



04

CORPORATE INFORMATION 05-10

NOTICE OF ANNUAL GENERAL MEETING

11

KEY OPERATING HIGHLIGHTS

14-15

CORPORATE SOCIAL RESPONSIBILITY

16

VALUE ADDED & ITS DISTRIBUTION 17

OPERATIONAL STATISTICS

18-19

CHAIRMAN'S REVIEW REPORT 22-31

DIRECTORS' REPORT TO THE MEMBERS

34-35

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) **REGULATIONS, 2017**

38

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2017

42-44

INDEPENDENT **AUDITOR'S REPORT** TO THE MEMBERS

48

STATEMENT OF FINANCIAL POSITION

STATEMENT OF PROFIT STATEMENT OF OR LOSS AND OTHER CHANGES IN EQUITY COMPREHENSIVE INCOME

STATEMENT OF **CASH FLOWS**

52-85

NOTES TO THE FINANCIAL STATEMENTS

88-89

PATTERN OF SHAREHOLDING

FORM OF PROXY



OUR MISSION

We help people look and feel good by continuously focusing on product quality, innovation and value.

We become the customer's destination of choice by offering personal shopping experience to create long standing customer relationships.

We attract and retain
the best people by
showing great
leadership, a passion
for high standards
our respect for
diversity and
commitment
to create
exceptional
oppurtunities
for professional
growth.

We remain the most respected footwear company by being socially responsible and ethical in everything we do and a credit to every community in which we operate.

Corporate Information

Board of Directors

Mr. Roberto Longo Chairman Chief Executive Mr. Muhammad Imran Malik Mr. Rafel Dasca Vinyals Director Mr. Toh Guan Kiat Director Mr. Kamal Monnoo Director Mr. Muhammad Maqbool Director Mr. Ijaz Ahmad Chaudhry Director

(Nominee of NIT)

Director

Audit Committee

Mr. Aamir Amin

Mr. Muhammad Maqbool Chairman Member Mr. Roberto Longo Mr. Ijaz Ahmad Chaudhry Member

Human Resource and Remuneration Committee

Mr. Ijaz Ahmad Chaudhry Chairman Mr. Muhammad Imran Malik Member Member Mr. Muhammad Maqbool

Chief Financial Officer (CFO)

Mr. Rafel Dasca Vinyals

Company Secretary

Mr. Amjad Farooq

Auditors

A.F. Ferguson & Co. (a member firm of PwC Network) 23-C, Aziz Avenue, Canal Bank, Gulberg V, Lahore.

Legal Advisor

Surridge & Beecheno 60, Shahrah-e-Quaid-e-Azam, Ghulam Rasool Building, Lahore.

Stock Exchange Listing

Bata Pakistan Limited is listed on Pakistan Stock Exchange under "Leather and Tanneries" sector.

Bankers

Habib Bank Limited

Habib Metropolitan Bank Limited

MCB Bank Limited Bank Al Habib Limited

National Bank of Pakistan Limited

United Bank Limited

Registered Office

Batapur, G. T. Road, P.O. Batapur, Lahore.

Share Registrar

Corplink (Pvt.) Ltd.

Wings Arcade, 1-K Commercial,

Model Town, Lahore.

Factories

Batapur,

G. T. Road,

P.O. Batapur, Lahore.

Maraka,

26 - Km, Multan Road, Lahore.

Liaison Office

138 C-II Commercial Area, P.E.C.H.S., Tariq Road, Karachi.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 67th Annual General Meeting of Bata Pakistan Limited will be held at the Registered Office of the Company at Batapur, District Lahore on April 25, 2019 at 10:00 a.m. to transact the following business:

- 1. To confirm the minutes of the 66th Annual General Meeting held on April 23, 2018.
- 2. To receive, consider, and adopt the Annual Audited Accounts of the Company for the year ended December 31, 2018 together with Directors' and Auditors' Reports thereon.
- 3. To approve dividend as recommended by the Directors. The Directors have recommended a Final Cash Dividend of 600% (Rs. 60 per share of Rs. 10) in addition to the Interim Cash Dividend of 900% (Rs. 90 per share of Rs. 10) already paid to the shareholders making total cash dividend of 1,500% (Rs. 150 per share of Rs. 10).
- 4. To appoint Auditors and fix their remuneration for the year ending December 31, 2019. The retiring Auditors, M/s A.F. Ferguson & Co. Chartered Accountants, being eligible, have offered themselves for reappointment as Auditors of the Company.
- **5.** To transact any ordinary business of the Company with the permission of the Chairman.

By order of the Board Bata Pakistan Limited

Batapur Lahore March 06, 2019 (Amjad Farooq FCA) Company Secretary

NOTES:

Closure of Shares Transfer Books

The Share Transfer Books of the Company will remain closed from April 18, 2019 to April 25, 2019 (both days inclusive). Transfers received at the office of the Share Registrar of the Company, M/s. Corplink (Pvt) Ltd. 1-K Commercial, Model Town, Lahore before the close of business on April 17, 2019 will be treated in time for the purpose of above entitlement to the transferees and of attending meeting by the transferees.

2. Participation in the Annual General Meeting:

All members entitled to attend and vote at this meeting may appoint another person as his/her proxy to attend and vote for him / her. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the time of holding the meeting. CDC Accounts Holders will further have to follow the guidelines as laid down in Circular 1 dated January 26, 2000 issued by the Securities & Exchange Commission of Pakistan. Proxy form is available at the Company's website i.e. www.bata.com.pk (in English and Urdu Language).

- (i) For Attending the Meeting
- (a) In case of individuals, the account holder or sub account holder and / or the person whose securities are registered on CDS; and their registration details are uploaded as per the regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting. The members are also required to bring their Participants' I.D. number and account numbers in CDS.
- (b) In case of corporate entity which is a member of the Company, the Board of Directors' resolution/power of attorney with specimen signature shall be required to be submitted along with proxy form to the Company.
- (ii) For Appointing Proxies
- (a) In case of individuals, the account holder or sub-account holder is and / or the person whose securities are in group account and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per the above requirement.
- (b) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- (c) Attested copies of the CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- (d) The proxy shall produce his/her original CNIC or original passport at the time of the meeting.
- (e) In case of corporate entities, board of directors' resolution/power of attorney with specimen signature of the nominee shall be submitted (unless provided earlier) along with the proxy form to the Company.

Mandatory Submission of CNIC Copies:

With reference to the notification of Securities and Exchange Commission of Pakistan (SECP), SRO 779(1)2011 dated August 18, 2011, the members/ shareholders who have not yet submitted photo copy of their valid CNIC to the Company are required to send the same at the earliest directly to the Company's Share Registrar M/s. Corplink (Pvt) Ltd. 1-K Commercial, Model Town, Lahore. In case of non-receipt of the copy of valid CNIC and noncompliance of the above mentioned S.R.O. of SECP, the Company may be constrained to withhold transfer of dividend in the future.

Dividend Bank Mandate:

Pursuant to Section 242 of the Companies Act, 2017, Members are requested to provide their CNIC's and bank account details including name of the bank, address of bank branch and International Bank Account Number (IBAN) to receive their cash dividend directly into their bank account. Therefore, all members who have not yet provided their CNIC and Bank Account details are once again reminded to immediately submit a copy of their CNIC and duly filled Dividend Bank Mandate form to the Company's Share Registrar or to the Company. In the absence of valid bank account details and CNIC, dividend amount will be withheld in compliance with the provisions of Act and Regulations. The dividend Bank Mandate Form is available at the Company's website i.e. www.bata.com.pk.

Members who hold shares in CDC accounts should provide their bank mandates to their respective participants.

Intimation of Changes of Address and declaration for non-deduction of Zakat:

Members who hold shares certificates should notify any changes in their registered address and provide their declarations for non-deduction of zakat, if applicable, to the Share Registrar. Members who hold shares in CDC / participant accounts should update their address and submit their declarations for non-deduction of zakat, if applicable, to the CDC or their respective participants / stockbrokers.

Unclaimed Dividends and Share Certificates:

The Shareholders are hereby informed that in accordance with Section 244 of the Companies Act, 2017 and the Unclaimed Shares, Modaraba Certificate, Dividends, Others Instruments and Undistributed Assets Regulations, 2017, the companies are required to deposit cash dividends to the credit of the Federal Government and the shares to the Commission, which are unclaimed/un-collected for a period of three (3) years or more from the date it is due and payable. The notices to this fact have already been dispatched to the relevant shareholders.

Circulate Annual Reports to shareholders via e-mail:

Pursuant to Notification vide S.R.O.787(1)/2014 dated September 8, 2014 has allowed companies to circulate Annual Financial Statements to shareholders along with notice of Annual General Meeting (AGM) through email. In this respect, members are hereby requested to convey their consent via e-mail on a standard request form which is available at the Company's website i.e. www.bata.com.pk. Further it is responsibility of the members to timely update the Company's Shares Registrar of any change in their registered e-mail addresses.

Circulate Annual Audited Accounts and Notice of AGM through to shareholders through CD or DVD or USB:

In pursuance of SECP notification S.R.O. No.470(1)/2016 dated May 31, 2016 the companies have been allowed to circulate their annual reports including annual audited accounts, notice of annual general meetings and other information contained therein of the Company to the members for future years through CD or DVD or USB instead of transmitting the same in hard copies. However, the Company will supply the hard copy of the Annual Audited Accounts to the shareholders on demand at their registered addresses, free of cost, within one week of such demand.

Consent for Video Conference:

Pursuant to SECP's Circular No 10 dated May 21, 2014, if the Company receives consent from members holding in aggregate 10% or more shareholding residing at geographical location, to participate in the meeting through video conference at least 10 days prior to the date of meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city. In this regard please fill the following and submit to registered address of the Company at least 10 days before the date of AGM.

Consent Form for Video Con	ference Facility			
I/We,	of being a member of Bata Pakistan Limited, holder of	Ordinary shares as per Registered		
Folio #/ CDC Account No	hereby opt for video conference facility at	(geographical location)		
	Signature of m	nember		

10. Tax Implications on Dividends:

Withholding tax rates applicable on the amount of dividend are as under:

For filers of income tax returns: 15% For non-filers of income tax returns: 20%

To enable the Company to make tax deduction on the amount of the cash dividend @ 15% instead of 20% all the shareholders whose names are not entered into the Active Tax Payers List (ATL) provided on the website of FBR despite the fact that they are filers, are advised to make sure that their names are entered into ATL. Otherwise tax on the cash dividend will be deducted @ 20% instead of 15%.

Tax in case of 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 on 'Filer Non-filer' status of 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:

			Principal S	hareholder	Joint Sha	ıreholder
Company Name	Folio/CDC Account #	Total Shares	Name and CNIC #	Shareholding Proportion (No. of Shares)	Name and CNIC #	Shareholding Proportion (No. of Shares)

Messrs Corplink (Pvt) Ltd.

Wings Arcade, 1-K Commercial, Model Town, Lahore Ph. 042-35916714, 35916719, Fax: 042-35869037

Valid Tax Exemption Certificate for Exemption from Withholding Tax:

A valid Tax Exemption Certificate is necessary for exemption from the deduction of withholding tax under Section 150 of the Income Tax ordinance, 2001. Members who qualify under Clause 47B of Part IV of the Second Schedule to the Income Tax ordinance, 2001 and wish to seek an exemption should provide a copy of their valid Tax Exemption Certificate to the Share Registrar prior to the date of book closure, otherwise tax will be deducted according to applicable law.

10. منافع پڑتیس کااطلاق:

منافع پرود مولدنگ تیکس کے ریٹس حسب ذیل ہیں:

اَکُمْ ٹیکس پٹرنز کے فائکر زکیلئے: 15 فیصدا کُمْ ٹیکس پٹرنز کے نان فائکر زکیلئے: 20 فیصد

سمینی کونقذمنافع کی رقم پر20 فیصد کی بجائے 15 فیصد ٹیکس کی کو تی کے قابل بنانے کیلئے وہ تمام شیئر ہولڈرز جن کے نام ایف بی آر کی ویبسائٹ پرایکٹوٹیکس پیئر زلٹ (اےٹی ایل) میں درج نہیں ہیں،اس بات سے قطع نظر کہ وہ فائکر ہیں،انہیں ہدایت کی جاتی ہے کہ وہ اے ٹی ایل میں اپنے ناموں کے اندراج کوفیٹی بنائیں لیصورت دیگر نقذ منافع پڑئیکس کی کو تی 15 فیصد کی بڑے 20 فیصد کی شرح سے کی جائے گی۔

مشتر كشيئر مولدرز كي صورت مين تيكس:

ان شیئر ہولڈرز کیلئے جن کے شیئر زمشتر کہ ہیں، فیڈرل بورڈ آف ریو نیوکی وضاحت کے تحت و دہولڈنگ ٹیکس کا تعین پڑپل شیئر ہولڈر کے ساتھ ساتھ جوائٹ ہولڈرز کے شیئر ہولڈرگ کے نتاسب کی بنیاد پران کے''فائمر/ نان فائکز'' شیٹس کے مطابق الگ الگ ہوگا۔ لہٰذاہ ہمام شیئر ہولڈرز جن کے شیئر زمشتر کہ ہیں ان سے درخواست ہے کہ وہ پڑپل شیئر ہولڈراور جوائٹ ہولڈرز کے شیئر نرک بابت جو کہ ان کے پاس موجود ہیں، ہمار شیئر رجٹرار کو تحریری طور پر مندر جوذ پل طریقے سے شیئر ہولڈنگ کا تناسب فراہم کریں۔

جوا ئىڭ ئىئىز بولڈر		رٹیل شیئر ہولڈر		ٹوٹل شیئر ز	فوليو/سي ڈيسي ا کاؤنٹ#	کمپنی کا امر
شیئر ہولڈنگ کا تناسب (شیئرز کی تعداد)	نام اورقو می شناختی کارڈ#	شیئر ہولڈنگ کا تناسب (شیئرز کی تعداد)	نام اورقو می شناختی کارڈ#	نول جينرز	لويور ي د ي ي ا کاونٽ#	^{کمپ} نی کا نام

ميسرز كارپلنك (پرائيويٹ) لميٹٹر وَكُرْ آركِیْهُ، 1-K كَرِشْل، ماڈل ٹاؤن، لا ہور، فون: 35916714, 35916714 ، فیکس: 042-35869037

ود بولدُ نگ میکس سے استنی کیلئے نیکس سے استنی کا درست سر میفکیٹ:

انکم ٹیکس آرڈیننس 2001ء کے سیشن 150 کے تحت و دہولڈنگ ٹیکس کی کو تی ہے استثنی کیلئے ٹیکس ہے استثنی کا درست سرٹیقلیٹ ضروری ہے۔ وہ ممبرز جو انکم ٹیکس آرڈیننس 2001ء کے سیکنڈ شیڈول کے پارٹ IV کی شق ط 47 کے تحت کوالیفائی کرتے ہیں اورٹیکس سے استثنی چاہتے ہیں نہیں شیئر ٹرانسفر بکس بند ہونے کی تاریخ سے قبل ٹیکس سے استثنی کے درست سرٹیقلیٹ کی کا پی ہمار شیئر رجٹر ارکوفر اہم کرنا ہوگی ، بصورت دیگر لاگو قانون کے مطابق ٹیکس کی کو تی کی چاہے گی۔

کے مطابق درست می این آئی می فوٹو کا پی موصول نہ ہونے کی صورت میں کمپنی مستقبل میں ان کے ڈیویڈیڈ کی منتقل روک سکتی ہے۔

4. دُيويدُندُ بينك ميندُيك:

کمپنیزا یکٹ 2017ء کے سیکشن 242 کے تحت ممبرز سے درخواست ہے کہ وہ اپنانقر منافع براہ راست بینک اکاؤنٹ میں وصول کرنے کیلئے اپنے تی این آئی می اور بینک اکاؤنٹ کی تفصیل بمعہ بینک کانام، بینک برا فی کا پیۃ اور انٹریشنل بینک اکاؤنٹ نمبر (آئی بی اے این) فراہم کریں۔ تاہم وہ تمام ممبرز جنہوں نے ابھی تک اپنے می این آئی می اور بینک اکاؤنٹ کی تفصیل فراہم نہیں کی انہیں ایک بار پھریا دوہ ان کرائی جارہ ہی ہے کہ وہ فوری طور پراپنے میں انٹریشنل بینک اکاؤنٹ کی تفصیل فراہم نہیں گوئیس ایک بار پھریا دوہ اور کی تحت ان کے منافع کی رقم روکی جا سے میں این آئی میں کی غیر موجود گی میں قواعد وضوالط کے تحت ان کے منافع کی رقم روکی جا سے سے دوپور پڑھ بینک مینڈیٹ فارم ممبئی کی ویب سائٹ www.bata.com.pk ہے۔

جوار کان کا ڈی تی کے اکا وُنٹس میں حصص رکھتے ہیں وہ اپنے بینک کے مینڈیٹ کواپنے متعلقہ شرکا ءکوفراہم کریں۔

پینه کی تبدیلی اور ز کو ق سے استثنی کے ڈکلریشن کی اطلاع:

شیئر زسرٹیفکیٹس رکھنے والےممبران اپنے رجٹر ڈپیۃ میں تبدیلی کے بارے میں شیئر رجٹر ارکوآ گاہ کریں اوراپنے زکو ۃ سے استنی کے ڈکلریشنز فراہم کریں۔تمام ہی ڈی ق شیئر ز ہولڈرممبرز سے گزارش ہے کہ وہ ہی ڈی می یا پنے متعلقہ شرکاء ﷺ کے درکرز کے ساتھ اپنالیڈریس اپ ڈیٹ کریں اوراپنے زکو ۃ سے استنی کے ڈکلریشنز فراہم کریں۔

6. غيردعوى شده منافع اورشيئر سر ثيفكيش:

شیئر ہولڈرز کو مطلع کیا جاتا ہے کہ کینیز ایکٹ201ء کے سیکشن 244 اور غیر وعویٰ شدہ شیئر ز مضاربہ سرٹیفلیٹ، ڈیویڈنڈز، دیگر انسٹروشنٹس اور اَن ڈسٹری پیونڈ ایسٹس ریگولیشنز کو 102ء کے مطابق بمپینز کیلئے ایسے کیش ڈیویڈنڈ زفیڈرل گورشنٹ کے کریڈٹ میں یا وصول نہیں کئے گئے۔اس حوالے سے متعلقہ شیئر ہولئ دوی پہلے بی نوٹس دیئے جاچکے ہیں۔ ہولڈرز کو پہلے بی نوٹس دیئے جاچکے ہیں۔

7. شيئر مولدرز كوسالا ندر يورش كى بذريعها ى ميل ترسل:

مورند 8 متبر 2014ء کوجاری ہونے والے نوشگیشن ایس آراونمبر 2014/(1)/2014 کے تحت کمپنیوں کواجازت ہے کہ وہ شیئر ہولڈرز کواینوکل فنانشل شیئنٹ کے ساتھ ساتھا ہیوکل جزل میٹنگ (اے بی آیا ہم) کا نوٹس بذریعه ای میں سائٹ www.bata.com.pkپر ستیاب ہے، بذریعه ای میٹنا بی رضامندی ظاہر کریں۔علاوہ ازیں کمپنی کے سائٹ www.pkپرستیاب ہے، بذریعه ای میٹنا بی رضامندی ظاہر کریں۔علاوہ ازیں کمپنی کے بارے میں بروقت مطلع کرنا بھی ممبرزی ذمہ داری ہے۔

8. شيئر مولڈرز کوسالانہ آ ڈٹ شدہ اکا وَنش اورا ہے جی ایم نوٹس کی بذریعی ڈی یا ڈی وی ڈی یا یوایس بی ترسیل:

الیں ای پی کے نوٹیٹکشن ایس آراونبر2016/(1) 470 مورخہ 31 دمنی 2016ء کے تحت کمپنیوں کواجازت دی گئی ہے کہ وہ آنے والے برسوں میں ممبرزکوا پنی سالا نہ آؤٹ پیٹول سالانہ آؤٹ شدہ اکاؤنٹس، سالانہ آ اجلاس عام کانوٹس اور کمپنی کی دیگر معلومات ہارڈ کا بیز کی بجائے تی ڈی یاڈی وی ڈی یا یوالیس بی کے ذریعے ارسال کرسکتی ہیں۔ تاہم کمپنی شیئر ہولڈرز کے مطالبہ پرانہیں سالانہ آڈٹ شدہ اکاؤنٹس کی ہارڈ کا بی طلب کئے جانے کے ایک ہفتے کے اندران کے رجئرڈ ایڈرلیس پر بیا معاوضہ فراہم کرے گی۔

9. ویڈیوکانفرنس کیلئے رضامندی:

الیں ای پی کے سرکوارنبر 10 مورخہ 21 می 2014ء کے مطابق اگر کمپنی کو کسی مخصوص جغرافیا کی مقام ہے مجموعی طور پر 10 فیصد یاز اندحصص کے ساتھ ممبرز کی طرف سے اجلاس میں شرکت کیلئے اجلاس سے کم از کم 10 دن تھلے میں ایسی کوئی سہولت میسر ہو۔اس کیلئے براہ کرم درج ذیل فارم پُرکر کے سالا نہ اجلاس عام کی تاریخ سے کم از کم 10 دن پہلے کھنی کے رجٹر ڈ ایڈریس پرجع کروائیس۔ ایڈریس پرجع کروائیس۔

ت کیلئے رضامندی کا فارم	ویڈ بوکا نفرنس کی سہولہ		
شیئرز کا حامل ہوں بمطابق رجٹر ڈفولیو#/سی ڈی می ا کاؤنٹ نمبر	ــــبا ثا یا کستان کمیشد کاممبر ہوں اور ــــــــــــ	. ـ . ـ . ـ ـ ساکن ـ ـ ـ ـ ـ ـ ـ ـ ـ ـ ـ ـ ـ ـ ـ ـ	بن/ہم ۔۔۔۔۔
ہا نفرنس کی سہولت حاصل کرنا چا ہتا ہوں _	. ـ ـ ـ ـ ـ ـ ـ ـ ـ ـ ـ (جغرافيا كَي مقام) ميں ويُّد يو كا	ــــاپخشررـــــــــــــــــــــــــــــــــــ	
			مبر کے دستخط ۔۔۔۔

