above mentioned information to the above addresses as soon as these occur.

(Signature of shareholder) _____

KINDLY NOTE: COMPANY MAY WITHHOLD THE PAYMENT OF DIVIDEND OF A MEMBER WHERE THE MEMBER HAS NOT PROVIDED THE COMPLETE INFORMATION OR DOCUMENTS AS SPECIFIED.

The shareholder who hold shares in physical form are requested to submit the above mentioned dividend mandate form after duly filled in to Company's Share Registrar office, M/s, F.D. Registrar Services (SMC. Pvt.) Ltd 1705, 17th floor, Saima Trade Tower-A, I.I. Chundrigar Road, Karachi-74000 Shareholders who hold shares in Central Depository Company are requested to submit the above mentioned dividend mandate form after duly filled in to their participants/investor account services of the central depository company limited.

For any query, you may please contact us Tel # 02132440371 or email us at htm1951@hotmail.com
WHATSAPP: +92 333 2557565 UMER

Thanking you.
Ali Muhammad Usmani
(Company Secretary)

Note: This is a computer generated letter and does not require signature.

*Please attach attested photocopy of CNIC

**Please attach attested photocopy of the Passport



HAFIZ LIMITED

I, _____ CNIC _____
of _____
being a member of **HAFIZ LIMITED**, and entitled to _____ vote (votes) hereby appoint
Mr. _____ NIC _____ of
_____ as my proxy _____ to vote
for me and my behalf at **73rd Annual General Meeting** of the Company to be held on
Thursday, 24th October, 2024 at 02:30 p.m. and at any adjournment thereof.

As witness my/our hand seal this _____ day of _____

Signed by _____

Said in presence of: -

1. Name _____ Address _____
_____ N.I.C. No. _____.

2. Name _____ Address _____
_____ N.I.C. No. _____.

Folio No.

CDC Account #	
Participant I.D.	Account #

Signature on Five Rupees Revenue Stamps
The Signature should agree with the specimen register of the company

N.B.:

- The proxy duly signed across 5/- rupees Revenue Stamp should reach the Company's Office at least 48 hours before the time of meeting. Please quote number of shares _____ Register ed Folio No. _____.
A member entitled to attend and vote at the meeting may appoint another member as his/her proxy to attend and vote in his/her place. Such proxy must be a member of the company.
- Original CNIC of shareholder is necessary to attend the AGM alongwith a photo copy of CNIC to submit at the desk of reception.
- For CDC Account Holders / Corporate Entities**
In addition to the above the following requirements have to be met.
 - Attested copies of C NIC or the passport of the beneficial owners and the proxy shall be provided with the proxy form.
 - The proxy shall produce his original CNIC or original passport at the time of meeting.
 - In case of a corporate entity, the Board of Directors resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier along with proxy form to the company).

BOOK POST

UNDER POSTAL CERTIFICATE

If undelivered pleased return to:

HAFIZ LIMITED

97, Alliance Building, Moolji Street, Mereweather Tower, Karachi-74000