سالا نداجلاس عام كي اطلاع

مطلع کیاجا تاہے کہ باٹایا کتان 676واں اجلاس عام کمپنی کے رجٹر ڈ آفس باٹا پورضلع لا ہور میں مورخہ 25 اپریل 2019ء میچ 10:00 بجےمندرجہ ذیل کاروباری امورانجام دینے کیلئے منعقد ہوگا۔

- 1- مورخہ23ایریل 2018ءکومنعقد ہوئے66ویں سالا نہ اجلاس عام کی کاروائی کی توثیق۔
- 2- مورخه 3 دنمبر 2018 وکتم ہوئے سال کیلئے کمپنی کے آڈٹ شدہ حسابات بمعہ ڈائر بکٹر زاور آڈیٹرز کی ربورٹس کی وصولی بخوروخوض اور منظوری۔
- 3- ڈائر کیٹرز کے تبویز کردہ منافع کاعلان ۔ڈائر کیٹرز نے 600 فیصد (10 رویے کے ٹی شیئر پر 60رویے)حتی نقد منافع کی تبویز پیش کی ہے،علاوہ 900 فیصد (10 روپے کے ٹی شیئر پر 90روپے)اضافی عبوری نقتہ منافع جو پہلے ہی شیئر ہولڈرز کودیا جاچکا ہے،جس ہے کل نقد منافع 1500 فیصد (10 روپے کے فی شیئر پر 150 روپے) ہوجا تا ہے۔
- 4- 31 دىمېر 2019ءكۇنتى ہونے والےسال كىلئے آۋىيژزى تقررى اوران كے معاوضە كانعين _ريئائر ۋېوئ آۋىيرزاپ ايف فرگون ايند كمپنى، چارٹر ڈاكا ؤنٹينٹس نے ،اہل ہونے كى بناپر،خود كودوباره كمپنى كے آۋييرز متعین کئے جانے کی پیشکش کی ہے۔
 - 5- چیئر مین کی اجازت ہے معمول کا کوئی بھی دیگر کاروباری لین دین۔

حسب الحكم بورد، باڻايا ڪستان کميڻڙ،

(امجد فاروق ایف سی اے) باڻا يورلا ہور سميني سيريثري 06ارچ2019ء

1. شيئر ٹرانسفر بکس بند ہونا:

کمپنی کی شیئر ٹرانسفر بکس 18 اپریل 2019ء سے 25 اپریل 2019ء (بشمول دونوں ایام) ہندر ہیں گا۔انقال دہندگان کے مذکورہ بالا انتقاق اور اجلاس میں شمولیت کی غرض سے کمپنی کے شیئر رجٹرار،میسرز کاریلنگ (یرائیویٹ) کمیٹٹر، K-1 کمرشل، ماڈل ٹاؤن، لا ہورکومور نعہ 17 اپریل 2019ء کے روز کاروبار بند ہونے سے قبل موصول ہونے والی ٹرانسفرز پروقت تصور کی جائیں گی۔

2. سالانداجلاس عام میں شرکت:

اجلاں میں شرکت کرنے اور ووٹ دینے کے اہل ممبران اپنی طرف سے ووٹ دینے کیلئے کسی دوسر سے فردکو پراکسی (نمائندہ) مقرر کر سکتے ہیں۔ پراکسیز کوموژ ہونے کیلئے کمپنی کے رجٹرڈ آفس میں اجلاس کے انعقاد کے وقت ہے کم از کم 48 گھنے قبل موصول ہونا ضروری ہے۔ ہی ڈی می اکاؤنٹ ہولڈرز کیلئے سیکیورٹیز اینڈ ایم چینج کمیشن آف یا کستان کے جاری کردہ سرکولر 1 مورخہ 26 جنوری 2000ء میں دی گئی ہدایات پڑمل کرنا ضروری ہے۔ پراکسی فارم کمپنی کی ویب سائٹ www.bata.com.pk پر (انگریزی اور اُردوز بانوں میں) دستیاب ہے۔

(i) اجلاس میں شمولیت کیلئے

- (a) افراد کی صورت میں، اکاؤنٹ ہولڈریاذیلی اکاؤنٹ ہولڈراور/یا وہ فردجس کی سیکیورٹیزی ڈی ہیں میں رجٹر ڈییں؛ اوران کی رجٹریشن کی تفصیلات قواعد کےمطابق اپ لوڈڈ بیں، اجلاس میں شمولیت کیلئے اپنے اصل کمپیوٹرائز ڈقو می شاختی کارڈ (س این آئی س) پااصل پاسپورٹ کے ذریعے اپنی شاخت کی تصدیق کرائیں گے ممبرز کیلئے شمویت کاشاختی نمبراوری ڈی ہی اکاؤنٹ نمبر بھی ہمراہ لا ناضروری ہے۔
 - (b) سمپنی کے ممبر کاروباری ادارہ کی صورت میں پراکسی فارم کے ساتھ بورڈ آف ڈائز یکٹرز کی قر ارداد/ وکالت نامہ بمعینہ وند کے دستخط ممپنی کوجمع کرانے کی ضرورت ہوگی۔
 - (ii) براکسیز کی تقرری کیلئے
- (a) افراد کی صورت میں، اکاؤنٹ ہولڈریاذیلی اکاؤنٹ ہولڈراور/یا وہ فردجس کی سکیورٹیز گروپ اکاؤنٹ میں میں اوران کی رجٹریشن کی تفصیلات می ڈی ہی قواعد کےمطابق اپ لوڈڈ میں، اپنے پراکسی فارم مذکورہ بالا ضرورت کےمطابق جمع کروائیں۔
 - (b) براکسی فارم بردوافراد کی گواہی ہوگی جن کے نام، پیۃ اور بی این آئی سی نمبرز براکسی فارم بردیا گیا ہو۔
 - (c) فائدہ مند مالکان اور پراکسی کے تی این آئی تی پایاسپورٹ کی تصدیق شدہ کا یباں پراکسی فارم کے ساتھ لگائی گئی ہوں۔
 - (d) اجلاس کے وقت پراکسی کواپنااصل ہی این آئی ہی یااصل یا سپورٹ دکھانا ہوگا۔
 - (e) کاروباری ادارہ کی صورت میں پراکسی فارم کے ساتھ بورڈ آف ڈائر یکٹرز کی قرار داد/ وکالت نامہ بمعدنا مزد کے نمونہ کے دستخط کمپنی کوجع کرانا ہوگا۔

3. ساين آئي کي کا پيال لازي جمع کرانا:

سيكيور ٹيزانيڈ ايجيني كميش آف ياكستان (ايس اي سي يي) كے نوٹيفكيشن ايس آراد2011/1)977مورخہ 18اگست2011 كےمطابق وہمبرز لشيئر مولڈرز جنہوں نے اپنے درست سي اين آئي سي کي فوٹو کا لي کمپني کوجمع نہيں کروائی،ان کیلیح ضروری ہے کہ وہ اپنے تی این آئی تی کی کا بی جلداز جلد براہ راست کمپنی کےشیئر رجٹرار میسرز کا ریلنگ (برائیویٹ) کمیٹٹر، K-1 کمرشل ،ماڈل ٹاؤن،لا ہورکو مجھوائیں۔ایس ای بی بی کے مذکورہ بالاایس آ راو

Key Operating Highlights

Year		2018	2017	2016	2015	2014	2013	2012 (Restated)
Financial Position								
Authorized capital	Rs. ' 000s	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Paid up capital	Rs. '000s	75,600	75,600	75,600	75,600	75,600	75,600	75,600
Shareholders' equity	Rs. ' 000s	7,491,327	7,126,724	6,662,594	6,051,192	5,255,391	4,500,647	3,933,505
Total assets	Rs. '000s	10,693,121	9,524,326	9,084,556	8,239,266	7,391,089	6,389,270	5,638,165
Property, plant and equipment	Rs. '000s	1,643,028	1,511,909	1,420,757	1,470,821	1,392,241	1,116,281	833,259
Provision for gratuity	Rs. ' 000s	81,421	76,030	72,150	68,805	53,135	54,424	85,010
Current assets	Rs. ' 000s	8,970,446	7,930,147	7,585,132	6,684,071	5,909,432	5,206,538	4,733,714
Current liabilities	Rs. ' 000s	3,051,863	2,235,773	2,264,332	2,025,534	1,977,587	1,746,343	1,554,782
Trading Results								
Sales	Rs. ' 000s	16,795,231	15,496,810	15,082,171	14,781,520	13,767,156	12,774,438	11,476,817
Gross profit	Rs. ' 000s	7,525,873	6,620,836	6,193,926	6,005,197	5,379,123	4,994,113	4,258,771
Operating profit	Rs. '000s	2,307,940	2,220,158	2,140,580	2,131,784	1,919,321	1,740,903	1,439,035
Profit before tax	Rs. ' 000s	2,265,902	2,180,270	2,100,645	2,101,280	1,887,916	1,714,388	1,385,586
Profit after tax	Rs. ' 000s	1,501,409	1,524,466	1,442,016	1,445,500	1,339,412	1,232,422	1,020,801
Distribution								
Interim cash dividend - paid	%	900.00	800.00	650.00	510.00	430.00	650.00	300.00
Final cash dividend - proposed/paid	%	600.00	600.00	600.00	450.00	340.00	350.00	230.00
Financial Ratios and Values								
Gross profit	%	44.81	42.72	41.07	40.63	39.07	39.09	37.11
Operating profit	%	13.74	14.33	14.19	14.42	13.94	13.63	12.54
Profit before tax	0/0	13.49	14.07	13.93	14.22	13.71	13.42	12.07
Profit after tax	0/0	8.94	9.84	9.56	9.78	9.73	9.65	8.89
Return on equity	%	20.04	21.39	21.64	23.89	25.49	27.38	26.04
Price earning ratio	Times	7.78	12.16	22.60	17.10	19.70	17.13	9.99
Dividend yield	%	9.71	5.71	2.55	2.69	2.23	3.15	3.71
Earnings per share	Rs.	198.60	201.65	190.74	191.20	177.17	163.02	135.03
Debt : equity ratio	Times	0.00:1	0.00:1	0.00:1	0.00:1	0.00:1	0.00:1	0.00:1
Current ratio	Times	2.94:1	3.55:1	3.35:1	3.30:1	2.99:1	2.98:1	3.04:1
Average stock turns - value	Times	2.49	2.78	3.03	3.08	3.29	3.40	3.24
Debtors turnover	Times	2.21	2.84	3.57	6.34	9.47	12.9	10.92
Average collection period	Days	165	128.65	102.29	57.55	38.53	28.30	33.42
Property, plant and equipment turnover	Times	10.22	10.25	10.62	10.05	9.89	11.44	13.77
Break up value per share	Rs.	990.92	942.69	881.30	800.42	695.16	595.32	520.30
Market price per share	Rs.	1,545.00	2,452.27	4,310.00	3,269.70	3,490.00	2,792.46	1,349.50
Market capitalization	Rs. ' 000s	11,680,200	18,539,161	32,583,600	24,718,932	26,384,400	21,110,998	10,202,220
Other information								
Permanent employees	Number	2,693	2,421	2,492	2,544	2,485	2,343	2,400
Retail outlets	Number	476	435	412	417	407	395	386
Wholesale depots	Number	12	12	13	13	13	13	13
Installed capacity	Pairs '000s	20,290	20,329	19,439	18,941	17,305	16,202	14,079
Actual production	Pairs '000s	15,832	16,932	16,545	16,123	17,117	16,491	11,837
Capacity utilization	0/0	78.03	83.29	85.11	85.12	98.91	101.78	84.08
Additions to Operating Fixed Assets	Rs. ' 000s	387,501	311,326	177,751	340,725	505,102	332,942	217,054



Goral on sibility Responsibility



39 trainees were awarded Certificates & Stipend on successful completion of Upper Stitching Training in Industrial School Batapur.



Employee children and BCP volunteers organized an environmental awareness activity on the Grand Trunk Road Lahore in order to educate drivers on how to keep our streets and roads clean.



Arranged mentorship session in CDG Girls High School Nawab Pura Lahore with the help of our volunteers who inspired the students in career counselling and personality building.



To impart our role for better environment, planted numerous trees / saplings in Batapur and Branch Factory Maraka.



To promote a sense of belonging and caring, our volunteers spent quality time with the orphans / abandoned children of SOS village and presented them gifts.



To provide clean & safe drinking water for the community, two water filtration plants have been built in Batapur.



To support rehabilitation and educational process of Special Children, we furnished a classroom at Rising Sun Institute Lahore to accommodate 12 children at one time.



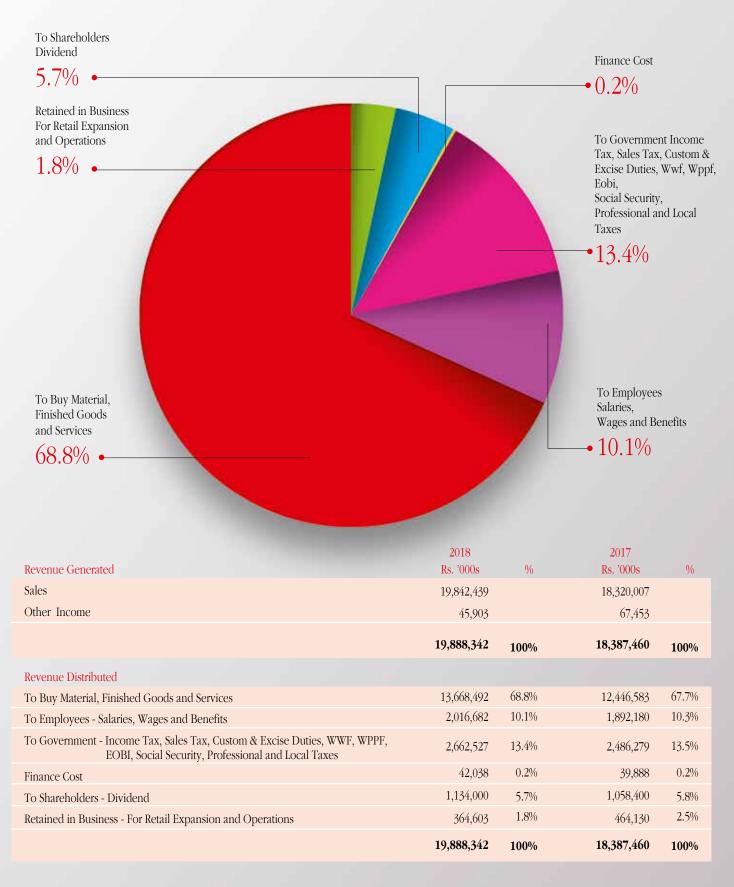
Celebrated Independence Day with the children of a local school and distributed gifts amongst them.



Distributed shoes amongst 737 underprivileged children at Lahore.

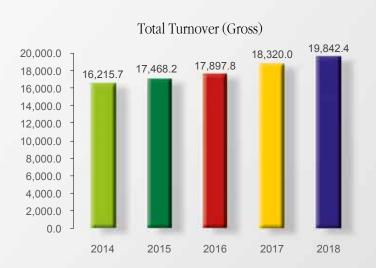


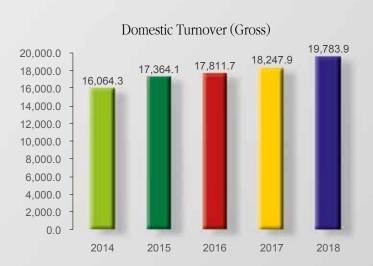
Value Added and its Distribution

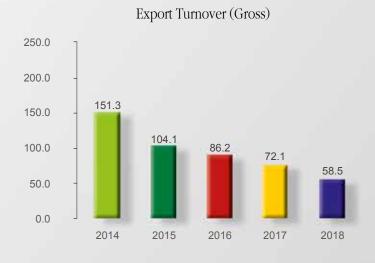


Operational Statistics

(Rupees in million)









Chairman's Review Report

On Board's overall Performance u/s 192 of the Companies Act 2017

Bata Pakistan Limited complies with all the requirements set out in the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2017 with respect to the composition, procedures and meetings of the Board of Directors and its committees. As required under the Code of Corporate Governance, an annual evaluation of the Board of Directors of (the "Board") of Bata Pakistan Limited (the "Company") is carried out. The purpose of this evaluation is to ensure that the Board's overall performance and effectiveness is measured and benchmarked against expectations in the context of objectives set for the Company. Areas where improvements are required are duly considered and action plans are framed and implemented.

For the purpose of Board evaluation, a comprehensive criteria has been developed. The Board has recently completed its annual self-evaluation for the year ended December 31, 2018 and I report that:

The overall performance of the Board for the year, measured on the basis of approved criteria, was satisfactory.

The overall assessment as satisfactory is based on an evaluation of the following integral components, which have a direct bearing on the Board's role in achievement of Company's objectives:

Vision, Mission and Values:

The Board members are familiar with the current vision, mission and values and support them. The Board revisits the mission and vision statement from time to time.

Engagement in Strategic Planning:

The Board has a clear understanding of the stakeholders (shareholders, customers, employees, vendors, society at large) whom the Company serves. The Board has a strategic vision of how the Organization should evolve over the next three to five years. Further, the Board sets annual goals and targets for the management in all major performance areas.

Diligence:

The Board members diligently performed their duties and thoroughly reviewed, discussed and approved business strategies, corporate objectives, plans, budgets, financial statements and other reports. It received clear and succinct agendas and supporting written material in sufficient time prior to Board and committee meetings. The Board met frequently enough to adequately discharge its responsibilities.

Monitoring of Organization's Business Activities:

The Board remained updated with respect to achievement of Company's objectives, goals, strategies and financial performance through regular presentations by the management, internal and external auditors and other independent consultants. The Board provided appropriate direction and oversight on a timely basis.

Diversity and Mix:

The Board members effectively bring the diversity to the Board and constitute a mix of independent and non-executive directors. The non-executive and independent directors were equally involved in important board decisions.

Governance and Control Environment:

The Board has effectively set the tone at the top, by putting in place a transparent and robust system of governance. This is reflected by setting up an effective control environment, compliance with best practices of Corporate Governance and by promoting ethical and fair behavior across the Company.

Compliance with Regulatory Requirements:

The board has complied with all the regulatory requirements and acted in accordance with the applicable laws and best practices.

Furthermore, during the year all the significant issues were presented before the Board and its committees to strengthen and formalize the corporate decision making process, particularly all the related party transactions were approved by the Board on the recommendation of the Audit committee.

Place: Batapur Lahore Roberto Longo Date: March 06, 2019 Chairman

چیئر مین کی جائزه ربورٹ

کمپنیزا یک2017کے کیٹن 192کے تب بورڈ کی مجموعی کارکردگی پر

باٹا یا کستان کمیٹر تشکیل،طریقہ کاراور بورڈ آف ڈائریکٹرز اوراس کی کمیٹیوں کے اجلاس کے حوالے ہے کمپنیز ایک 2017 اوراسٹد کمپنیز (کوڈ آف کارپوریٹ گورنینس)ریگولیشنز 2017 میں دیئے گئے نقاضوں ریمل پیرا ہے۔کوؤ آ ف کارپوریٹ گورنینس کے نقاضوں کےمطابق باٹا پاکستان کمیٹٹر(''میٹین') کے بورڈ آ ف ڈائز کیٹرز (''بورڈ'') کی سالانہ جائج کی جاتی ہے۔اس جائج کا مقصد بورڈ کی مجموعی کارکردگی اور کامیابی کا اندازہ لگانااور کمپنی کیلئے طے کئے گئے مقاصد کے نناظر میں تو قعات کےمطابق معیار کو بینی بنانا ہے۔جن پہلوؤں کو بہتر بنانے کی ضرورت ہوتی ہے انہیں مناسب طریقے سے مجھا جا تا ہے اور مملی منصوبہ بندی تیار کر کےاسے لا گوکیا جا تا ہے۔

بورڈ کی جانج کے مقصد کیلئے ایک جامع معیارتیار کیا گیا ہے۔ بورڈ نے 1 3 دسمبر 2018ء کوختم ہوئے سال کیلئے حال ہی میں اپنی سالا نیذ ذاتی جانچ مکمل کی ہے اور میں رپورٹ کرتا ہوں کہ:

منظورشده معباری بنیاد برجانجی گئی بورڈ کی سال کیلئے مجموعی کارکردگی اطمینان بخش تھی۔

مجموع تعین درج ذیل لازمی اجزاء کی بنیادیت کی بخش ہے جن کی براہ راست فرمدداری کمپنی کے مقاصد کے حصول میں بورڈ کے کر داریے عائد ہوتی ہے:

1. ويژن مشن اورويليوز:

بورد ممبرزموجوده ویژن مثن اورویلیوز سے پوری طرح واقف ہیں اوران کی حمایت کرتے ہیں۔ بورڈ وقتاً فو قنامشن اورویژن ٹیمٹنٹ پرنظرڈ التار ہتا ہے۔

2. حكمت عملى سے متعلق منصوبہ بندى میں مصروفیت:

بورڈ ایے متعلقین (شیئر ہولڈرز، کشمرز، ملاز مین، وینڈ رز، اور بڑے پیانے پر معاشرے) کی واضح سمجھ بو چھر کھتا ہے۔ بورڈ حکمت عملی ہے متعلقین (شیئر ہولڈرز، کشمرز، ملاز مین، وینڈ رز، اور بڑے پیانے پر معاشرے) کی واضح سمجھ بو چھر کھتا ہے۔ بورڈ حکمت عملی ہے متعلق پوری بصیرت رکھتا ہے کہ ادارہ اگلے تین سے پانچ سال میں کیسے آ گے بڑھ سکتا ہے۔مزید برآ ں بورڈ کارکردگی کے تمام بڑے بہلوؤں کےحوالے سے انتظامیہ کیلئے سالانہ مقاصداورا ہداف مقرر کرتا ہے۔

3. جانفشاني:

بورڈممبرز نے پوری تندہی ہےایے فرائض سرانجام دیئے اور کاروباری حکمت عملی ، کارپوریٹ مقاصد ،منصوبوں ، بجٹ ، مالیاتی بیانات اور دیگررپورٹس کا بخو بی جائزہ لیا،ان پر تباولہ خیال کیااوران کی منظوری دی۔اس نے بورڈ اور کمٹی کے اجلاسوں سے کافی وقت پہلے واضح ایجنڈ ےاوران کی حمایت میں تج ریں مواد حاصل کیا۔ بورڈ نے اپنی فر مدداریوں کوموز وں طریقے سے انجام دینے کیلئے اکثر ملا قاتیں کی ہیں۔

4. ادارے کی کاروباری سرگرمیوں کی مگرانی:

بورڈ انظامیہ،اندرونی اور بیرونی آ ڈیٹرز اور دیگر آ زاد کسکٹٹس کی طرف ہے با قاعدگی کے ساتھ پر پزشیشنز کے ذریعے میپنی کے مقاصد کے حصول،اہداف، حکمت عملی اور مالیاتی کارکردگی ہے باخبرر ہتا ہے۔ بورڈ نے بروقت بنیادوں پرنگرانی اور درست سمت میں رہنمائی فراہم کی ہے۔

5. تنوع اورمرك:

بور ڈممبرزموژ طریقے سے بورڈ میں تنوع لائے اور آزاداورغیرا نظامی ڈائر بکٹرز کا ایک مرکب تشکیل دیا نے غیرا نظامی اور آزاد ڈائر بکٹرز کو بورڈ کے اہم فیصلوں میں مساوی طور برشال کیا گیا۔

6. گورنینس اور کنٹرول انوائر نمنٹ:

بورڈنے گورنینس کے ایک شفاف اورمضبوط نظام کے ذریعےموثر انداز میں اعلیٰ معیار قائم کیا ہے۔ یہ ایک موثر کنٹرول انوائز منٹ کے قیام ،کارپوریٹ گورنینس کے بہترین طریقوں کی فٹیل اورپوری کمپنی میں اخلاقی اورمنصفانہ رویے کے فروغ سے صاف ظاہر ہے۔

7. ریگولیٹری ضروریات کے مطابق تعمیل:

بورڈ نے تمام ریکولیٹری ضروریات کا اطلاق کیا ہے اور قابل اطلاق قوانین اور بہترین طریقوں کے مطابق عمل کیا ہے۔

اس کے علاوہ سال کے دوران تمام اہم معاملات ،کارپوریٹ فیصلہ سازی کے عمل کو مضبوط بنانے اور با قاعدہ عمل میں لانے کیلئے بورڈ اوراس کی کمیٹیوں کے سامنے پیش کئے گئے ۔خاص طور پر بورڈ کے ذریعہ ساعت کمیشن کی سفارش برتمام متعلقه لین دین کومنظور کیا گیاتھا۔

روبرثولانكو باڻا يورلا ہور تاريخ: 06ارچ2019ء چيئر مين



Report

DIRECTORS' REPORT TO THE MEMBERS

Your directors have pleasure in submitting their report and financial statements of the Company for the year ended December 31, 2018.

Principal Activity

The principal activity of the Company is manufacturing and sale of footwear of all kinds along with sale of accessories and hosiery

Holding Company

The parent company of Bata Pakistan Limited is Bafin B. V. situated in Nederland, whereas the ultimate parent is Compass Limited, Bermuda.

Financial Position at Glance

A brief financial analysis is presented as under:

Operating Results	2018	2017	Increase / (Decrease)
	Amour		
Turnover	19,842,439	18,320,007	8.31%
Net Turnover	16,795,231	15,496,810	8.38%
Gross Profit	7,525,873	6,620,836	13.67%
Gross Profit %	44.81%	42.72%	209 bps
Distribution Costs	3,951,287	3,312,220	19.29%
Administrative Expenses	1,101,934	979,398	12.51%
Operating Profit	2,307,940	2,220,158	3.95%
Profit After Tax	1,501,409	1,524,466	(1.51%)
Earnings per Share - Rupees	198.60	201.65	(1.51%)

Financial Results and Developments

The Company's business achieved net turnover of Rs. 16.795 billion showing a growth of 8% over last year. The gross profit was recorded at Rs. 7.526 billion against last year of Rs. 6.621 billion. Operating profit increased from Rs. 2.220 billion to Rs. 2.308 billion. Profit after taxation was Rs. 1.501 billion compared to Rs. 1.524 billion of last year. The Company achieved earnings per share of Rs. 198.60 against Rs. 201.65 of last year.

Our retail division continues to grow with the current setup along with the new stores and achieved a growth of 9%. In order to sustain this growth and to provide friendly and modern atmosphere in the stores, an amount of Rs. 196 million has been spent to open new stores and to renovate existing stores at key business locations. Much of the expansion was focused on our modern format of stores concept. Non-retail division also showed a growth of 7% against last year with a healthy growth in gross profit.

The Company has an effective cash flow management system in place whereby cash inflows and outflows are projected on regular basis. The profit on short term investments and bank deposits along with income/discounts from early payment to suppliers was Rs. 34.553 million. The Board is satisfied that there are no short or long term financial constraints at the close of the year.

The Company has signed an amended trade mark royalty agreement with Bata Brands S.A Switzerland (a related party) effective from July 01, 2018. As per the amended agreement, royalty payments remittable from the Company to Bata Brands S.A Switzerland will increase from 2% of net turnover which has to be paid net of any taxes to 5% of net turnover subject to deduction of withholding tax and any other taxes, levies or dues of all kinds imposed on the Annual Royalty by any authority. This amendment will provide the Company with exclusive trade mark rights with in our territory, access to enhanced trade mark value and increase in term of the agreement to December 31, 2028 against previous expiry of December 31, 2024.

The growth of our business is highly dependent on the skills imparted to our personnel through sound training. The Company has invested a considerable time and money on human resource during the period to acquire latest developments in the field of technology and business administration. This would be the ongoing process for future periods. Training of our employees has always been considered as an investment for the future with the objective to provide them with safe and healthy working environment.

5. Earning Per Share

Earning per share for the year ended December 31, 2018 was Rs. 198.60 as against Rs. 201.65 of the preceding year.

6. Appropriation of Profit

The financial results of the Company are as under:

	Year ended December 31, 2018
	Rs. ('000)
Profit before taxation	2,265,902
Less: Provision for taxation	
Current	(691,073)
Prior years	(68,789)
Deferred	(4,631)
	(764,493)
Profit after tax	1,501,409
Unappropriated profit brought forward from last year	918,641
Experience adjustments - Employee Benefits	(2,806)
Profit available for appropriations	2,417,244
Final dividend 2017 @ Rs. 60.00 per share	(453,600)
Interim dividend 2018 @ Rs. 90.00 per share	(680,400)
Transfer to general reserve	(465,000)
	(1,599,000)
Unappropriated profit carried forward	818,244

The directors in their meeting held on March 06, 2019 have also proposed a final cash dividend Rs. 60 per share (2017: Final dividend Rs. 60.00 per share) and transfer to general reserve amounting to Rs. 360 million (2017: Rs. 465 million) for approval of members in the Annual General Meeting to be held on April 25, 2019.

7. Principal Risk and Uncertainties

The Company is exposed to certain inherent risks and uncertainties. However, we consider the following as key risks:

- · Significant competition in our product categories;
- · Adverse movement in foreign exchange rates and commodity prices; and
- · Litigation risks involving significant cases against the company.

The Company works with internal and external stakeholders to mitigate/reduce to acceptable level the likely impacts of aforesaid risks.

8. Corporate Social Responsibility

The Company continued its Corporate Social Responsibilities activities during the period under review. The Company awarded certificates and stipend to 39 trainees on successful completion of Upper Stitching Training in Industrial School, Batapur and arranged mentorship session in CDG Girls High School Nawab Pura Lahore with the help of our volunteers who inspired the students in career counselling and personality building. Moreover to promote a sense of belonging and caring, our volunteers spent quality time with children of SOS village and presented them gifts and also furnished a classroom at Rising Sun Institute Lahore to accommodate 12 children at one time to support rehabilitation and educational process of Special Children.

The Company's staff celebrated Independence Day with the children of a local school and distributed gifts amongst them. The Company also distributed uniform, books and shoes amongst 737 underprivileged children studying in different schools at Lahore.

The Company's doctor and staff organized health awareness and medical camp for children in a local school at Lahore. Two water filtration plants have been built in Batapur for community to provide clean & safe drinking water for the community.

Environmental Impact

To impart our role for better environment, we planted numerous trees in Batapur and Branch Factory Maraka. Employees' children and BCP volunteers organized an environmental awareness activity on the Grand Trunk Road Lahore in order to educate drivers on how to keep our streets and roads clean.

10. Future Outlook

The Company anticipates that the changing economic and political environment in the country will cause further increase in commodity prices and devaluation of the rupee. The pressure on margins will further increase due to imposition of duties and levies.

With a tough year ahead, the Company will focus on revenue growth by taking several measures.

11. Internal Financial Controls

The Directors and management are responsible for the Company's system of internal controls and for reviewing annually its effectiveness in providing shareholders with a return on their investments that is consistent with a responsible assessment and management of risks. This includes reviewing financial, operational and compliance controls and risk management procedures and their effectiveness. The Directors have completed their annual review and assessment for the year ended December 31, 2018.

The Board and Audit Committee regularly review reports of the internal audit function of the Company related to the Company's control framework in order to satisfy the internal control requirements. The Company's internal audit function performs reviews of the integrity and effectiveness of control activities and provides regular reports to the Audit Committee and the Board.

12. Compliance with Listed Companies (Code Of Corporate Governance) Regulations, 2017 (the Regulations)

The requirements of the Regulations relevant for the year ended December 31, 2018 have been adopted by the Company and have been fully complied with. A statement to this effect is annexed to the Report.

13. Corporate and Financial Reporting Framework

The Directors of your company state that:

- The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 and International Financial Reporting Standards, as applicable in Pakistan. These statements present fairly the Company's state of affairs, the results of its operations, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in the preparation of financial statements and accordingly c) estimates are based on reasonable and prudent judgment. Change in accounting policy, if any has been adequately disclosed.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements.
- The system of internal controls is sound in design and has been effectively implemented and is being consistently reviewed by e) the internal audit department.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance as detailed in listing regulations of Pakistan Stock Exchange.
- Key operating and financial data of last six years is annexed to this report.
- Information about taxes and levies outstanding as at December 31, 2018 is given in the notes to the annexed financial statements.
- The valuation of investment made by the Provident Fund Trust Rs. 1.358 billion as on December 31, 2018 as per audited accounts.
- No trading in the shares of the Company was carried out by the Directors, CEO, CFO and Company Secretary, their spouses and minor children.

14. Composition of Board

The board consists of 9 male directors with following composition:

Independent directors 5 Other non-executive directors Executive directors

The Board held five (5) meetings during the year. Attendance by each Director was as follows:

Directors' Name		Meetings Attended	Eligible to attend
Mr. Roberto Longo (Chairman of the Board)	Non - Executive Director	2	5
Mr. Muhammad Imran Malik	Executive Director	5	5
Mr. Toh Guan Kiat	Non - Executive Director	2	5
Mr. Muhamad Maqbool	Independent Director	5	5
Mr. Ijaz Ahmed Chaudhry	Non - Executive Director	5	5
Mr. Kamal Monnoo	Independent Director	4	4
Mr. Shahid Anwar	Non - Executive Director	5	5
Mr. Aamir Amin	Non - Executive Director	5	5
Mr. Rafel Dasca Vinyals	Executive Director	3	3
Resigned during the year			
Mr. Cesar Alex Panduro Arevalo	Executive Director	3	3
Mr. Asad Ali Zaidi	Non - Executive Director	1	1
Mr. Amjad Farooq	Executive Director	=	=
Mr. Haroon Rashid	Non - Executive Director	_	_

Leave of absence was granted to directors who could not attend some of the Board meetings. Moreover, subsequent to the year end Mr. Shahid Anwar has resigned from the Board. The Board is in the process of filling the casual vacancy.

The Company has already met the criteria specified in the Regulations till June 30, 2019 pertaining to Directors' training program. Therefore, no such training program was conducted during the year.

15. Remuneration of Non-Executive Directors

The Company shall not pay remuneration to its non-executive directors including independent directors except for meeting fee for attending Board and its Committees meetings. The Company will reimburse or incur expenses of travelling and accommodation of Directors in relation to attending of Board and its Committees meetings. The Directors' Policy will be reviewed and approved by the Board of Directors from time to time. Details of aggregate amount of remuneration separately of executive and nonexecutive directors, including salary/fee, perquisites, benefits and performance-linked incentives are disclosed in the annexed financial statements.

16. Audit Committee

The Audit Committee held four (4) quarterly meetings during the year. Attendance by each member was as follows:

		Meetings Attended	Eligible to attend
Mr. Muhamad Maqbool	Chairman	4	4
Mr. Roberto Longo	Member	2	4
Mr. Jiaz Ahmed Chaudhry	Member	4	4

The Audit Committee reviewed the quarterly, half yearly and annual financial statements before submission to the Board and their publication. CFO, Head of Internal Audit and a representative of external auditors attended the meetings where issues relating to accounts and audit were discussed. The Audit Committee also reviewed internal audit findings and held separate meetings with internal and external auditors as required under the Listed Companies (Code Of Corporate Governance) Regulations, 2017 (the Regulations). The Audit Committee also discussed with the external auditors their letter to the management. Related parties transactions were also placed before the Audit Committee prior to approval of the Board.

17. Human Resource and Remuneration Committee

The HR Committee held four (4) quarterly meetings during the year. Attendance by each member was as follows:

		Meetings Attended	Eligible to attend
Mr. Ijaz Ahmed Chaudhry	Chairman	4	4
Mr. Muhammad Imran Malik	Member	4	4
Mr. Muhamad Magbool	Member	4	4

18. Auditors

The present Auditors, Messrs A.F. Ferguson & Co., Chartered Accountants retire and offer themselves for re-appointment. The Board of Directors, on recommendation of Audit Committee, proposes the re-appointment of Messrs A.F. Ferguson & Co., Chartered Accountants, for the year ending December 31, 2019.

19. The Pattern of Shareholding

The pattern of shareholding as on December 31, 2018 and its disclosure according to the requirement of Listed Companies (Code Of Corporate Governance) Regulations, 2017 (the Regulations) is annexed to this report.

20. Subsequent Events

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which these financial statements relate and the date of directors' report.

21. Related Party Transactions

The transactions with the related parties and associated undertakings were placed before Audit Committee and upon its recommendations were approved by the Board of Directors.

22. Acknowledgement

We take this opportunity to express our gratitude and appreciation to our customers for their confidence in our products, our employees for their efforts and all other stakeholders for their continued support.

		On behalf of the BOARD OF DIRECTORS
Place: Batapur Lahore Date: March 06, 2019	DIRECTOR	MUHAMMAD IMRAN MALIK CHIEF EXECUTIVE

16. آوٺ کميني

ڈائر بکٹر کانام		اجلاس میں حاضری	حاضری کی اہلیت
مسترمحه مقبول	چيئر مين	4	4
مسٹرروبرٹو لانگو	ممبر	2	4
مسٹراعبازاحمہ چوہدری	ممبر	4	4

آ ڈٹ کمیٹی نے سہ ماہی ،نصف سالا نہ اور سالا نہ مالیاتی گوشوارے بورڈ کوجمع کروانے اوراشاعت ہے پہلےان کا جائزہ لیا۔ بی ایف او،اندرونی آ ڈٹ کےسر براہ اور بیرونی آ ڈیٹرز کے نمائندوں نے اجلاسوں میں شرکت کی جن میں اکاؤنٹس اور آ ڈٹ سے متعلق معاملات پر تبادلہ خیال کیا گیا۔ آ ڈٹ کمیٹی نے اندرونی آ ڈٹ نتائج کا بھی جائزہ لیااورلٹٹ کمپنیوں کے (کوڈ آ ف کارپوریٹ گورنینس) ضوابط2017ء (ضابطہ) کے نقاضوں کے مطابق اندرونی اور بیرونی آ ڈیٹرز کےساتھ الگ اجلاس منعقد کئے۔ آ ڈٹ کمیٹی نے بیرونی آ ڈیٹرز کےساتھ ان کے انتظامیہ کے نام خط پر بھی تبادلہ خیال کیا۔متعلقہ پارٹیوں کالین دین بھی منظوری کیلئے بورڈ کومیٹی کرنے ہے قبل آ ڈٹ

17. انسانی وسائل اوراجرت تمیش

حاضری کی اہلیت	اجلاس میں حاضری		ڈائز یکٹر کا نام
4	4	چيئر ملين	مسٹراعجازاحمہ چوہدری
4	4	ممبر	مسٹر محجمة عمران ملک
4	4	ممبر	مسترمحم مقبول

18. آئيرز

موجودہ آ ڈیٹرز میسرزا اے ایف فرگون ایٹر کمپنی، چارٹرڈ اکاؤٹٹیٹس ریٹائر میں اورانہوں نے اپنی دوبارہ تعینائی کی پیشکش کی ہے۔ بورڈ آف ڈائر کیٹرز نے آ ڈٹ کمپٹی کی سفارشات پر، 3 3 دسمبر 2019ء کوختم ہونے والے سال کیلئے ،میسرزا ہےابیف فرگون اینڈ کمپنی ، چارٹرڈ ا کاؤٹٹیٹس کی دوبارہ تقرری کی تجویز پیش کی ہے۔

19. شيئر ہولڈنگ کا خا کہ

31 دیمبر 2018 ء کوٹیئر ہولڈنگ کا خاکہ اور کوڈ آ ف کارپوریٹ گورنینس کے نقاضوں کے مطابق اس کے افشاء کواس رپورٹ میں شامل کیا گیا ہے۔

20. مابعدوا قعات

جس مالی سال سے بیمالیاتی گوشوارتے علق رکھتے ہیں اس کے اختتام اورڈائز بکٹرز کی رپورٹ کی تاریخ کے دوران کوئی ایسی مادی تبدیلیاں یامعامدات وقوع پنرنہیں ہوئے جو کہ پنی کی مالی حیثیت براثر انداز ہوتے ہوں۔

21. متعلقه يار ئي لين دين

متعلقہ پارٹیوں اور وابستہ اداروں کے ساتھ لین دین آؤیٹ کمیٹی سے پہلے اور اس کی سفارشات پر بورڈ آف ڈائر مکٹرز کی طرف سے منظور کیا گیا تھا۔

22. اعتراف

ہم اس موقع پر ہماری مصنوعات میں اعتاد کیلئے اپنے سٹمرز کا بمپنی کیلئے کی گئ کوشٹوں کیلئے اپنے ملاز مین کا ،اورمسلسل معاونت کیلئے تمام دیگر متعلقین کے شکر گزار ہیں اورانہیں تدول سےخراج محسین پیش کرتے ہیں۔ حسب الحكم بورد آف دُائر يكثرز

با ثا پورلا ، ور		مجر عمران ملک
تارىخ: 106ر <u>چ</u> 2019	ڈائزیکٹر	چيف ا گيزيکڻو

- کار پوریٹ گورنینس کے بہترین طریقوں ہے کوئی انحراف نہیں ہے جبیبا کہ پاکستان سٹاک بھیجنج کے قواعد میں تفصیل درج ہے۔
 - گزشتہ جھ سالوں کے اہم آپریٹنگ اور مالیاتی اعداد وشاراس رپورٹ میں شامل ہیں۔
- 1 دیمبر2018ء تک واجب الا داشیسز اورمحصولات کے بارے میں معلومات نوٹس میں دی گئی ہیں جو کہ مالیاتی گوشواروں کا حصہ ہیں۔
 - آ ڈٹ شدہ اکا وُنٹس کےمطابق براویڈنٹ فنڈٹرسٹ کی سرمایہ کاری کی مالیت 31 دسمبر2018ءکو 1.358 بلین رویے ہے۔
- ڈائر کیٹرزی ای اوب ایف اواور کمپنی سیکریٹری،ان کے اہل خانداور چھوٹے بچوں کے ذریعے کمپنی کے شیئر زمیں کوئیٹر پڈیگٹنہیں کی گئی۔

14. بورڈ کی ترکیب

بورڈ مندرجہ ذیل ترکیب کے ساتھ 9 مردڈ ائر کیٹر زیرشتمل ہے:

آ زاد ڈائر یکٹرز

دیگرغیرا نظامی ڈائر یکٹرز

انتظامی ڈائر یکٹرز

ڈائر کیٹرز کی کل تعداد

بورڈ نے سال کے دوران یا نچ (5) اجلاس منعقد کئے۔ ہرڈ ائر کیٹر کی حاضری حسب ذیل تھی:

ڈائر <u>ی</u> کٹرکا نام		اجلاس میں حاضری	حاضری کی اہلیت
مسٹررا برٹو لائگو	غيرا نظامي ڈائر يکٹر	2	5
مسٹرمجر عمران ملک	انتظامی ڈائر یکٹر	5	5
مسٹرٹو گوان کیاٹ	غيرا نظامي ڈائر يکٹر	2	5
مسترمجر مقبول	آ زاد ڈائز یکٹر	5	5
مسٹراعجازاحمہ چوہدری	غيرا نتظامي ڈائر يکٹر	5	5
مسثركمال منوں	آ زاد ڈائز یکٹر	4	4
مسٹرشا ہدا نور	غيرا نتظامي ڈائر يکٹر	5	5
مسٹرعامرامین	غيرا نتظامي ڈائر يکٹر	5	5
مسٹررافل ڈاسکاو نیالز	انتظامی ڈائر یکٹر	3	3
دورانِ سال مستعفی			
مسٹرسیزرانیکس پانڈیورواریویلو	انتظامی ڈائر یکٹر	3	3
مسٹراسدعلی زیدی	غيرا نتظامي ڈائر يکٹر	1	1
مسٹرامجد فاروق	انتظامی ڈائر یکٹر	_	_
مسٹر ہارون رشید	غيرا نتظامي ڈائر يکٹر	_	_

جوڈ ائر کیٹر پورڈ کے کچھا جلاسوں میں شرکت نہ کر سکے انہیں غیر حاضری کی رخصت دے دی گئی۔مزید بر آں سال کے آخر تک مشرشا ہدا نورنے بورڈ سے استعفیٰ دے دیا۔ بورڈ اس خالی اسامی کویُر کرنے کے عمل میں ہے۔ کمپنی 30 جون 2019ء تک ڈائر کیٹرزی تربیت کے پروگرام مے متعلق ضوابط کے معیار کو پہلے ہی پورا کرچکی ہے۔ لہذا سال کے دوران اس طرح کا کوئی تربیتی پروگرام منعقد نہیں کیا گیا۔

15. غيرا نظامي ڈائر يکٹرز کامعاوضه

کمپنی اپنے غیرا نظامی ڈائر کیٹر زبشمول آزاد ڈائر کیٹرز کو بورڈ اوراس کی کمیٹیوں کے اجلاسوں میں شرکت کی فیس کےعلاوہ کوئی معاوضہ ادائییں کرے گی۔ سمپنی بورڈ اوراس کی کمیٹیوں کے اجلاسوں میں شرکت کیلیے ڈائر کیٹرز ے سفراور رہائش کے اخراجات اٹھائے گی یاادا کرے گی۔ بورڈ آف ڈائر یکٹرز وقناً فو قناً ڈائر یکٹرز کی پالیسی کا جائزہ لے گااوراس کی منظوری دے گا۔ انتظامی اورغیرانتظامی ڈائر یکٹرز کے الگ الگ معاوضہ کی مجموعی رقم کی تفصیلات،بشمول تنخوا/فیس،اضافی مراعات،فوا کداور کار کردگی ہے جڑی ترغیبات منسلک مالیاتی گوشواروں میں سامنے لائی گئی ہے۔

8. کارپوریٹ ساجی ذمہداری

کمپنی نے حالیہ عرصہ کے دوران اپنی کارپوریٹ ساجی فرمدداریوں کی سرگرمیوں کو بھی جاری رکھا۔ کمپنی نے انڈسٹریل سکول باٹاپور میں اَیسٹنیگ ٹریننگ کی کامیاب بخیل پر39زیر بیت افراد کوسٹیفکیٹس اور وظائف سے نوازا، اوری ڈی جی گرلز ہائی سکول نواب پورہ میں اپنے رضا کاروں کی مدد ہے ایک مشاور تی نشست کا اہتمام کیا جنہوں نے طالبات کی کیریئر کےسلسے میں مشاورت اور شخصیت سازی کیلئے حوصلدافزائی کی مزید برآ ں اپنائیت اور د کیجہ بھال کے احساس کوفر وغ دینے کیلئے ہمارے رضا کاروں نے ایس اوایس ولیج کے بچوں کے ساتھ بہترین وقت گزارااورانہیں تحا کف بیش کئے اورخصوصی بچوں کی بحالی اورتغلیم عمل میں معاونت کیلئے بیک وقت 12 بچوں کی سكونت كيلئے رائز نگ ن انشیٹیوٹ لا ہور میں ایک کلاس روم کاانتظام کیا۔

کمپنی کے عملے نے ایک مقامی سکول کے بچوں کے ساتھ یوم آزادی منایااوران میں تحائف تقسیم کئے کمپنی نے لا ہور کے ختلف سکولوں میں زیتعلیم737 کم مراعات یافتہ بچوں میں یو نیفارم، کتابیں اور جوتے تقسیم کئے۔ سمپنی کے ڈاکٹراور عملے نے لا ہور کے ایک مقامی سکول میں بچول کیلئے صحت کے شعوراور ممیڈ کیکل بھپ کا اہتمام کیا۔علاقے کے لوگوں کو پینے کا صاف اور محفوظ پانی فراہم کرنے کیلئے باٹا پور میں دوواٹر فلٹریشن پلانٹ فتمبر کئے گئے

9. ماحولياتي اثر

ماحول کوبہتر بنانے میں اپنا کر دارادا کرنے کیلیے ہم نے باٹا پوراور برانچ فیکٹری مرا کہ میں بڑی تعداد میں درخت لگائے۔ملاز مین کے بچوں اور بی پی رضا کاروں نے گرینڈٹر ٹک روڈلا ہور پرڈرائیوروں کواپنی گلیاں اورسٹرکیس صاف رکھنے کے بارے میں تعلیم دینے کیلئے ایک ماحولیاتی شعورا جاگر کی سرگرمی کا اہتمام کیا۔

کمپنی تو تع کرتی ہے ملک میں بدلتے ہوئے اقتصادی اور سیاسی ماحول کی وجہ سے اشیاء کی قیمتوں میں مزید اضافہ اور رویے کی قدر میں کمی ہوگی۔ واجبات اور محصولات کے نفاذ سے مارجن پر دباؤمزید بزعے گا۔ ا گلے ایک مشکل سال میں کمپنی کئی مختلف اقد امات کے ذریعے آیدنی بڑھانے پر توجہ مرکوز کرے گی۔

11. اندرونی مالیاتی کنٹرولز

ڈائر کیٹرز اورا نظامیے کمپنی کے اندرونی کنٹرول کے نظام اورشیئر ہولڈرز کوان کی سرمایہ کاری پر ذمہ دارانتخین اورخطرات کے نظم ونتل کے ساتھ ریٹرن کی فراہمی کی فعالیت کا سالانہ جائزہ لینے کے ذمہ دار ہیں۔اس میں مالی عملی اورتغیل کے کنٹرونز کا جائزہ اورخطرے کے انتظام کے طریقہ ہائے کاراوران کی فعالیت شال ہیں۔ڈائر بکٹرزنے سال 2018ء کے اختتام تک کاسالانہ جائزہ اورخخین مکمل کر لی ہے۔ داخلی کنٹرول کے تقاضوں کو پوراکرنے کیلئے بورڈاور آ ڈٹ کمیٹی کمپنی کے کنٹرول فریم ورک ہے متعلق کمپنی کے اندرونی آ ڈٹ فنکشن اورر پورٹس کا با قاعدگی ہے جائزہ لیتی ہے۔ کمپنی کا اندرونی آ ڈٹ فنکشن کنٹرول کی سرگرمیوں کی درتی اور فعالیت کے جائز ہے سرانجام دنیا ہے اور آ ڈٹ کمیٹی اور بورڈ کو با قاعدگی ہے رپورٹس فراہم کرتا ہے۔

12. البلا کمپنیوں کے ساتھ میل (کوڈ آف کارپوریٹ گورنینس)، ضوابط2017 (ضابطہ)

کمپنی نے 31 دیمبر 2018 وکونتم ہوئے سال کیلیے متعلقہ ضا بطے کے نقاضوں کوا پنایا ہے اوراس کی کمل بیروی کی گئی ہے۔اس کی ٹیٹیٹنٹ رپورٹ کے کے ساتھ منسلک ہے۔

13. كاربوريث اور مالياتي ربور ثنگ كافريم ورك

آپ کی تمپنی کے ڈائر یکٹرزبیان کرتے ہیں کہ:

- یہاں دیئے گئے مالیاتی گوشوارےاورنوٹس کمپنی ایکے 2017ءاور پاکستان میں رائج انٹریشٹل فنانشل رپورٹنگ شینڈ رڈز کےمطابق تیار کئے گئے ہیں۔ یہ گوشوارے کمپنی کےمعاملات،اس کے آپریشنز کے نتائج،نقذ بہاؤاور مالی حثیت میں تبدیلیوں کومنصفانہ طور پر پیش کرتے ہیں۔
 - سمینی کے حسابات کی کتب کو درست طریقے سے برقر اررکھا گیا ہے۔
- مالياتی گوشواروں کی تياری ميں موزوں اکاؤغنگ پاليسيوں کومسلسل لا گوکيا گيا ہے اورای طرح تمام تخيينے مناسب اورمخاط اندازوں پربنی ہیں۔ اکاؤنٹ پالیسی میں تبدیلی، اگر کوئی ہوتو، مناسب طور پرسامنے لائی گئی
 - مالیاتی گوشواروں کی تیاری کیلئے یا کستان میں رائج انٹر نیشنل فنانشل رپورٹنگ سٹینڈرڈز کی بیروی کی گئی ہے۔
 - اندورنی کنٹرولز کا نظام ساخت کے اعتبارے پوری طرح متحکم ہے اورموڑ طریقے ہے لاگو کیا گیا ہے اوراندرونی آ ڈٹ ڈیپارٹمنٹ اس کامسلسل جائزہ لے رہاہے۔
 - تمپنی کو جاری رکھنے کی قابلیت برکوئی نمایاں شکوک وشبہات نہیں ہیں۔

انسانی وسائل پرکافی وقت اور پیسٹرج کیا ہے۔ پیٹل آنے والے وقت میں بھی جاری رہے گا۔اپنے ملاز مین کی تربیت کوہم نے جمیشہ مستقبل کیلئے سرماید کاری تصور کیا ہے،اس مقصد کے ساتھ کہ انہیں کام کرنے کیلئے محفوظ اور صحتمند ماحول فراہم کیاجائے۔

5. كمائى فى شيئر

31 دىمبر 2018 ء كوختم ہوئے سال كيليتے في شيئر كمائي 198.60 رويتھی اس كے مقابلے ميں پچھلے سال پير 201.65 رويتھی۔

6. منافع کی تخصیص

سمپنی کے مالیاتی نتاریج حسب ذیل ہیں:

پی کے مالیانی نشان حسب فریل ہیں:	
	31 دىمبر2018ءتك كاسال
مملي بتائج	روپے(000,)
کیس ہے پہلے منافع	2,265,902
کمی بنیکس کی ادا نیگی	
عاليه	(691,073)
مابقه سال	(68,789)
<i>وفر ک</i> رده	(4,631)
	(764,493)
نکیس کے بعد منافع	1,501,409
گزشته سال ہے آ گے لایا جانے والے غیرا خصاصی منافع	918,641
یکسپر کنس ایڈ جسٹمنٹ ملازم کے مفادات	(2,806)
خضاص كيلئے دستياب منافع	2,417,244
قتى منافع 2017ء بحساب 60.00 روپے فی شیئر	(453,600)
مبوری منافع 2018ء بحساب 90.00روپے فی شیئر	(680,400)
ممومی ریز ور میں منتقلی	(465,000)
	(1,599,000)
گلےسال میں لےجایا جانے والے غیرا ختصاصی منافع	818,244

ڈ ائر کیٹرزنے اپنے اجلاس منعقدہ 6 مارچ 2019 وکو تھی نقد منافع بحساب 60روپے فی شیئر بھی تجویز کیا ہے (2017 جنتی منافع بحساب 60روپے فی شیئر)اور 25 اپریل 2019 وکو منعقدہ ہونے والے سالانہ اجلاس عام میں ممبرز کی منظوری کیلئے 360 ملین روپے (2017ء:465 ملین روپے) کی عمومی ریز رومیں منتقل ۔

7. برُّاخطره اورغيريقيني حالات

سمپنی کوبعض مورو ثی خطرات اورغیریقینی صورتحال کا سامناہے۔ تاہم درج ذیل کوہم بنیادی خطرات سیجھتے ہیں:

- * ہماری پروڈ کٹ کینگریز میں نمایاں کمپٹیشن۔
- * غیرمکی کرنسی کی شرح تبادله میں ناساز گار پلچل اوراشیاء کی قیمتیں ؛اور
 - * تسمینی کےخلاف اہم مقد مات میں قانو نی دعووں کےخطرات۔

سمپنی اندرونی اور بیرونی متعلقین کے ساتھ ل کر مذکورہ بالاخطرات میں کی/تخفیف کر کے ان کے اثرات کوایک قابل قبول حد تک لانے کیلئے کا م کرتی ہے۔

ممبرز کیلئے ڈائر یکٹرز کی رپورٹ

آپ کے ڈائر کیٹرزکوا بنی رپورٹ اور 31 دسمبر 2018 ء کوختم ہوئے سال کیلئے مکپنی کی مالی تفصیلات آپ کے سامنے پیش کرنے یہ بے حد خوشی ہے۔

1. بنیادی سرگرمی

کمپنی کی بنیادی سرگرمی ہرتم کے جوتے بنانااور فروخت کرناہے اوراس کے ساتھ ساتھ بید دیگر لواز مات اور ہوزری اشیاء بھی فروخت کرتی ہے۔

2. مولد نگ کمپنی

نیدرلینڈ میں واقع بیفن بی۔وی۔باٹا یا کتان لمیٹڈ کی پیرنٹ کمپنی ہے،جبکہ حتمی پیرنٹ کمپس لمیٹڈ، برمودا ہے۔

3. مالى حالت يرايك نظر

. 6.1.	2017	2018	غ ۽ لڳ
اضافه/(کی)	رقم (جزاروں میں)		عملی نتانج
8.31 فيصد	18,320,007	19,842,439	آ مدن
8.38 فيصد	15,496,810	16,795,231	خالص آ مدن
13.67 فيصد	6,620,836	7,525,873	كل منا فع
209 bps	42.77%	44.81%	كل منافع %
19.29 فيصد	3,312,220	3,951,287	ڈسٹری بی وشن کی لاگت
12.51 فيصد	979,398	1,101,934	انتظامی اخراجات
3.95 فيصد	2,220,158	2,307,940	عملی منافع
(1.51 فيصد)	1,524,466	1,501,409	ٹیکس کے بعد منافع
(1.51 فيصد)	201.65	198.6	کمائی فی شیئر - روپے

4. مالياتي نتائج اور ڈيويليمنٹ

کمپنی کے کاروبارکو 795.16 ارب روپے خالص آیدنی حاصل ہوئی جس میں گزشتہ سال کی نسبت 8 فیصداضا فیدد کھینے میں آیا۔مجموعی منافع پچھلے سال کے6.621 ارب روپے کے مقابلے میں 7.526 ارب روپے ریکارڈ کیا گیاءعملی منافع 2202 ارب رویے سے بڑھ کر 208.2 ارب رویے ہوگیا۔ ٹیکس کی اوا ٹیکل کے بعد منافع 1.501 ارب رویے رہا جو کہ پچھلے سال 1.524 ارب رویے تھا۔ کینی کونی شیئر 198.60رویے ممائی ہوئی جو که گزشته برس 65.201روئے تھی۔

ہمارے رمٹیل ڈویژن نےموجودہ سیٹاب سمیت نےسٹورز کے ساتھ ترقی کو حاری رکھا ہے اور 9 فیصد ترقی حاصل کی ہے۔اس ترقی کو برقر ارر کھنے اور سٹورز میں جدیداور دوستانہ فضافراہم کرنے کیلئے 196 ملین رویے کی رقم ا ہم کاروباری مقامات پر یخے سٹورز کھولنے اور موجودہ سٹورز کی تزئمین وآ رائش پرخرچ کی گئی ہے۔ زیادہ تر توسیع میں ہمارے جدید طرز کےسٹورز کونسیٹ پرتوجہ مرکوز کی گئی۔نان رمٹیل ڈویژن نے بھی مجموعی منافع میں صحتندتر قی کے ساتھ گزشتہ سال کے مقالے میں 7 فیصداضا فہ ظاہر کیا۔

کمپنی ایک موژ کیش فلومینجنٹ سٹم کی حامل ہے جس میں نقدآ مدنی اورا خراجات کو با قاعدہ بنیا دوں پر پیش کیا جاتا ہے مختصر مدت کی سرمایہ کاری اور بینک ڈیپازٹس سے حاصل ہونے والے منافع سمیت سپلائیرز کوجلدا دائیگل سے حاصل ہونے والے ڈسکا وُنٹس/آ مدنی کی قم 553. 34ملین رویے تھی۔ بورڈ مطمئن ہے کہ سال ختم ہونے برکوئی مختصریا طویل مدت کی مالی بیابندیاں نہیں ہیں۔

کمپنی نے باٹا پریٹڈ زالیں اے سوئٹزرلینڈ (ایک متعلقہ یارٹی) کےساتھ ایک ترمیم شدہ ٹریڈ ہارک رائیلٹی معاہدہ پردسخط کئے ہیں جو کہ تم جولائی 2018ء سےموژ ہے۔ ترمیم شدہ معاہدہ کےمطابق کمپنی کی طرف سے باٹا ہرینڈز ز الیں اے سوئٹرز لینڈ کوجیجی جانے والی رائیلٹی کی ادائیگی خالص آیدنی کے 2 فیصد ہے بڑھ جائے گی جو کہ خالص آیدنی کا کسی بھی ٹیکسیز کے علاوہ 5 فیصد ادا کی جائے گی اور کسی بھی اتھارٹی کی طرف سے سالانہ رائیلٹی پر لا گو ود ہولڈنگ ٹیکس اور کسی بھی دیگر ٹسکیسز ،تمام طرح کے محصولات یا وا جبات کی کٹوتی ہے مشروط ہوگی۔ بیز میم کمپنی کو ہمارے علاقے میں خصوصی ٹریٹہ مارک کے حقوق ،ٹریٹہ مارک ویلیویڑھانے کی رسائی اور معاہدہ کی 21 دمبسر 2024ء تک کی گزشتہ مدت اختتام میں 31 دیمبر2028ء تک توسیع فراہم کرے گی۔

ہمارے کاروبار کی ترتی انتہائی حدتک ہمارے المکاروں کو بہترین تربیت کے ذریعے فراہم کردہ مہارتوں پرمنحصرہے۔ کمپنی نے اس عرصہ کے دوران ٹیکنالوجی اور کاروباری نظم ونسق کے مبیدان میں جدیدترین ترتی کے حصول کیلئے



Covernance Governance

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2017

Name of Company: Bata Pakistan Limited Year ended: December 31,2018

The company has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2017 ('Regulations') in the following manner:

1. a) Male: Nine (9) **b)** Female: Nil

2. The composition of the board is as follows:

Category	Names
Independent Directors	Mr. Muhammad Maqbool
-	Mr. Kamal Monnoo
Other Non-Executive Directors	Mr. Toh Guan Kiat
	Mr. Roberto Longo
	Mr. Ijaz Ahmad Chaudhry
	Mr. Shahid Anwar
	Mr. Aamir Amin
Executive Directors	Mr. Muhammad Imran Malik
	Mr. Rafel Dasca Vinyals

- 3. The directors have confirmed that none of them is serving as a director on more than five listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).
- 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. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
- 6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by board/ shareholders as empowered by the relevant provisions of the Companies Act, 2017 ('Act') and these Regulations.
- 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 the 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 has already met the criteria specified in the Regulations till June 30, 2019 pertaining to Directors' training program. Therefore, no such training program was conducted during the year.
- 10. The board has approved appointment of CFO, 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. CFO and CEO duly endorsed the financial statements before approval of the board.

12. The Board has formed Committees comprising of members given below:

a) Audit Committee

- 1. Mr. Muhammad Magbool (Independent Director) Chairman
- **2.** Mr.Roberto Longo (Non Executive Director)
- **3.** Mr. Ijaz Ahmad Chaudhry (Non Executive Director)

b) Human Resource and Remuneration Committee

- 1. Mr. Ijaz Ahmad Chaudhry (Non Executive Director) Chairman
- **2.** Mr. Muhammad Imran Malik (Executive Director)
- **3.** Mr. Muhammad Magbool (Independent Director)
- 13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
- **14.** The frequency of meetings (quarterly / half yearly / yearly) of the Committees were as per following:

a) Audit Committee

Four quarterly meetings were held during the financial year ended December 31, 2018

b) Human Resource and Remuneration Committee

Four quarterly meetings were held during the financial year ended December 31, 2018

- 15. The board has set up an effective internal audit function which is considered suitably qualified, experienced for the purpose and 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 ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
- 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 other requirements of the Regulations have been complied with except for the following:
 - a) The requirement of Regulation 10 (3)(vii), which requires the board to define the level of materiality, keeping in view the specific circumstances of the company, was not met during the year ended December 31, 2018. However subsequent to year end, the board has defined the level of materiality vide meeting dated March 6, 2019 and complied with the requirement of the Regulations.

Place: Lahore ROBERTO LONGO Date: March 06, 2019 **CHAIRMAN**



Review Report

A·F·FERGUSON&Co.



INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Bata Pakistan Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2017

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 (the Regulations) prepared by the Board of Directors of Bata Pakistan Limited for the year ended December 31, 2018 in accordance with the requirements of regulation 40 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 and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended December 31, 2018.

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

Paragraph Reference **Description**

i-18(a) The requirement of Regulation 10 (3)(vii) with respect to defining the level of materiality has not been met during the year ended December 31, 2018.

> A.F. Ferguson & Co. **Chartered Accountants**

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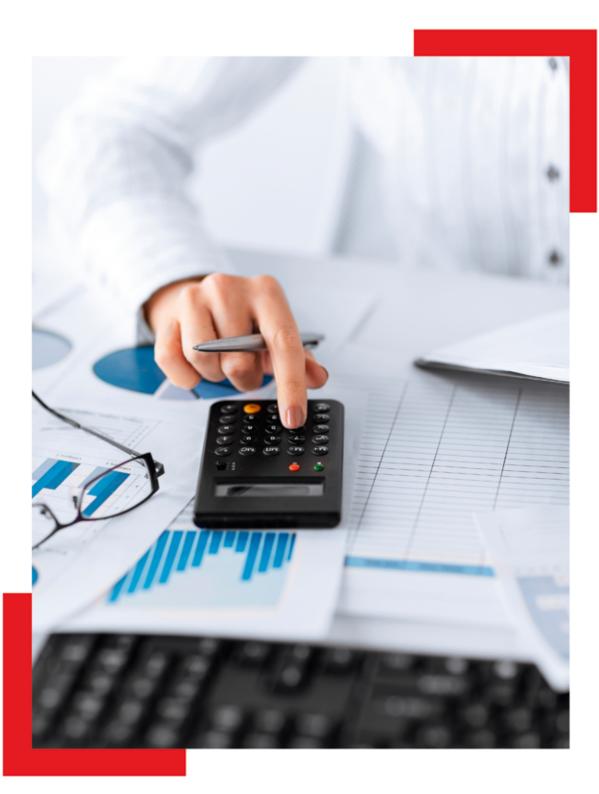
Name of Engagement Partner: Amer Raza Mir

Date: March 22, 2019

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network 23-C, Aziz Avenue, Canal Bank, Gulberg-V, P.O.Box 39, Lahore-54660, Pakistan Tel: +92 (42) 3571 5868-71 / 3577 5747-50-37; Fax: +92 (42) 3577 5754 www.pwc.com/pk

Lahore





Report



A·F·FERGUSON&Co.

INDEPENDENT AUDITOR'S REPORT

To the members of Bata Pakistan Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Bata Pakistan Limited (the Company), which comprise the statement of financial position as at December 31, 2018, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and other 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 December 31, 2018 and of the profit and other comprehensive loss, 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:

Sr. No	Key Audit Matters	How the matter was addressed in our audit
1	Companies Act, 2017 (Refer note 2.2.1 to the annexed financial statements)	We reviewed and understood the requirements of the Fourth Schedule to the Companies Act, 2017. Our audit procedures included the following:
	The provisions of the Fourth Schedule to the Companies Act, 2017 became applicable to the Company for the first time in the preparation of the financial statements.	Considered the management's process to identify the additional disclosures required in the Company's annexed financial statements;
	As part of this transition to the requirements, the management performed a gap analysis to identify differences between the previous financial reporting framework and the current financial reporting framework and as a result certain amendments and additional disclosures were made in the Company's annexed financial statements.	disclosures and assessed their appropriateness for the sufficient audit evidence; and
	In view of the additional disclosures in the annexed financial statements due to first time application of the Fourth Schedule to the Companies Act, 2017, we considered this as a key audit matter.	

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Sr. No	Key Audit Matters	How the matter was addressed in our audit
2 2	Key Audit Matters Contingent Taxation Liabilities (Refer note 27.1 to the annexed financial statements) The Company has contingent liabilities in respect of various income and sales tax matters, which are pending adjudication before the taxation authorities and the Courts of law.	Our audit procedures included the following: Obtained and reviewed details of the pending tax matters and discussed the same with the Company's management; Circularized confirmations to the Company's external legal and tax counsels for their views on open tax assessments and matters. Furthermore, reviewed prior years' precedents of
	Contingencies require management to make judgments and estimates in relation to the interpretation of laws, statutory rules, regulations and the probability of outcome and financial impact, if any, on the Company for disclosure and recognition and measurement of any provision that may be required against such contingencies. Due to significance of amounts involved, inherent uncertainties with respect to the outcome of matters and use of significant management judgments and estimates to assess the same including related financial	outcomes in favor of the Company at various forums related to matters under consideration which support the Company's stance; Reviewed correspondence of the Company with the relevant authorities including judgments or orders passed by the competent authorities in relation to the issues involved or matters which have similarities with the issues involved;
	impacts, we considered contingent liabilities relating to income and sales tax, a key audit matter.	Involved in-house tax specialists to assess management's conclusion on contingent tax matters and to evaluate the consistency of such conclusions with the views of the management and external tax advisors engaged by the Company; and
		Ensured adequacy and appropriateness of disclosures made in respect of such tax matters.

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

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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





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

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

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

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

Report on Other Legal and Regulatory Requirements

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

- proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- the statement of financial position, the statement of profit or loss and other 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;
- investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and c)
- 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.

Other Matter

The financial statements of the Company for the year ended December 31, 2017 were audited by another auditor who expressed an unmodified opinion on those financial statements on March 15, 2018.

The engagement partner on the audit resulting in this independent auditor's report is Amer Raza Mir.

A.F. Ferguson & Co. **Chartered Accountants**

Lahore

Date: March 22, 2019





Statements.

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2018

	Note	2018	2017
		(Rupe	es in '000)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	1,643,028	1,511,909
Intangible assets	7	578	1,713
Long term investments	8	45,008	45,000
Long term deposits and prepayments	9	34,061	35,557
CURRENT ASSETS		1,722,675	1,594,179
	40		
Stores and spares	10	2.070.052	2 402 254
Stock in trade Trade debts - unsecured	11 12	3,970,853 2,167,114	3,482,354 1,563,433
Advances - unsecured	13	84,860	421,577
Trade deposits and short term prepayments	14	209,872	74,386
Other receivables	15	641,802	732,685
Interest accrued	1)	752	1,751
Short term investment	16		550,000
Tax refunds due from Government	17	350,161	493,823
Cash and bank balances	18	1,545,032	610,138
		8,970,446	7,930,147
TOTAL ASSETS		10,693,121	9,524,326
EQUITY AND LIABILITY			
SHARE CAPITAL AND RESERVES			
Authorized share capital	19.1	100,000	100,000
Issued, subscribed and paid up capital	19.2	75,600	75,600
Reserves	19.2	73,000	/3,000
Capital reserve	20	483	483
Revenue reserves	21	7,415,244	7,050,641
		7,415,727	7,051,124
		7,491,327	7,126,724
NON-CURRENT LIABILITIES		7,171,327	7,120,721
Long term deposits	22	24,171	45,000
Deferred liability - employee benefits	23	81,421	76,030
Deferred taxation	24	44,339	40,799
CURRENT LIABILITIES		149,931	161,829
	~~	2.212.022	1.500.00/
Trade and other payables	25	2,312,920	1,599,036
Short term borrowings	26	(01.072	505.017
Provision for taxation Unclaimed dividend		691,073	595,017
Officialified dividend		47,870	41,720
CONTINGENCIES AND COMMITMENTS	27	3,051,863	2,235,773
TOTAL EQUITY AND LIABILITIES		10 603 121	9,524,326
		10,693,121	9,324,320
The annexed notes 1 to 49 form an integral part of these financial sta	atements.		
Chief Executive	Chief Financial Officer	Director	_

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2018

	Note	2018	2017
		(Rupee	s in '000)
Sales Cost of sales	28 29	16,795,231 (9,269,358)	15,496,810 (8,875,974)
Gross profit		7,525,873	6,620,836
Distribution cost Administrative expenses Other expenses Other income Operating profit	30 31 32 33	(3,951,287) (1,101,934) (210,615) 45,903 2,307,940	(3,312,220) (979,398) (176,513) 67,453 2,220,158
Finance cost	34	(42,038)	(39,888)
Profit before taxation	3.	2,265,902	2,180,270
Taxation	35	(764,493)	(655,804)
Profit after taxation		1,501,409	1,524,466
OTHER COMPREHENSIVE INCOME Items that will not be reclassified to profit or loss Remeasurement of net defined benefit liability - net of tax		(2,806)	(1,936)
Items that may be reclassified subsequently to profit or loss		(2,800)	(1,930)
Total other comprehensive loss for the year		(2,806)	(1,936)
Total comprehensive income for the year		1,498,603	1,522,530
Earnings per share - basic and diluted	36	Rs. 198.60	Rs. 201.65

The annexed notes 1 to 49 form an integral part of these financial statements.

Chief Executive Chief Financial Officer Director

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2018

			Revenue	reserve	
	Share capital	Capital reserve	General reserve	Unappropriated profits	Total
			(Rupees in '000)	Frans	
Balance as at January 1, 2017	75,600	483	5,634,000	952,511	6,662,594
Final dividend for 2016 @ Rs. 60.00 per share	_	_	-	(453,600)	(453,600)
Transfer to general reserve for 2016	-	_	498,000	(498,000)	-
Interim dividend for 2017 @ Rs. 80.00 per share		_	_	(604,800)	(604,800)
Profit for the year ended December 31, 2017	_	_	_	1,524,466	1,524,466
Other comprehensive loss for the year	_	_	_	(1,936)	(1,936)
Total comprehensive income for the year		_	_	1,522,530	1,522,530
Balance as at December 31, 2017	75,600	483	6,132,000	918,641	7,126,724
Final dividend for 2017 @ Rs. 60.00 per share	_	-	_	(453,600)	(453,600)
Transfer to general reserve for 2017	-	_	465,000	(465,000)	-
Interim dividend for 2018 @ Rs. 90.00 per share		_	_	(680,400)	(680,400)
Profit for the year ended December 31, 2018	_	_	-	1,501,409	1,501,409
Other comprehensive loss for the year	_	-	_	(2,806)	(2,806)
Total comprehensive income for the year				1,498,603	1,498,603
Balance as at December 31, 2018	75,600	483	6,597,000	818,244	7,491,327

The annexed notes 1 to 49 form an integral part of these financial statements.

Chief Executive	Chief Financial Officer	Director

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2018

	Note	2018	2017
CASH GENERATED FROM OPERATING ACTIVITIES		(Rupees	in '000)
Profit before taxation Adjustments for:		2,265,902	2,180,270
Depreciation of property, plant & equipment	6.1	226,862	207,249
Amortization of intangible assets	7	1,135	1,822
Provision for gratuity Loss on disposal of property, plant and equipment	23.2 32	6,857 11,613	6,024 8,394
Income from short term investments	33	(8,368)	(31,641)
Income from long term investments	33	(2,828)	(2,557)
Exchange loss	32	24,724	7,987
Interest / markup costs Early payment discount on supplier invoices	34 33	6,150 (4,968)	7,645 (9,785)
(Reversal of provision) / provision for doubtful trade debts - net	30 & 33	(165)	417
(Reversal of provision) / provision for slow moving and obsolete stoo		(1,928)	5,070
Provision for obsolescence of raw material - net	11.1	2,015	4,900
Reversal of provision for obsolescence of stores and spares - net	29.3	(2,793)	(2,437)
0 2 61 6 1: 211		258,306	203,088
Operating profit before working capital changes		2,524,208	2,383,358
Effect on cash flow due to working capital changes:			
(Increase) / decrease in current assets:		2 =00	2.605
Stores and spare parts Stock in trade		2,793 (488,586)	2,685 (590,421)
Trade debts - unsecured		(603,516)	(227,991)
Advances - unsecured		336,717	(407,672)
Trade deposits and short term prepayments		(135,486)	(22,515)
Other receivables Tax refunds due from Government		(16,686) 143,662	(4,045) 14,774
		(761,102)	(1,235,185)
Increase / (Decrease) in current liabilities:			
Trade and other payables		673,299	(24,043)
Cash generated from operations		2,436,405	1,124,130
Interest / markup costs paid	34	(6,150)	(7,645)
Tax paid Gratuity paid	23.2	(556,237) (5,363)	(782,646) (4,796)
Oracuity paid	25.2	(567,750)	(795,087)
Decrease / (increase) in long term deposits and prepayments		1,496	(3,969)
Net cash generated from operating activities	A	1,870,151	325,074
CASH FLOWS FROM INVESTING ACTIVITIES	А		
Purchase of property, plant and equipment		(286,004)	(270,714)
Increase in capital work in progress Purchase of intangible assets	7	(92,469)	(44,830) (1,456)
Proceeds from sale of property, plant and equipment	6.4	8,879	8,749
Increase in long term investments		(8)	
Interest income received		12,195	34,237
Net cash used in investing activities CASH FLOWS FROM FINANCING ACTIVITIES	В	(357,407)	(274,014)
Dividends paid		(1,127,850)	(1,047,863)
Net cash used in financing activities	C	(1,127,850)	(1,047,863)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALEN CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		384,894 1,160,138	(996,803) 2,156,941
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	38	1,545,032	1,160,138
The annexed notes 1 to 49 form an integral part of these financial star	tements.		
Chief Executive	Chief Financial Officer	Director	-

FOR THE YEAR ENDED DECEMBER 31, 2018

LEGAL STATUS AND OPERATIONS 1.

Bata Pakistan Limited (the Company) was incorporated in Pakistan as a public limited company and its shares are quoted on Pakistan Stock Exchange. The registered office of the Company is situated at Batapur, Lahore. The principal activity of the Company is manufacturing and sale of footwear of all kinds along with sale of accessories and hosiery items. The parent company of Bata Pakistan Limited is Bafin B.V. (Nederland), whereas the ultimate parent is Compass Limited, Bermuda. Furthermore, the Company has the following production facilities:

Business Units Geographical Location Sr. No Batapur Factory G.T. Road, P.O. Batapur, Lahore 2 Maraka Factory 26 - km, Multan Road, Lahore

The Company operates through retail outlets spread across the country with 4 outlets situated in Azad Kashmir, 3 in Balochistan, 12 in Islamabad Capital Territory, 1 in Gilgit Baltistan, 25 in Khyber Pakhtun Khwa, 207 in Punjab and 53 outlets in Sindh. The Company also has 8 wholesale depots in Punjab, 3 in Sindh and 1 in Khyber Pakhtun Khwa.

STATEMENT OF COMPLIANCE

- 2.1 These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:
 - International Financial Reporting Standards ('IFRS') issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
 - Provisions of and directives issued under the Companies Act, 2017.

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

2.2 Initial application of standards, amendments or an interpretation to existing standards

The following amendments to existing standards have been published that are applicable to the Company's financial statements covering annual periods, beginning on or after the following dates:

2.2.1 Standards, amendments and interpretations to approved accounting standards that are effective in current year

Certain standards, amendments and interpretations to IFRS are effective for accounting periods beginning on January 01, 2018 but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these financial statements, except for the following:

- Annual Improvement 2014-2016 cycle (effective for periods beginning on or after January 1, 2018), the amendments in IFRS 1, deleted short-term exemptions covering transition provisions of IFRS 7, IAS 19 and IFRS 10 which are no longer relevant. It is unlikely that the amendment will have any significant impact on the Company's financial statements.
- IFRIC 22, 'Foreign currency transactions and advance consideration' (effective for periods beginning on or after January 1, 2018). This IFRIC addresses foreign currency transactions or parts of transactions where there is consideration that is denominated or priced in a foreign currency. The interpretation provides guidance for when a single payment/receipt is made as well as for situations where multiple payments/receipts are made. The guidance aims to reduce diversity in practice. This interpretation does not have a significant impact on the Company's financial statements.

The Companies Act, 2017 (the Act) has also brought certain changes with regard to preparation and presentation of financial statements of the Company. These changes also include change in nomenclature of primary statements, etc.

Further, the disclosure requirements contained in the fourth schedule to the Act have been revised, resulting in the:

- Elimination of duplicative disclosures with the IFRS disclosure requirements; and
- Incorporation of significant additional disclosures.

Keeping in view of the above, the presentation of these financial statements has been realigned with the provisions contained in the Act. The application of the Act, however, does not have any impact in the recognition and measurement of the amounts included in these financial statements of the Company.

FOR THE YEAR ENDED DECEMBER 31, 2018

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

There are certain standards, amendments to the IFRS and interpretations that are mandatory for companies having accounting periods beginning on or after January 1, 2019 but are considered not to be relevant to the Company's operations and are, therefore, not detailed in these financial statements, except for the following:

- IFRS 9, 'Financial instruments' (effective for periods ending on or after June 30, 2019): This standard replaces the guidance in IAS 39, 'Financial instruments: Recognition and measurement'. It includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit losses model that replaces the current incurred loss impairment model. The Company is yet to assess the full impact of the standard.
- IFRS 15, 'Revenue from contracts with customers' (effective for periods beginning on or after July 1, 2018): This standard deals with revenue recognition and establishes principles for reporting useful information to users of the financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognized when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18, 'Revenue', and IAS 11, 'Construction contracts', and related interpretations. The Company is yet to assess the full impact of the standard.
- IFRS 16, 'Leases' (effective for periods beginning on or after January 1, 2019): This standard replaces the current guidance in IAS 17, 'Leases' and is a far reaching change in accounting by lessees in particular. Under IAS 17, lessees were required to make a distinction between a finance lease (on statement of financial position) and an operating lease (off statement of financial position). IFRS 16 now requires lessees to recognize a lease liability reflecting future lease payments and a 'right-of-use asset' for virtually all lease contracts. The IASB has included an optional exemption for certain short-term leases and leases of low-value assets; however, this exemption can only be applied by lessees. For lessors, the accounting stays almost the same. However, as the IASB has updated the guidance on the definition of a lease as well as the guidance on the combination and separation of contracts, lessors will also be affected by the new standard. The Company is yet to assess the full impact of the standard.
- IFRIC 23, 'Uncertainty over income tax treatments' (effective for periods beginning on or after January 1, 2019): This IFRIC clarifies how the recognition and measurement requirements of IAS 12 'Income taxes', are applied where there is uncertainty over income tax treatments. The IFRIC explains how to recognize and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. An uncertain tax treatment is any tax treatment applied by an entity where there is uncertainty over whether that treatment will be accepted by the tax authority. The IFRIC applies to all aspects of income tax accounting where there is an uncertainty regarding the treatment of an item, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates. The Company is yet to assess the full impact of the interpretation.

3. BASIS OF PREPARATION

3.1 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention except recognition of certain employee benefits on the basis mentioned in note 5.1.

3.2 PRESENTATION CURRENCY

These financial statements are presented in Pak Rupee, which is the Company's functional currency. Figures have been rounded off to nearest thousand of Rupees, unless otherwise stated

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The Company's significant accounting policies are stated in note 5. Not all of these significant accounting policies require management to make difficult, subjective or complex judgments or estimates. The following is intended to provide an understanding of the policies that management considers critical because of the complexity, judgment of estimation involved in their application and their impact on these financial statements. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. These judgments involve assumptions or estimates in respect of future events and the actual results may differ from these estimates. The areas involving a higher degree of judgments or complexity or areas where assumptions and estimates are significant to the financial statements are as follows:

4.1 Employee Benefits

The Company uses the valuation performed by an independent actuary as the present value of its retirement benefit obligations. The valuation is based on assumptions as mentioned in note 5.1.

FOR THE YEAR ENDED DECEMBER 31, 2018

4.2 Taxation

The Company takes into account the current income and sales tax laws and the decisions taken by appellate authorities. Instances where the Company's view differs from the view taken by the tax department at the assessment stage and where the Company considers that its views on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

4.3 Useful lives, residual values and impairment

The Company reviews the useful lives and residual value of property, plant and equipment on regular basis. The Company also reviews for any indicators for impairment of property, plant and equipment on a regular basis. Any change in estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on the depreciation charge and impairment.

4.4 Provision for obsolescence of stores, spare parts and stock in trade

Provision for obsolescence of stores and spare parts is made on the basis of management's best estimate of usability of items and considering the ageing analysis prepared on an item-by-item basis. Provision for slow moving stock in trade is made on the basis of management's best estimate of net realizable value and ageing analysis prepared on an item-by-item basis. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

4.5 Provision for doubtful debts

The Company reviews the recoverability of its trade debts to assess likely amount of bad debts and provision required thereon on annual basis.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 5.

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

5.1 Employee Benefits

Defined Benefit Plan

The main features of the schemes operated by the Company for its employees are as follows:

The Company operates an un-funded gratuity scheme covering all employees, excluding managerial staff. The entitlement to gratuity is determined as follows:

- For employees, who are members of the provident fund scheme, the provision is calculated with reference to 3 weeks' basic salary for each completed year of service.
- For employees, who are not members of the provident fund scheme, provision is based on 30 days gross highest salaries / wages drawn during the year for each completed year of service.

Actuarial valuation of defined benefit scheme is conducted annually and the most recent valuation was carried out as of December 31, 2018 using projected unit credit method. The significant assumptions used are detailed in note 23.

The Company's policy with regard to experience gains and losses is to recognize as they occur in other comprehensive income approach under IAS 19 'Employee Benefits'.

Defined Contribution Plan

The Company operates two recognized provident fund schemes that are defined contribution plans for all of its employees. Equal monthly contributions are made both by the Company and the employees to the Employees' Provident Fund and Managerial Staff Provident Fund at the rates of 8% and 10% of basic salary respectively.

5.2 Taxation

Income tax expense comprises current and deferred tax. Income tax is recognized in statement of profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Provision of current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to profit for the year if enacted after taking into account tax credits, rebates and exemptions, if any. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

FOR THE YEAR ENDED DECEMBER 31, 2018

Deferred

Deferred tax is accounted for using the liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax assets and liabilities are calculated at the rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited to the statement of profit or loss, except in the case of items charged or credited to equity in which case it is included in the statement of changes in equity.

5.3 Property, plant and equipment

Operating fixed assets except freehold land and leasehold land with superstructure are stated at cost less accumulated depreciation and any identified impairment loss. Freehold land and leasehold land with superstructure is stated at cost less any identified impairment loss.

Depreciation is charged to the statement of profit or loss on the reducing balance method so as to write off the depreciable amount of an asset over its estimated useful life at annual rates mentioned in note 6.1 after taking into account their residual values.

The assets' residual values and useful lives are reviewed at each financial year end, and adjusted if impact on depreciation is significant. The Company's estimate of the residual value and useful life of its operating fixed assets as at December 31, 2018 has not required any adjustment.

Depreciation on additions is charged from the month in which an asset is available for use while no depreciation is charged for the month in which the asset is derecognized or retired from active use.

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

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to statement of profit or loss during the period in which they are incurred.

The Company assesses at each reporting date whether there is any indication that property, plant and equipment may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in income currently. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Where an impairment loss is recognized, the depreciation charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized in the statement of profit or loss and other comprehensive income.

5.4 Capital work in progress

All expenditure connected with specific assets incurred during installation and construction period and/or in transit are carried under capital work in progress. These are transferred to specific assets as and when assets are available for use. Capital work in progress is stated at cost, less any identified impairment loss.

5.5 Intangible assets

Expenditure incurred to acquire and develop the computer software are capitalized as intangible assets and stated at cost less accumulated amortization and any identified impairment loss.

Amortization is charged to income using the straight line method, so as to write off the cost of an asset over its estimated useful life. Amortization on additions is charged from the month in which an asset is acquired or capitalized while no amortization is charged in the month of disposal. Amortization is being charged at the annual rate of 33%.

Useful lives of intangible operating assets are reviewed, at each date of statement of financial position and adjusted if the impact of amortization is significant.

FOR THE YEAR ENDED DECEMBER 31, 2018

The Company assesses at each reporting date whether there is any indication that intangible asset may be impaired. If such indication exists, the carrying amount of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in income currently. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Where an impairment loss is recognized, the amortization charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

5.6 Investments

These represent investments with fixed maturity in respect of which Company has the positive intent and ability to hold till maturity. These are initially recognized at cost including transaction costs and are subsequently carried at amortized cost.

Stores and spare parts

These are valued at lower of weighted average cost or net realizable value except for items in transit which are stated at invoice value along with any other charges associated with buying the inventory for its intended use. The Company reviews the carrying amount of stores and spares on a regular basis for provision for obsolescence.

5.8 Stock in trade

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

Raw material

Own production at weighted average cost Purchased at weighted average cost

In transit at actual cost Goods in process at production cost

Finished goods

Own production at production cost on first in first out (FIFO) basis. Purchased at actual cost on first in first out (FIFO) basis

In transit at actual cost

Cost of work-in-process and finished goods comprises cost of direct materials, labor and related production overheads (based on normal operating capacity). Net realizable value is based on estimated selling price in the ordinary course of business less estimated cost to completion and estimated cost necessary to make the sale.

If the expected net realizable value is lower than the carrying amount, a write-down is recognized for the amount by which the carrying amount exceeds its net realizable value. Provision is made in the financial statements for obsolete and slow moving stock-in-trade based on management's best estimate.

5.9 Trade debts

Trade debts and other receivables are recognized initially at invoice value, which approximates fair value, and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

A provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the trade debt is impaired. The provision is recognized in the statement of profit or loss. Trade debts, considered irrecoverable, are written off as and when identified. Subsequent recoveries of amounts previously written off are credited to the statement of profit or loss.

5.10 Contingencies and commitments

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 measured with sufficient reliability.

FOR THE YEAR ENDED DECEMBER 31, 2018

5.11 Foreign currency transactions and translations

Transactions in foreign currencies are translated in Pakistan rupees (functional and presentation currency) at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities in foreign currencies are translated into Pakistan rupees at the rates of exchange approximating those prevalent at the reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit or loss.

5.12 Borrowings

Loans and borrowings are initially recorded at the proceeds received. In subsequent periods, borrowings are stated at amortized cost using the effective yield method. Finance cost is accounted for on an accrual basis and is included in accrued finance cost to the extent of the amount remaining unpaid.

5.13 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed periodically and adjusted to reflect the current best estimates.

5.14 Revenue recognition

Revenue represents the fair value of the consideration received or receivable for goods sold, net of discounts and sales tax. Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of revenue, and the associated cost incurred, or to be incurred, can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable on the following basis:

(i) Sale of goods - Wholesale

The Company manufactures, imports and sells a range of footwear products in the wholesale market. Sales of goods are recognized when the Company has delivered / handed over the products to the wholesaler.

(ii) Sale of goods - Retail

The Company operates a chain of retail outlets for selling shoes and other products. Sales are recognized when product is sold to the customer. Sales are usually in cash or by credit card.

(iii) Loyalty Programmes

IFRIC 13 requires customer loyalty credits to be accounted for as a separate component of the sales transaction in which they are granted. A portion of the fair value of the consideration received is allocated to the award credits and deferred. This is then recognized as revenue over the period that the award credits are redeemed.

(iv) Profit on investments and bank deposits

Profit on investments and bank deposits is accounted for on accrual basis using effective interest method.

(v) Operating lease arrangement

Rental income is recognized on accrual basis over the period of lease agreement.

5.15 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and bank balances, cheques in hand, deposits held at call with banks, and other short term highly liquid investments with original maturities of three months or less which form an integral part of the Company's cash management.

5.16 Financial Instruments

5.16.1 Financial assets

The Company classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, available-forsale and held to maturity. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at the time of initial recognition.

FOR THE YEAR ENDED DECEMBER 31, 2018

Financial assets at fair value through statement of profit or loss

Financial assets at fair value through statement of profit or loss are financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets, if expected to be settled within twelve months, otherwise they are classified as non-current.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the reporting date, which are classified as non-current assets. Loans and receivables comprise trade debts, loans, advances, deposits, tax refunds due from government and other receivables and cash and cash equivalents in the statement of financial position.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investments within twelve months from the statement of financial position date.

Held to maturity d)

Financial assets with fixed or determinable payments and fixed maturity, where management has the intention and ability to hold till maturity are classified as held to maturity and are stated at amortized cost.

Recognition and measurement

All financial assets are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Regular purchases and sales of investments are recognized on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through statement of profit or loss. Financial assets carried at fair value through statement of profit or loss are initially recognized at fair value and transaction costs are expensed in the statement of profit or loss. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through statement of profit or loss are subsequently carried at fair value. For investments having quoted price in active market, the quoted price represents the fair value. In other cases, fair value is measured using appropriate valuation methodology and where fair value cannot be measured reliably, these are carried at cost. Loans and receivables and held to maturity investments are carried at amortized cost using the effective interest rate method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the statement of profit or loss in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognized in the statement of profit or loss as part of other income when the Company's right to receive payments is established.

Changes in the fair value of securities classified as available-for-sale are recognized in other comprehensive income. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognized in equity are included in the statement of profit or loss as gains and losses from investment securities. Interest on available-for-sale investments calculated using the effective interest method is recognized in the statement of profit or loss. Dividends on available-for-sale equity instruments are recognized in the statement of profit or loss when the Company's right to receive payments is established.

5.16.2 Financial liabilities

All financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument.

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

FOR THE YEAR ENDED DECEMBER 31, 2018

5.17 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when there is a legally enforceable right to set off the recognized amount and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

5.18 Impairment of financial assets

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

Evidence of the impairment may include indicators that the debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

The amount of loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognized in the statement of profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the reversal of the previously recognized impairment loss is recognized in statement of profit or loss.

5.19 Dividend and appropriation to reserves

Dividend and other appropriation to reserves are recognized in the financial statements in the period in which these are approved.

5.20 Operating segments

Operating segments are reported in a manner consistent with the internal reports issued to the chief operating decision-maker. The Chief Executive Officer has been identified as the 'chief operating decision-maker', who is responsible for allocating resources and assessing performance of the operating segments. Based on internal management reporting structure, the Company is organized into four operating segments:

- Retail
- Wholesale
- Export
- Others

Management monitors the operating results of above mentioned segments separately for the purpose of making decisions about resources to be allocated and for assessing performance.

Segment results and assets include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

		Note	2018	2017
			(F	Rupees in '000)
6.	PROPERTY, PLANT AND EQUIPMENT			
	Operating fixed assets	6.1	1,642,903	1,502,756
	Capital work in progress	6.2	125	9,153
			1,643,028	1,511,909

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	Freehold land*	super structure**	Land - factory land - others	land - others	machinery	Boiler	Gas installations	Office equipment	Computers	and fittings	Vehicles	Total
						(Rupe	(Rupees in '000)					
Net carrying value basis												
Year ended December 31, 2018												
Opening net book value (NBV)	2,508	35	94,262	40,998	376,138	7,985	w		56,185		4,130	1,502,756
Additions (at cost)		I	8,550		33,476		23	3 475	33,376	307,314	2,349	387,501
Disposals (at NBV)	1	1	1		(963)	1	•	1	(1,102)		(125)	(20,492)
Depreciation charge	ı	ı	(966,6)	(2)	(38,418)	(662)	(88)	3) (289)			(920)	(226,862)
Closing net book value (NBV)	2,508	35	92,816	40,863	370,233	7,186	962	5 2,881	70,505	1,049,646	5,434	1,642,903
Gross carrying value basis												
As at December 31, 2018												
Cost	2,508	35	196,481	94,701	792,109	11,374	2,194	4 7,390	180,270		19,302	3,418,355
Accumulated depreciation	1	1	(103,665)			(4,188					(13,868)	(1,775,452)
Net book value NBV	2,508	35	92,816	40,863	370,233	7,186	962	5 2,881	70,505	1,049,646	5,434	1,642,903
Depreciation rate per annum	%0	%0	10%	9%	10%	10%			25%	15%	20%	
Net carrying value basis												
Year ended December 31, 2017												
Opening net book value (NBV)	2,508	35	96,552	43,156	376,958	4,648	756	7 2,841	51,610	831,085	5,472	1,415,822
Additions (at cost)	1	1	7,722	I	41,609	4,010	1		19,618		I	311,326
Disposals (at NBV)	1	1	ı		(3,380)	(83					(253)	(17,143)
Depreciation charge	ı	ı	(10,012)	(2,158)	(39,049)	(591)	(96)	(299)			(1,089)	(207,249)
Closing net book value (NBV)	2,508	35	94,262	40,998	376,138	7,985	861	1 2,695	56,185	916,959	4,130	1,502,756
Gross carrying value basis As at December 31, 2017												
3St	2,508		187,931			11,374						3,106,896
Accumulated depreciation	ı	I	(699'86)	(51,885)	(393,211)	(3,389)	(1,310)	0) (4,220)	(99,922)	(942,068)	(14,466)	(1,604,140)
Net book value NBV	2,508		94,262	40,998	376,138	7,985		1 2,695	56,185	916,959	4,130	1,502,756
Doseogistics ests see seems	è	700	100%	705	1007	1007	1007	7001	7050	150%	7000	

Freehold land represents the area of Batapur factory, Maraka factory and Peshawar land. Peshawar land is not saleable in the ordinary course of business. Leasehold land represents a piece of land obtained from Capital Development Authority in 1965, measuring 1,800 square Peet situated in Islamabad.

6.1.2 The cost of fully depreciated assets which are still in use as at December 31, 2018 is Rs.1.700 million (2017: Rs. 1.492 million).

Capital work-in-progress 6.2

Vehicle

Building	Furniture	Machine	Computer

		Closing Balance	1	4,206	4,947	ı	I	9,153
	(000, u	Transfers	1	(1,453)	(39,159)	1	1	(40,612)
7107	(Rupees in '000)	Additions	1	724	44,106	1	ı	44,830
		Opening Balance	1	4,935	1	ı	ı	4,935

_ _ _ _ _

(74,891) (23,399) (2,316)

891 70,685 18,452 125 2,316

4,206

Closing Balance

Transfers (891)

Additions

Opening Balance

2018

Building Furniture Machine Computer Vehicle

6.1

Operating fixed assets

The assets include furniture, fixtures & fittings and computers amounting to Rs. 66.712 million (2017; Rs. 48.890 million), which are in the name of the Company but are in possession of various business associates. These assets are provided under a contract, to run operations of the retail shops to sell Company's merchandise exclusively.

FOR THE YEAR ENDED DECEMBER 31, 2018

					Note		018 2017
Allocation of depreciation expense						(Ru	ipees in '000)
The depreciation charge for the year has been allocated as follo	ows:						
Cost of sales					29.1		,257 49,700
Distribution cost Administrative expenses					30 31	165, 12	,471 146,205 ,134 11,344
Tellimistrative expenses					<i>J</i> 1		,862 207,249
						220,	207,249
Disposal of property, plant and equipment				2018			
			Accumulated	Written		Gain /	Mode of
Description of assets	Particulars of Purchasers	Cost	depreciation	down value	Sale proceeds	(loss)	disposal
Building			(Rupees in '0	00)			
Items having book value of less than Rs. 0.50 million each	M/S Muhammad Asghar	119	111	8	310	302	Negotiation
		119	111	8	310	302	
Plant and machinery							
12 Station machine & PVS machine	M/S Somi Enterprises	9,979	9,061	918	2,862	1,944	Negotiation
Items having book value of less than Rs. 0.50 million each	Miscellaneous	776	731	45	369	324	Negotiation
		10,755	9,792	963	3,231	2,268	1
Computers							
CPUs, Computers & Printers	M/S Ilyas Ahmed	8,688	7,729	959	125	(834)	Negotiation
Items having book value of less than Rs. 0.50 million each	Miscellaneous	525	381	144	106	(38)	Negotiation
-		9,213	8,110	1,103	231	(872)	
Furniture, fixtures and fittings	M/O.O. I.P.	0.455	2.40/	4.054	4/5	(00.0	
ACs, Fans & Generator	M/S Somi Enterprises M/S Usama Steel Works	3,155	2,104	1,051	165	(886)	Negotiation
Shop furniture & fittings ACs, Fans	M/S Jubilee General Insurance	3,827	2,633 4,658	1,194	358	(836) (905)	Negotiation Insurance Claim
Shop furniture & fittings	M/S A.A. Traders	8,329	5,843	3,211 2,486	2,306 32	(2,454)	Negotiation
Items having book value of less than Rs. 0.50 million each	Miscellaneous	31,130	20,779	10,351	534	(9,817)	Negotiation
nemo naving book value of 1635 than 165, 0.50 million each	Mocenancous	54,310	36,017	18,293	3,395	(14,898)	regonation
Vehicles		- ,0 -	V - ,	-, , , ,	0,077	. ,.,.,	
Toyota Corolla	Mr. M. Awais	1,643	1,518	125	1,712	1,587	Negotiation
To the second se		1,643	1,518	125	1,712	1,587	
		76,040	55,548	20,492	8,879	(44 (42)	
		70,040	77,710	-,,,	0,077	(11,613)	
[70,040	77,740	2017	0,077	(11,013)	
		70,040	Accumulated	2017 Written	,	(11,613)	Mode of
Description of assets	Particulars of Purchasers	Cost	Accumulated depreciation	2017 Written down value	Sale proceeds	,	Mode of disposal
·	Particulars of Purchasers	,	Accumulated	2017 Written down value	,	Gain /	
Description of assets Plant and machinery 12 Station machine & PVS machine		Cost	Accumulated depreciation (Rupees in '0	2017 Written down value	,	Gain / (loss)	disposal
Plant and machinery	Particulars of Purchasers M/S Zulfiqar Ali & Co. M/S M. Saleem	Cost 9,860	Accumulated depreciation (Rupees in '0	2017 Written down value 1,455	Sale proceeds	Gain / (loss) (831)	disposal Negotiation
Plant and machinery 12 Station machine & PVS machine Sole Injection machine	M/S Zulfiqar Ali & Co.	9,860 11,998	Accumulated depreciation (Rupees in 60 8,405 10,299	2017 Written down value	Sale proceeds	Gain / (loss)	disposal Negotiation Negotiation
Plant and machinery 12 Station machine & PVS machine	M/S Zulfiqar Ali & Co. M/S M. Saleem	9,860 11,998 3,918	Accumulated depreciation (Rupees in '0' 8,405 10,299 3,692	2017 Written down value 1,455 1,699 226	Sale proceeds 624 861	Gain / (loss) (831) (838) 916	disposal Negotiation
Plant and machinery 12 Station machine & PVS machine Sole Injection machine	M/S Zulfiqar Ali & Co. M/S M. Saleem	9,860 11,998	Accumulated depreciation (Rupees in 60 8,405 10,299	2017 Written down value 000) 1,455 1,699	Sale proceeds 624 861 1,142	Gain / (loss) (831) (838)	disposal Negotiation Negotiation
Plant and machinery 12 Station machine & PVS machine Sole Injection machine Items having book value of less than Rs. 0.50 million each	M/S Zulfiqar Ali & Co. M/S M. Saleem	9,860 11,998 3,918	Accumulated depreciation (Rupees in '0' 8,405 10,299 3,692	2017 Written down value 1,455 1,699 226	Sale proceeds 624 861 1,142	Gain / (loss) (831) (838) 916	disposal Negotiation Negotiation
Plant and machinery 12 Station machine & PVS machine Sole Injection machine Items having book value of less than Rs. 0.50 million each Boiler	M/S Zulfiqar Ali & Co. M/S M. Saleem Miscellaneous	9,860 11,998 3,918 25,776	Accumulated depreciation (Rupees in '0' 8,405 10,299 3,692 22,396	2017 Written down value 1,455 1,699 226 3,380	624 861 1,142 2,627	(831) (838) 916 (753)	Negotiation Negotiation Negotiation
Plant and machinery 12 Station machine & PVS machine Sole Injection machine Items having book value of less than Rs. 0.50 million each Boiler Items having book value of less than Rs. 0.50 million each Computers	M/S Zulfiqar Ali & Co. M/S M. Saleem Miscellaneous	9,860 11,998 3,918 25,776	Accumulated depreciation (Rupees in '0' 8,405 10,299 3,692 22,396 1,320	2017 Written down value 1,455 1,699 226 3,380 82	624 861 1,142 2,627	(831) (838) 916 (753) 2,061	Negotiation Negotiation Negotiation
Plant and machinery 12 Station machine & PVS machine Sole Injection machine Items having book value of less than Rs. 0.50 million each Boiler Items having book value of less than Rs. 0.50 million each	M/S Zulfiqar Ali & Co. M/S M. Saleem Miscellaneous	9,860 11,998 3,918 25,776 1,402 2,961	Accumulated depreciation (Rupces in '0' 8,405 10,299 3,692 22,396 1,320 1,320 2,524	2017 Written down value 1,455 1,699 226 3,380 82 82 437	624 861 1,142 2,627 2,143 2,143	(831) (838) 916 (753) 2,061 2,061	Negotiation Negotiation Negotiation
Plant and machinery 12 Station machine & PVS machine Sole Injection machine Items having book value of less than Rs. 0.50 million each Boiler Items having book value of less than Rs. 0.50 million each Computers Items having book value of less than Rs. 0.50 million each	M/S Zulfiqar Ali & Co. M/S M. Saleem Miscellaneous Mr. Alamdar Awan	9,860 11,998 3,918 25,776 1,402	Accumulated depreciation (Rupees in '0' 8,405 10,299 3,692 22,396 1,320 1,320	2017 Written down value 1,455 1,699 226 3,380 82 82	624 861 1,142 2,627 2,143 2,143	(831) (838) 916 (753) 2,061 2,061	Negotiation Negotiation Negotiation Negotiation
Plant and machinery 12 Station machine & PVS machine Sole Injection machine Items having book value of less than Rs. 0.50 million each Boiler Items having book value of less than Rs. 0.50 million each Computers Items having book value of less than Rs. 0.50 million each Furniture, fixtures and fittings	M/S Zulfiqar Ali & Co. M/S M. Saleem Miscellaneous Mr. Alamdar Awan Miscellaneous	9,860 11,998 3,918 25,776 1,402 1,402 2,961 2,961	Accumulated depreciation (Rupees in '0' 8,405 10,299 3,692 22,396 1,320 2,524 2,524	2017 Written down value 1,455 1,699 226 3,380 82 82 437 437	624 861 1,142 2,627 2,143 2,143 107	(831) (838) 916 (753) 2,061 2,061 (330) (330)	Negotiation Negotiation Negotiation Negotiation Negotiation Negotiation
Plant and machinery 12 Station machine & PVS machine Sole Injection machine Items having book value of less than Rs. 0.50 million each Boiler Items having book value of less than Rs. 0.50 million each Computers Items having book value of less than Rs. 0.50 million each Furniture, fixtures and fittings Shop furniture & fittings	M/S Zulfiqar Ali & Co. M/S M. Saleem Miscellaneous Mr. Alamdar Awan Miscellaneous BSS Kohat II	9,860 11,998 3,918 25,776 1,402 1,402 2,961 2,961 5,418	Accumulated depreciation (Rupees in '0' 8,405 10,299 3,692 22,396 1,320 1,320 2,524 2,524 3,318	2017 Written down value 1000 1,455 1,699 226 3,380 82 82 82 437 437 2,100	624 861 1,142 2,627 2,143 2,143 107 107 2,100	(831) (838) 916 (753) 2,061 2,061 (330) (330)	Negotiation Negotiation Negotiation Negotiation Negotiation Negotiation Negotiation Negotiation
Plant and machinery 12 Station machine & PVS machine Sole Injection machine Items having book value of less than Rs. 0.50 million each Boiler Items having book value of less than Rs. 0.50 million each Computers Items having book value of less than Rs. 0.50 million each Furniture, fixtures and fittings	M/S Zulfiqar Ali & Co. M/S M. Saleem Miscellaneous Mr. Alamdar Awan Miscellaneous	9,860 11,998 3,918 25,776 1,402 1,402 2,961 2,961 5,418 35,547	Accumulated depreciation (Rupees in '0' 8,405 10,299 3,692 22,396 1,320 1,320 2,524 2,524 3,318 24,656	2017 Written down value 1,455 1,699 226 3,380 82 82 437 437 2,100 10,891	624 861 1,142 2,627 2,143 2,143 107 107 2,100 553	(831) (838) (838) 916 (753) 2,061 2,061 (330) (330)	Negotiation Negotiation Negotiation Negotiation Negotiation Negotiation
Plant and machinery 12 Station machine & PVS machine Sole Injection machine Items having book value of less than Rs. 0.50 million each Boiler Items having book value of less than Rs. 0.50 million each Computers Items having book value of less than Rs. 0.50 million each Furniture, fixtures and fittings Shop furniture & fittings Items having book value of less than Rs. 0.50 million each	M/S Zulfiqar Ali & Co. M/S M. Saleem Miscellaneous Mr. Alamdar Awan Miscellaneous BSS Kohat II	9,860 11,998 3,918 25,776 1,402 1,402 2,961 2,961 5,418	Accumulated depreciation (Rupees in '0' 8,405 10,299 3,692 22,396 1,320 1,320 2,524 2,524 3,318	2017 Written down value 1000 1,455 1,699 226 3,380 82 82 82 437 437 2,100	624 861 1,142 2,627 2,143 2,143 107 107 2,100	(831) (838) 916 (753) 2,061 2,061 (330) (330)	Negotiation Negotiation Negotiation Negotiation Negotiation Negotiation Negotiation Negotiation
Plant and machinery 12 Station machine & PVS machine Sole Injection machine Items having book value of less than Rs. 0.50 million each Boiler Items having book value of less than Rs. 0.50 million each Computers Items having book value of less than Rs. 0.50 million each Furniture, fixtures and fittings Shop furniture & fittings	M/S Zulfiqar Ali & Co. M/S M. Saleem Miscellaneous Mr. Alamdar Awan Miscellaneous BSS Kohat II	9,860 11,998 3,918 25,776 1,402 1,402 2,961 2,961 5,418 35,547	Accumulated depreciation (Rupees in '0' 8,405 10,299 3,692 22,396 1,320 1,320 2,524 2,524 3,318 24,656	2017 Written down value 1,455 1,699 226 3,380 82 82 437 437 2,100 10,891	624 861 1,142 2,627 2,143 2,143 107 107 2,100 553	(831) (838) (838) 916 (753) 2,061 2,061 (330) (330)	Negotiation Negotiation Negotiation Negotiation Negotiation Negotiation Negotiation Negotiation

73,872

56,729

17,143

8,749

(8,394)

6.4.1 The Company or any of its directors are not related to the purchasers.

FOR THE YEAR ENDED DECEMBER 31, 2018

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

Sr. No	Usage of Immovable Property	Location	Total Area (Square Feet)
1	Factory Area	Batapur Factory Area	740,880
2	Residential Area	Batapur Residential Area	1,936,922
3	Sports Ground	Batapur, Sports Ground	407,758
4	Factory Area	Maraka Factory Area	353,160
5	Retail Store	Bata Bazar Batapur, Lahore	4,099
6	Retail Store	Mini Price Batapur, Lahore	3,900
7	Retail Store	Maraka II, Lahore	9,832
8	Retail Store	Aabpara Market Islamabad	1,800
9	Retail Store	Jinnah Road Murree	3,230
10	Retail Store	Kashmir Road Rawalpindi	3,402
11	Retail Store	Haji Building Rawalpindi	2,650
12	Retail Store	Amin Bazar Sargodha	1,144
13	Retail Store	Khushab	580
14	Retail Store	Saddar Bazar Mandi Bahauddin	1,120
15	Retail Store	G. T. Road I Gujranwala	521
16	Retail Store	Paisa Akbar Anarkali Lahore	1,580
17	Retail Store	Abdul Karim Road, Lahore	1,800
18	Retail Store	Moon Plaza Liberty Market, Lahore	559
19	Retail Store	Marie Claire Liberty Market, Lahore	750
20	Retail Store	Shadman Market, Lahore	919
21	Retail Store	Shahdara Lahore	522
22	Retail Store	Katchery Bazar Faisalabad	2,126
23	Retail Store	Liaquat Bazar Quetta	377
24	Retail Store	Frere Road Sukkur	645
25	Retail Store	Tariq Road I, Karachi	7,560
26	Retail Store	Tariq Road Bubble Gummer, Karachi	1,200
27	Retail Store	Shah Faisal Colony I, Karachi	753
28	Retail Store	Clifton Karachi	1,144
29	Retail Store	Pakistan Chowk Karachi	2,628
30	Retail Store	Preedy Street Karachi	4,440

Intangibles - Computer software

Net carrying value basis 2018 Year ended December 31, 2018 (Rupees in '000) Opening net book value (NBV) 1,713 Additions (at cost) (1,135)Amortization charge Closing net book value (NBV) 578 Gross carrying value basis As at December 31, 2018 Cost 31,654 Accumulated Amortization (31,076) Net book value (NBV) 578 Amortization Rate (%) 33

FOR THE YEAR ENDED DECEMBER 31, 2018

Net carrying value basis	2017
Year ended December 31, 2017	(Rupees in '000)
Opening net book value (NBV) Additions (at cost) Amortization charge	2,079 1,456 (1,822)
Closing net book value (NBV)	1,713
Gross carrying value basis	
As at December 31, 2017	
Cost Accumulated Amortization	31,654 (29,941)
Net book value (NBV)	1,713
Amortization Rate (%)	33

- **7.1** The amortization charge for the year has been allocated to administrative expenses as referred to in note 31.
- 7.2 The cost of fully depreciated assets which are still in use as at December 31, 2018 is Rs. 35.237 million (2017: Rs. 32.905 million).

		11010		2017
			(I	tupees in '000)
8.	LONG TERM INVESTMENTS			
	Held to maturity at amortized cost			
	Term Deposit Reciepts	8.1	45,008	45,000

8.1 The deposits are earmarked against the balances due to employees held as securities as stated in note 22. These carry mark-up at the rate of 8.60% (2017: 6.00%) per annum. These have been invested in accordance with the provisions of Section 217 of the Companies Act, 2017

		Note	2018	2017
			(Rupe	es in '000)
9.	LONG TERM DEPOSITS AND PREPAYMENTS			
	Security deposits	9.1	32,736	31,889
	Prepaid rent	9.2	40,247	33,215
	Less: Adjustable within one year	14	(38,922)	(29,547)
			1,325	3,668
			34,061	35,557

- 9.1 Included in the amount of security deposits are securities given to landlords in respect of operating leases of shops.
- **9.2** Prepaid rent is amount paid in advance to the respective landlord in accordance with the terms of rent agreements. It is adjusted with the rent payable in accordance with the terms of rent agreements.

		Note	2018	2017
			(Rupee	s in '000)
10.	STORES AND SPARES			
	Stores Spares		3,254 34,636	3,409 37,274
			37,890	40,683
	Less: provision for obsolescence	10.1	(37,890)	(40,683)

2017

FOR THE YEAR ENDED DECEMBER 31, 2018

		Note	2018	2017
			(Rupees	in '000)
	10.1 Provision for obsolescence			
	Opening provision Reversal for the year		40,683 (2,793)	43,120 (2,437)
	Closing provision		37,890	40,683
11.	STOCK IN TRADE			
	Raw material			
	In hand In transit		144,341 53,010	104,899 71,197
	Less: Provision for obsolescence of raw material	11.1	197,351 (14,421)	176,096 (12,406)
			182,930	163,690
	Goods in process	11.2	43,965	49,498
	Finished goods			
	Own production Purchased		1,286,635 2,482,995	1,319,515 1,977,251
		11.3	3,769,630	3,296,766
	Less: Provision for slow moving and obsolete items	11.4	(25,672)	(27,600)
			3,743,958	3,269,166
			3,970,853	3,482,354
	11.1 Provision for obsolescence of raw materials			
	Opening provision Charge for the year Reversal for the year		12,406 20,687 (18,672)	7,506 14,652 (9,752)
	Closing provision		14,421	12,406

- 11.2 Included in goods in process is stock held by third parties amounting to Rs. 7.645 million (2017: Rs. 11.142 million).
- 11.3 Included in finished goods is stock held by third parties amounting to Rs. 223.807 million (2017: Rs. 200.407 million).

	Note	2018	201/
		(Rupe	es in '000)
11.4 Provision for slow moving and obsolete items			
Opening provision Charge for the year Reversal for the year		27,600 25,568 (27,496)	22,530 27,284 (22,214)
Closing provision		25,672	27,600
12. TRADE DEBTS - UNSECURED			
Considered good			
Due from associated undertakings	12.1 & 12.3 12.2	2,165,093 2,021 2,167,114	1,561,668 1,765 1,563,433

FOR THE YEAR ENDED DECEMBER 31, 2018

	Note	2018	2017
		(Rupees	s in '000)
Considered doubtful			
Due from customers	10 /	30,362	30,527 (30,527)
Less: Provision for doubtful debts	12.4	(30,362)	(30,52/)
		-	
		2,167,114	1,563,433

12.1 These customers have no recent history of default. For age analysis of these trade debts refer to note 40.2.3.

12.2 Due from associated undertakings - unsecured 2018 2017 (Rupees in '000) Bata Shoe Company, Peru 2,021 1,765

- 12.2.1 Maximum aggregate amount due from associated undertakings at the end of any month in the year was Rs. 3.319 million (2017: Rs. 1.967 million). No interest has been charged on the amounts due from associated undertakings.
- 12.2.2 For age analysis of these trade debts refer to note 40.2.4.
- 12.3 Included in due from export customers is an amount of Rs. 2.021 million (2017: 1.765 million) receivable from Bata Shoe Company, Peru against export sales made by the Company. During the year, the Company made export sales amounting to Rs. 6.332 million (2017: Rs. 4.077 million) to Bata Shoe Company, Peru through bank contracts.

12.4 Movement in the provision for doubtful receivables is as follows: Opening provision			Note	2018	2017
Opening provision 30,527 30,110 Charge for the year 5,219 9,353 Reversals for the year (5,384) (8,936) Closing provision 30,362 30,527 13. ADVANCES - UNSECURED Considered good, non-interest bearing Advances to employees 1,085 816 Advances to suppliers 37,003 31,846 Letters of credit - margin 46,772 388,915 84,860 421,577 14. TRADE DEPOSITS AND SHORT TERM PREPAYMENTS Deposits - Considered good, unsecured Custom duty and taxes 1,089 643 Letters of guarantee - margin 3,234 3,234 Others 14.1 115,878 6,253 Short term prepayments 120,201 10,130 Prepaid rent 9 38,922 29,547 Prepaid sales tax 42,137 22,555 Other prepaid expenses 8,612 12,154				(Rupee	s in '000)
Charge for the year 5,219 9,353 Reversals for the year (5,384) (8,936)		12.4 Movement in the provision for doubtful receivables is as follows:			
13. ADVANCES - UNSECURED Considered good, non-interest bearing Advances to employees 1,085 816 Advances to suppliers 37,003 31,846 Letters of credit - margin 46,772 388,915 84,860 421,577 14. TRADE DEPOSITS AND SHORT TERM PREPAYMENTS Deposits - Considered good, unsecured Custom duty and taxes 1,089 643 Letters of guarantee - margin 3,234 3,234 Others 14.1 115,878 6,253 Short term prepayments 120,201 10,130 Short term prepayments 9 38,922 29,547 Prepaid sales tax 9 38,922 29,547 Prepaid sales tax 42,137 22,555 Other prepaid expenses 8,612 12,154		Charge for the year		5,219	9,353
Considered good, non-interest bearing		Closing provision		30,362	30,527
Advances to employees	13.	ADVANCES - UNSECURED			
Advances to suppliers Letters of credit - margin Advances to suppliers Letters of credit - margin 46,772 388,915 84,860 421,577 14. TRADE DEPOSITS AND SHORT TERM PREPAYMENTS Deposits - Considered good, unsecured Custom duty and taxes 1,089 643 Letters of guarantee - margin 3,234 3,234 Others 14.1 115,878 6,253 Short term prepayments Prepaid rent 9 38,922 29,547 Prepaid sales tax 42,137 22,555 Other prepaid expenses 8,612 12,154		Considered good, non-interest bearing			
14. TRADE DEPOSITS AND SHORT TERM PREPAYMENTS Deposits - Considered good, unsecured Custom duty and taxes 1,089 643 Letters of guarantee - margin 3,234 3,234 Others 14.1 115,878 6,253 Short term prepayments Prepaid rent 9 38,922 29,547 Prepaid sales tax 42,137 22,555 Other prepaid expenses 8,612 12,154		Advances to suppliers		37,003	31,846
Deposits - Considered good, unsecured Custom duty and taxes 1,089 643 Letters of guarantee - margin 3,234 3,234 Others 14.1 115,878 6,253 Short term prepayments Prepaid rent 9 38,922 29,547 Prepaid sales tax 42,137 22,555 Other prepaid expenses 8,612 12,154				84,860	421,577
Custom duty and taxes 1,089 643 Letters of guarantee - margin 3,234 3,234 Others 14.1 115,878 6,253 Short term prepayments Prepaid rent 9 38,922 29,547 Prepaid sales tax 42,137 22,555 Other prepaid expenses 8,612 12,154	14.	TRADE DEPOSITS AND SHORT TERM PREPAYMENTS			
Letters of guarantee - margin 3,234 3,234 Others 14.1 115,878 6,253 Short term prepayments Prepaid rent 9 38,922 29,547 Prepaid sales tax 42,137 22,555 Other prepaid expenses 8,612 12,154		Deposits - Considered good, unsecured			
Short term prepayments Prepaid rent 9 38,922 29,547 Prepaid sales tax 42,137 22,555 Other prepaid expenses 8,612 12,154		Letters of guarantee - margin	14.1	3,234 115,878	3,234 6,253
Prepaid rent 9 38,922 29,547 Prepaid sales tax 42,137 22,555 Other prepaid expenses 8,612 12,154		Short term prepayments		120,201	10,130
89,671 64,256		Prepaid rent Prepaid sales tax	9	42,137	22,555 12,154
				89,671	
209,872 74,386				209,872	74,386

14.1 Included in other deposits is an amount of Rs. 110.265 million (2017: Nil) paid to custom authorities for provisional clearance of artificial leather goods imported at reduced rate of sales tax under Section 81 of the Customs Act, 1969.

FOR THE YEAR ENDED DECEMBER 31, 2018

15.

	Note	2018	2017
		(Rupees	s in '000)
OTHER RECEIVABLES			
Considered good - secured			
Receivable from employees		14,356	10,847
Considered good - unsecured			
Export rebates		5,889	5,989
Insurance claims		12,203	1,804
Advance tax	15.1	595,651	703,220
Others	15.2	13,703	10,825
Considered doubtful		627,446	721,838
Advance rent		1,584	1,584
Others		3,838	3,838
		5,422	5,422
Less: Provision for doubtful balances	15.3	(5,422)	(5,422)
		_	
15.1 Advance tax		641,802	732,685
		-00.000	500 500
Opening balance Advance tax paid during the year		703,220 556,237	588,598 782,646
Advance tax paid during the year			
		1,259,457	1,371,244
Adjusted against:			
Provision for taxation		(595,017)	(608,272)
Provision for prior year tax		(68,789)	(59,752)
		(663,806)	(668,024)
Closing balance		595,651	703,220

^{15.2} Included in others is an amount of Rs. 0.080 million (2017: Rs. 0.202 million) receivable from Bata Shoe Singapore Pte. Limited, an associated undertaking. Maximum aggregate amount due from associated undertaking at the end of any month in the year was Rs. 4.672 million (2017: Rs. 1.258 million)

15.3 There has been no movement in provision for doubtful balances during the year.

		(F	tupees in '000)
16.	SHORT TERM INVESTMENT		
	This includes the following term deposit receipts:		
	Habib Metropolitan Bank Ltd.	-	300,000
	United Bank Limited	-	250,000
		-	550,000

- 16.1 The range of rates of profits on these term deposits was between 6.50% and 6.60% per annum (2017: between 6.50% and 6.60% per annum)
- **16.2** The short term investments do not include any investment in related parties (2017: Nil).

17. TAX REFUNDS DUE FROM GOVERNMENT

Tax Refunds Due From Government

2016	2017
(1	Rupees in '000)
350,161	493,823

2018

2017

17.1 This represents sales tax paid on raw materials used in zero-rated taxable footwear for which refund claims have been lodged with the Sales Tax Department.



FOR THE YEAR ENDED DECEMBER 31, 2018

		Note	2018	2017
			(Rupeo	es in '000)
18.	CASH AND BANK BALANCES			_
	Bank balances in: Current accounts			
	- Foreign currency		19,614	16,163
	- Local currency		20,796	53,579
			40,410	69,742
	Daily profit accounts	18.1	1,360,562	429,875
	Cash in transit		137,432	109,338
	Cash in hand:			
	- Foreign currency		5,737	366
	- Local currency		891	817
			6,628	1,183
			1,545,032	610,138

18.1 The rate of mark-up on these accounts ranges from 3.88% to 8.25% (2017: 3.88% to 5.50%) per annum.

19. SHARE CAPITAL

19.1 Authorized share capital

	2018	2017		2018	2017
	(Number of s	shares in '000)			(Rupees in '000)
	10,000	10,000	Ordinary shares of Rs. 10 each	100,000	100,000
į	10,000	10,000		100,000	100,000

19.2 Issued, subscribed and paid up capital

	2018	2017		2018	2017
I	(Number of	shares in '000)			(Rupees in '000)
	1,890	1,890	Ordinary shares of Rs. 10 each fully paid in cash	18,900	18,900
	300	300	Ordinary shares of Rs. 10 each issued for consideration other than cash	3,000	3,000
	5,370	5,370	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	53,700	53,700
	7,560	7,560	- -	75,600	75,600

^{19.2.1} Bafin B.V. (Nederland) (the parent company) holds 5,685,866 (2017: 5,685,866) ordinary shares of Rs. 10 each fully paid up which represents 75.21% (2017: 75.21%) of total paid up capital.

^{19.2.2} Shares issued for consideration other than cash were issued against plant and machinery.

		2018		2017
		(I	Rupees in '000)	
20.	CAPITAL RESERVE			
	Capital reserve	483		483

20.1 Capital reserve represents the balance of foreign shareholders' equity in Globe Commercial Enterprises Limited (an associated undertaking) gifted to the Company on its winding up, and is not available for distribution.

FOR THE YEAR ENDED DECEMBER 31, 2018

		(Rupees in '000)	
21.	REVENUE RESERVES		
	General Reserve: Opening balance Transfer from unappropriated profit	6,132,000 465,000	5,634,000 498,000
	Unappropriated profit	6,597,000 818,244	6,132,000 918,641
		7,415,244	7,050,641
22.	LONG TERM DEPOSITS		
	Employees' securities and personal accounts	24,171	45,000

2018

2017

- 22.1 Employees' securities represent the securities deposited by the employees in accordance with the terms of employment. Interest at the rate of 5.50% (2017: 6.00%) per annum is being paid on the monthly outstanding balances.
- 22.2 In accordance with provisions of Section 217 of the Companies Act, 2017, this amount has been invested in Term Deposit Receipts and is shown separately as long term investments in Note 8.

	2018	2017
	(Rupees	in '000)
23. DEFERRED LIABILITY - EMPLOYEE BENEFITS		
23.1 Provision for gratuity - un-funded defined benefit plan	81,421	76,030
23.2 Changes in present value of defined benefit obligation		
Present value of defined benefit obligations as at January 01 Expense charged in statement of profit or loss Benefits paid during the year Remeasurement adjustments charged to other comprehensive income	76,030 6,857 (5,363) 3,897	72,150 6,024 (4,796) 2,652
Present value of defined benefit obligations as at December 31	81,421	76,030
23.3 The amount recognized in the statement of profit or loss is as follows		
Current service cost Interest cost	1,102 5,755	954 5,070
Expense charged in statement of profit or loss	6,857	6,024
23.4 Charge for the year has been allocated as follows		
Cost of sales Distribution cost Administrative expenses	3,621 2,210 1,026	3,160 1,978 886
	6,857	6,024

23.5 Principal actuarial assumptions

The principal actuarial assumptions used in the actuarial valuation of this scheme by applying projected unit credit method as on December 31 are as follows:

	2010	2017
Expected rate of salary increase in future years	8.75%	7.00%
Discount rate	9.75%	8.00%
Expected mortality rate	SLIC 2001-2005	SLIC 2001-2005
Average duration of plan	5 Years	3 Years

FOR THE YEAR ENDED DECEMBER 31, 2018

23.6 Historical information

	2018	2017	2016	2015	2014
			(Rupees in '000)		
As at December 31 Present value of defined benefit obligation Experience adjustments on plan liabilities Experience adjustments on plan liabilities as a percentage of defined benefit obligation	81,421 3,897 5%	76,030 2,652 3%	72,150 (1,351) 2%	68,805 10,289 15%	53,135 (7,480) 14%

23.7 Estimated expense to be charged to statement of profit or loss in 2019

	(Rupees in '000)
Current service cost	3,177
Interest cost on defined benefit obligation	7,400
Amount chargeable to statement of profit or loss	10,577

23.8 Sensitivity analysis

Significant assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

		Note	2018 (Rupe	2017 es in '000)
23	.9 Year and sensitivity analysis (± 50 bps) on defined benefit obligation		(cu.p.	
	Discount rate + 50 bps Discount rate - 50 bps Salary increase + 50 bps Salary increase - 50 bps		79,402 83,576 82,174 80,688	75,103 77,098 75,283 76,801
24. DI	EFERRED TAXATION			
De	eferred tax liabilities:			
Ac	celerated tax depreciation		94,953	92,819
De	eferred tax assets:			
	Deferred Liability - Employee Benefits Stores and spare parts Stock in trade Trade debts Other debts		(22,798) (10,609) (7,188) (8,501) (1,518) (50,614) 44,339	(20,528) (10,985) (10,801) (8,242) (1,464) (52,020) 40,799
			11,557	
25. TR	AADE AND OTHER PAYABLES			
Ac De Ad Du See Wo Wo Sal Ta	editors crued liabilities eferred revenue lyances from customers ue to provident fund trust curity deposits orkers' profit participation fund orkers' welfare fund les tax payable xes deducted at source payable her liabilities	25.1 45 25.2 25.3 25.4	1,508,497 381,228 604 363 18,903 100,017 121,738 45,677 78,903 28,517 28,473 2,312,920	922,372 330,765 985 159 18,125 91,570 116,803 36,214 43,343 15,574 23,126 1,599,036

Amount

FOR THE YEAR ENDED DECEMBER 31, 2018

(Rupees in '000) **25.1** This includes amounts due to the following related parties: Bata Brand, Switzerland 348,947 88,560 Global Footwear Services, Singapore 47,062 9,543 Bata Indonesia, P.T. Sepatu 507

2018

396,009

2017

98,610

25.1.1 No interest has been paid / accrued on the amounts due to associated undertakings as they are in normal course of business.

25.2 This represents the security deposit received from the registered wholesale dealers, agency holders and business associates in accordance with the terms of the contract. These deposits carry interest at the rate of 5.50% (2017: 5.00%) per annum. These are repayable on termination / completion of the contract and on returning the Company's property already provided to them if any. As per the agreements signed with these parties, the Company has the right to utilize the amounts for the purpose of the business, hence, the amounts are not required to be kept in a separate bank account maintained in a scheduled bank. Therefore, the Company is in compliance with section 217 of the Companies Act, 2017.

	Note	2018	2017
		(Rupees	in '000)
25.3 Workers' profit participation fund			
Opening balance		116,803	112,586
Allocation for the year	32	121,738	116,803
Interest on funds utilized in Company's business	34	1,440	2,776
		239,981	232,165
Less: Amount adjusted / paid to fund's trustees		118,243	115,362
Closing balance		121,738	116,803
25.4 Other liabilities			
Group insurance claims		2,992	2,944
Payable to former employees		3,923	2,427
Payable in respect of Bata mosque		1,004	1,685
Miscellaneous		20,554	16,070
		28,473	23,126

26. SHORT TERM BORROWINGS

The credit facilities available to the Company from various commercial banks aggregate to Rs. 1,140.000 million (2017: Rs. 1,140.000 million). These include:

- Non funded facilities of letters of guarantee and letters of credit amounting to Rs. 740.000 million (2017: Rs. 740.000 million); and
- Cash finance facilities of Rs. 400.000 million (2017: Rs. 400.000 million).

Moreover, the Company can avail further cash finance facilities out of un-utilized unfunded facilities of Rs. 275.000 million (2017: Rs. 275.000 million) which also includes Rs. 35.000 million (2017: Rs. 35.000 million) of export finance facilities.

The un-utilized facility for letter of credits and guarantees at year end amounts to Rs. 558.661 million (2017: Rs. 226.368 million).

Mark up on cash finance ranges from 3 months KIBOR plus 0.50% to 1.0% (2017: 3 months KIBOR plus 0.50% to 1.0%) as per agreements with banks. While mark up on export finance is charged at SBP rate plus 1.00% (2017: 4.00%) per annum.

These finances are secured against hypothecation of stock in trade, stores and spares and receivables of the Company amounting to Rs. 1,194 million (2017: Rs. 1,194 million).

	Note	2018	2017
		(R	tupees in '000)
27. CONTINGENCIES AND COMMITMENTS			
27.1 Contingent taxation liabilities			
The Company is contingently liable for:			
Order by sales tax department-under appeal	27.1.1	265,454	265,454
Order by sales tax department-under appeal	27.1.2	237,370	237,370
Order by income tax department-under appeal	27.1.3	954,859	954,859
Order by income tax department-under appeal	27.1.4	1,027,460	1,027,460
Order by sales tax department-under appeal	27.1.5	79,982	79,982
Order by sales tax department-under appeal	27.1.6	52,134	52,134
Show cause notice by sales tax department			
against which stay order has been obtained	27.1.7	85,097	85,097
Order by income tax department-under appeal	27.1.8	254,038	363,683
Order by sales tax department-under appeal	27.1.9	60,732	60,732
Order by Collector of Customs-under appeal	27.1.10	23,975	_
		3,041,101	3,126,771

- 27.1.1 The Assistant Commissioner Inland Revenue (ACIR) issued an order on September 30, 2011 raising a demand of Rs. 201.252 million in respect of tax period from July 2007 to December 2008 on account of non-payment of retail tax on sales made through retail outlets and inadmissible input tax adjustment claimed against retail supplies. Being aggrieved, the Company preferred an appeal before the Commissioner Inland Revenue (Appeals) whereby the appeal was decided against the Company. The Company also filed a complaint before the Federal Tax Ombudsman (FTO), who decided the case in favor of Company on January 11, 2012 and ordered the Commissioner Inland Revenue (CIR) to vacate the above order. The Company filed an appeal before Commissioner Inland Revenue (Appeals) to dispose of the original order. Commissioner Inland Revenue (Appeals) ordered that since the Learned FTO decided the case in favor of the Company there remains no cause of further action. Thereafter, the Company preferred an appeal before the Appellate Tribunal Inland Revenue (ATIR) for cancellation of impugned order, which is pending adjudication. Moreover, Deputy Commissioner Inland Revenue (DCIR) raised additional demand amounting to Rs 64.202 million on June 25, 2012 pertaining to period from July 2007 to October 2008 of the sales tax previously refunded to the Company and referred the case to concerned ACIR/DCIR for enforcement of the order. Thereafter, the Company filed an appeal with Commissioner Inland Revenue (Appeals), which is pending adjudication. Based on legal advisor's opinion, the Company's management expects favorable outcome due to which no provision has been recorded in these financial statements.
- 27.1.2 The Tax Department issued 22 separate orders dated October 17, 2012 and November 14, 2012 in which sales tax refunds for the periods from November 2008 to December 2010 amounting to Rs. 237.370 million have been rejected on the grounds that input sales tax relating to retail turnover is not admissible. The Company filed separate appeals against these orders with Commissioner Inland Revenue (Appeals). The Commissioner Inland Revenue (Appeals) decided 19 appeals against the Company while 3 appeals were decided in favor of the Company. The Company filed 19 separate appeals while tax department filed 3 separate appeals with Appellate Tribunal Inland Revenue (ATIR). The ATIR decided all 22 appeals in favor of the Company on May 15, 2014. Thereafter, the Tax Department filed an appeal before the Honorable Lahore High Court, which is pending for adjudication. Based on legal advisor's opinion, the Company's management expects favorable outcome due to which no provision has been recorded in these financial statements.
- 27.1.3 The Additional Commissioner Inland Revenue (ACIR) raised demand of Rs. 954.859 million vide order dated June 28, 2013 to the Company for the tax year 2011, whereby, the assessing officer added back certain expenses, disallowed certain amount of tax credit and also assessed that the Company has suppressed turnover amounting to Rs. 1,427.436 million. Being aggrieved, the Company preferred an appeal with Commissioner Inland Revenue (Appeals), which was decided in favor of the Company vide order dated October 2, 2013, by deleting all the add backs with the exception of the difference in the amount of tax credit which has been calculated under Section 65(b) of the Income Tax Ordinance, 2001. Being aggrieved, the Department filed an appeal against the order of Commissioner Inland Revenue (Appeals) with the Appellate Tribunal Inland Revenue (ATIR) which is pending adjudication. Based on legal advisor's opinion, the Company's management expects a favorable outcome due to which no provision has been recorded in these financial statements.
- 27.1.4 The Additional Commissioner Inland Revenue (ACIR) raised demand of Rs. 1,027.460 million pertaining to the tax year 2012 vide order dated October 31, 2014, whereby, the assessing officer added back certain expenses & payments to non-residents on the basis of non deduction of withholding taxes, changed the basis of appropriation of expenses between export and local sales, disallowed certain amount of tax credit and also assessed that the Company has suppressed turnover amounting to Rs. 1,773.054 million. Being aggrieved, the Company preferred an appeal with the Commissioner Inland Revenue (Appeals). The Commissioner Inland Revenue (Appeals) decided the appeal in favor of the Company vide order dated January 14, 2015 by deleting almost all the add backs with the exception of the difference in the amount of tax credit which has been calculated under Section 65(b) of the Income Tax Ordinance, 2001 and the amount of expenditure disallowed on the basis of non deduction of withholding taxes. The Tax Department and the Company filed separate appeals against the order of the

FOR THE YEAR ENDED DECEMBER 31, 2018

Commissioner Inland Revenue (Appeals) with the Appellate Tribunal Inland Revenue (ATIR) which are pending adjudication. Based on legal advisor's opinion, the Company's management expects a favorable outcome due to which no provision has been recorded in these financial statements.

- 27.1.5 The Tax Department raised demand vide two separate orders dated June 25, 2014 and September 30, 2014 amounting to Rs. 46.693 million and Rs. 33.289 million respectively for certain tax periods from January 2012 to June 2013 and from October 2013 to March 2014, respectively, on account of adjustment of 100% input tax in violation of Section 8b of Sales Tax Act, 1990. Being aggrieved, the Company preferred an appeal before the Commissioner Inland Revenue Appeals (CIR) whereby the appeal was decided against the Company vide order dated September 9, 2014 and December 10, 2014. The Company preferred appeals against both the orders before the Appellate Tribunal Inland Revenue (ATIR) which was decided in favor of the Company vide orders dated December 10, 2014 and January 13, 2015, respectively. The Tax Department filed respective appeals before the Honorable Lahore High Court, which are pending adjudication. Based on legal advisor's opinion, the Company's Management expects favorable outcome due to which no provision has been recorded in these financial statements.
- 27.1.6 The Tax Department raised two separate demands vide orders dated December 06, 2014 amounting to Rs. 43.856 million and Rs. 8.278 million on account of further sales tax of 1% on unregistered customers for the period from October 2013 to July 2014 and August 2014 to September 2014 respectively. Being aggrieved, the Company preferred an appeals with Commissioner Inland Revenue (Appeals) who remanded back both the cases to adjudicating officer for fresh decision after allowing the appellant to produce relevant record. However the Commissioner Inland Revenue filed an appeal in the Appellate Tribunal Inland Revenue (ATIR) against the said order, which is pending adjudication. Based on legal advisor's opinion, the Company's Management expects favorable outcome due to which no provision has been recorded in these financial statements.
- 27.1.7 The Tax Department issued show cause notice dated April 20, 2015, stating that adjustment of input sales tax of Rs. 85.097 million for the tax periods February, 2014 to January 2015 on Trade Mark License fee and Management Service Fee claimed by the Company is inadmissible and recoverable from the Company along with default surcharge. The Company filed a writ petition with the Honorable Lahore High Court (LHC) against show cause notice. The Honorable Lahore High Court granted stay against the show cause notice, however, the petition is still pending with the Honorable Lahore High Court for adjudication. Based on legal advisor's opinion, the Company's Management expects favorable outcome due to which no provision has been recorded in these financial statements.
- 27.1.8 The Additional Commissioner Inland Revenue (ACIR) raised demand vide order dated June 27, 2016 pertaining to tax year 2010 amounting to Rs. 363.683 million on account of certain issues which primarily include allocation of expenses between export and local sale, disallowance of rent on account of non deduction of withholding taxes, admissibility of deduction of interest on WPPF and provident fund, donation, and incorrect classification of WWF and WPPF. Being aggrieved, the Company preferred an appeal before the Commissioner Inland Revenue (Appeals) and also filed rectification application of the said order. The Commissioner Inland Revenue (Appeals) vide order dated September 16, 2016 decided the appeal in favor of the Company by deleting majority of the add backs with the exception of donations made to unapproved institutions and the disallowance of rent on account of non deduction of withholding taxes at the appropriate rate and remanded back the order with the direction to give consideration to the rectification application filed by the Company in respect of the proration of expenses made by the department. Based on the appeal disposed off by Commissioner Inland Revenue (Appeals), the ACIR issued revised demand amounting to Rs. 254.034 million vide order dated June 30, 2018. Being aggrieved, the Company again filed an appeal against the order with Commissioner Inland Revenue (Appeals) along with rectification application against the revised assessment order which is pending adjudication. Based on legal advisor's opinion, the Company's management expects a favorable outcome due to which no provision has been recorded in these financial statements.
- 27.1.9 The Assistant Commissioner Sindh Revenue Board raised a demand vide order dated September 1, 2016 amounting to Rs. 60.732 million on account of non-payment of sales tax on trademark license fee and management services fee for the period from July 2011 to December 2012. Being aggrieved, the Company filed an appeal before Commissioner (Appeals) Sindh Revenue Board, who decided the matter in favor of the Company vide order dated February 10, 2018. The department filed an appeal against the order before Appellate Tribunal Sindh Revenue Board who remanded the case back to the assessing officer for fresh investigation vide order dated August 8, 2018. Subsequently, no further action has been initiated by the relevant officer of Sindh Revenue Board since the date of Appellate Tribunal Sindh Revenue Board order. Based on legal advisor's opinion, the Company's Management expects favorable outcome due to which no provision has been recorded in these financial statements.
- 27.1.10 The Collector of Customs Karachi issued a demand vide order dated November 7, 2018 amounting to Rs. 23.975 million for the tax period November 2017 to April 2018 disallowing the reduced rate of sales tax under SRO-1125(I) / 2011 utilized by the Company for clearance of imported footwear. Being aggrieved, the Company filed an appeal before the Custom Appellate Tribunal, Karachi, which is pending adjudication. Based on legal advisor's opinion, the Company's Management expects favorable outcome due to which no provision has been recorded in these financial statements.

		Note	2018	2017
			(Rupe	es in '000)
	27.2 Other contingent liabilities			
	The Company is contingently liable for: Counter Guarantees given to banks Indemnity Bonds given to Custom Authorities Claims not acknowledged as debts - under appeal		15,960 52,435 9,881	16,512 9,800 13,183
			78,276	39,495
	27.3 Commitments			
	27.3.1 Commitments in respect of: Capital expenditure Letters of credit and bank contracts		19,881 181,339	14,801 513,632
			201,220	528,433
28.	SALES			
	Shoes and accessories Local Export		19,688,208 58,510	18,142,200 72,109
	•		19,746,718	18,214,309
	Sundry articles and scrap material		95,721	105,698
			19,842,439	18,320,007
	Less: Sales tax Discounts to dealers and distributors Commission to agents / business associates		1,301,667 1,410,011 335,530	1,288,161 1,240,952 294,084
			3,047,208	2,823,197
			16,795,231	15,496,810
29.	COST OF SALES			
	Cost of goods manufactured Finished goods purchased Add: Opening stock of finished goods	29.1	4,151,872 5,592,278 3,269,166	4,277,837 5,168,549 2,698,754
	Less: Closing stock of finished goods	11	13,013,316 3,743,958	12,145,140 3,269,166
	20.1 Cost of goods manufactured		9,269,358	8,875,974
	29.1 Cost of goods manufactured Raw material consumed			
	Opening stock Add: Purchases		163,690 3,400,804	162,153 3,568,753
	Less: Closing stock		3,564,494 182,930	3,730,906 163,690
	Store and spares consumed Fuel and power Salaries, wages and benefits Repairs and maintenance Insurance Depreciation	29.2 29.3 6.3	3,381,564 9,496 116,308 508,677 62,134 18,903 49,257	3,567,216 14,189 111,063 488,220 42,929 13,022 49,700
	Add: Opening goods in process		4,146,339 49,498	4,286,339 40,996
	Less: Closing goods in process		4,195,837 43,965	4,327,335 49,498
			4,151,872	4,277,837

- 29.2 Included in salaries, wages and benefits is an amount of Rs. 16.453 million (2017: Rs. 16.523 million) and Rs. 3.621 million (2017: Rs. 3.160 million) in respect of contribution to provident fund trust and provision for gratuity respectively.
- 29.3 Included in repairs and maintenance is reversal of provision for obsolescence of stores and spares amounting to Rs. 2.793 million (2017: Rs. 2.437

	Note	2018	2017
		(Rupees	in '000)
30. DISTRIBUTION COST			
Salaries and benefits	30.1	840,726	813,205
Freight		270,081	239,351
Advertising and sales promotion		194,376	175,173
Rent		1,490,871	1,246,476
Insurance		19,784	17,121
Trademark license fee	30.2	635,697	388,158
Fuel and power		261,022	208,604
Repairs and maintenance		52,868	47,272
Entertainment		15,139	12,288
Business and property taxes		4,203	4,499
Discount on recovery		_	12,962
Depreciation	6.3	165,471	146,205
Provision for trade and other debts		_	417
Miscellaneous		1,049	489
		3,951,287	3,312,220

- 30.1 Included in salaries and benefits is an amount of Rs. 29.921 million (2017: Rs. 26.015 million) and Rs. 2.210 million (2017: Rs. 1.978 million) in respect of contribution to provident fund trust and provision for gratuity respectively.
- 30.2 This represents the royalty fee of Bata Brands S.A.R.L., Switzerland an associated company situated in Avenue d'Ouchy 6, 1006 Lausanne, Switzerland.

	Note	2018	2017
		(Rupees	in '000)
31. ADMINISTRATIVE EXPENSES			
Salaries and benefits	31.1	636,398	556,246
Employee welfare		30,881	34,509
Fuel and power		14,292	17,334
Telephone and postage		23,252	17,945
Insurance		3,036	3,719
Travelling		114,281	95,196
Repairs and maintenance		9,095	24,224
Printing and stationery		20,708	16,729
Donations and subscription	31.2	6,677	3,167
Legal and professional charges		14,435	5,110
Business and property taxes		3,801	2,717
Management service fee	31.3	188,438	159,572
Depreciation	6.3	12,134	11,344
Amortization on intangible assets	7.1	1,135	1,822
Miscellaneous		23,371	29,764
		1,101,934	979,398

- 31.1 Included in salaries and benefits is an amount of Rs. 20.973 million (2017: Rs. 21.180 million) and Rs. 1.026 million (2017: Rs. 0.886 million) in respect of contribution to provident fund trust and provision for gratuity respectively.
- 31.2 None of the directors of the Company or any of their spouses have any interest in the funds of donees. Furthermore, no donation exceeding Rs. 0.50 million has been made to any donee (2017: NIL).
- 31.3 Management service fee represents amounts paid/payable to Global Footwear Services Pte Limited and Bata Brands S.A.R.L., Switzerland, related parties, in respect of management and information technology services, respectively.

		Note	2018	2017
	_		(Rupee	s in '000)
32.	OTHER EXPENSES			
	Workers' profit participation fund	25.3	121,738	116,803
	Workers' welfare fund Auditors' remuneration	32.1	45,677 6,863	36,214 7,115
	Exchange loss		24,724	7,987
	Loss on fixed assets sold / scrapped		11,613	8,394
			210,615	176,513
	32.1 Auditors' remuneration			
	Statutory audit		3,000	3,000
	Review of interim accounts		1,150	1,115
	Audit of US GAAP reporting package		881	1,000
	Other reviews and certifications Out of pocket expenses		1,580 252	900 1,100
	· · · · · · · · · · · · · · · · · · ·		6,863	7,115
			5,5 5	
33.	OTHER INCOME			
	Income from financial assets			
	Profit on long term investments		2,828	2,557
	Profit on short term investment Profit on bank deposits		8,368 21,217	31,641 15,116
	Reversal of provision for doubtful debts		165	-
			32,578	49,314
	Income from non - financial assets			
	Rental Income		8,357	8,354
	Income from financial liability			
	Early payment discount on supplier invoices		4,968	9,785
			45,002	(7.452
			45,903	67,453
34.	FINANCE COSTS			
	Interest / mark-up on:			
	Workers' profit participation fund	25.3	1,440	2,776
	Employees / agents' securities and personal accounts	34.1	4,710	4,869
	Bank charges and commission		6,150 35,888	7,645 32,243
	Same charges and commission		42,038	39,888
			,-5	
	34.1 These do not include any amounts on account of related parties (2017: Rs. Nil).		
35.	TAXATION			
	Current tax			
	- Current year		691,073	595,017
	- Prior year		68,789	59,752
	D.C. Iv		759,862	654,769
	Deferred tax		4,631	1,035
			764,493	655,804

FOR THE YEAR ENDED DECEMBER 31, 2018

	2018	2017
		%
35.1 Relationship between tax expenses and accounting profit		_
Applicable tax rate	29.00	30.00
Tax effect of:		
Income not chargeable to normal tax	(0.07)	(2.34)
Tax effect of expenses not allowed for tax	0.01	0.01
Effect of prior years tax	3.04	2.74
Super tax for the year	1.98	_
Tax credits	(0.15)	(0.19)
Effect of change in tax rate	(0.12)	_
Others	0.05	(0.14)
	4.74	0.08
Tax expense for the year	33.74	30.08

35.2 Management assessment on sufficiency of provision for income taxes

	2017	2016	2015
		(Rupees in '000)	
Tax assessed as per most recent tax assessment	654,986	668,113	680,809
Provision in accounts for income tax	654,986	668,489	688,211

The tax assessed as per most recent tax assessed for the year 2017, 2016 and 2015 is based on "deemed assessment" as per income tax return filed for respective years.

As at December 31, 2018, as per the treatments adopted in tax returns filed that are based on the applicable tax laws and decisions of appellate authorities on similar matters, the provision in accounts for income tax is sufficient as there are strong grounds that the said treatments are likely to be accepted by the tax authorities.

35.3 Section 5A of the Income Tax Ordinance, 2001 imposed income tax at the rate of 5% on accounting profit before tax where the Company derives profit for a tax year but does not distribute at least twenty percent of its after tax profits within six months of the end of the tax year through cash. The Company has distributed the requisite amount of dividend during the year through interim dividend and accordingly, no provision for tax on undistributed profit under section 5A of the Income Tax Ordinance, 2001 has been recognized in these financial statements for the year ended December 31, 2018.

36. EARNINGS PER SHARE - BASIC AND DILUTED

Basic earnings per share are calculated by dividing net profit for the year attributable to ordinary equity holders of the Company by weighted average number of ordinary shares outstanding during the year. The following reflects the income and share data used in the basic and diluted earnings per share computations:

	Note	2018	2017
		(Rupe	es in '000)
Profit after taxation		1,501,409	1,524,466
Weighted average number of ordinary shares (in thousands)	19.2	7,560	7,560
Earnings per share - basic and diluted (Rupees per share)		198.60	201.65

There is no dilutive effect on the basic earnings per share of the Company.

		Retail	M	Wholesale		Export		Others	Ĕ	Total
Segment result and profit reconciliation	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
					Rup	- Rupees in ('000) —				
External Sales Inter Segment Sales	11,853,674	10,887,367	4,790,697	4,436,112	58,510	72,109	92,350	101,222	16,795,231	15,496,810
Total Revenue	11,853,674	10,887,367	4,790,697	4,436,112	58,510	72,109	92,350	101,222	16,795,231	15,496,810
Cost of sales	(5,644,757)	(5,396,342)	(3,506,161)	(3,349,941)	(41,863)	(51,569)	(76,577)	(78,122)	(9,269,358)	(8,875,974)
Gross profit	6,208,917	5,491,025	1,284,536	1,086,171	16,647	20,540	15,773	23,100	7,525,873	6,620,836
Distribution cost Administrative expenses	(3,112,089) (46,932) (3,159,021)	(2,806,583) (38,527) (2,845,110)	(259,294) (17,083) (276,377)	(272,359) (17,148) (289,507)	(8,812) (1,447) (10,259)	(1,083)	1 1 1	1 1 1	(3,380,195) (65,462) (3,445,657)	(3,088,038) (56,758) (3,144,796)
Segment results	3,049,896	2,645,915	1,008,159	796,664	986'9	10,361	15,773	23,100	4,080,216	3,476,040
Unallocated operating expenses Other operating income Operating profit Finance cost Profit before taxation Profit after taxation									(1,607,564) (210,615) 45,903 2,307,940 (42,038) 2,265,902 (764,493) 1,501,409	(1,146,822) (176,513) (7,453) (7,453) (2,220,158) (39,888) (39,888) (655,804) (1,524,466)
Other disclosures										
Segment assets Unallocated assets	4,221,022	3,568,912	3,015,461	2,412,427	9,924	8,536	ſ	ı	7,246,407 3,446,417 10,693,121	5,989,875 3,534,451 9,524,326
Segment liabilities Unallocated liabilities	129,306	125,474	24,231	26,449	I	ı	l	ı	153,537 3,048,257 3,201,794	151,923 2,245,679 2,397,602
Capital expenditures Unallocated	325,851	248,448	343	1,318	I	l	l	I	326,194 61,307 387,501	249,766 61,560 311,326
Depreciation of property, plant and equipment Unallocated	168,572	140,229	4,920	5,976	I	l	l	I	173,492 53,370 226,862	146,205 61,044 207,249
Amortization of intangible assets Unallocated	1	I	I	I	I	I	l	I	1,135	1,822

FOR THE YEAR ENDED DECEMBER 31, 2018

		Note	2018	2017
			(Rupees i	n '000)
38.	CASH AND CASH EQUIVALENTS			
	Short term investment	16	_	550,000
	Cash and bank balances	18	1,545,032	610,138
			1,545,032	1,160,138

38.1 Reconciliation of liabilities arising from financing activities inclusive of current portion:

		20	018	
Particulars	Opening	Accrual	Cash flows	Closing
Unclaimed dividend	41,720	1,134,000	(1,127,850)	47,870
		20	017	
Particulars	Opening	Accrual	Cash flows	Closing
Unclaimed dividend	31,183	1,058,400	(1,047,863)	41,720

39. REMUNERATION OF DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the financial statements for the year in respect of remuneration, including all benefits to Chief Executive, Directors and Executives of the Company are as follows:

	Chi	ef Executive		Directors		Executives
	2018	2017	2018	2017	2018	2017
			(Rt	upees in '000)		
Managerial remuneration	33,888	28,289	15,330	21,281	118,455	74,407
Provident fund contribution	_	_	_	760	13,034	7,568
Performance Bonus	20,709	4,849	2,532	973	19,513	2,369
Perquisites and allowances						
Housing	250	-	325	1,121	21,163	15,071
Leave passage	682	971	1,109	1,450	110	=
Conveyance	_	-	_	471	6,078	4,836
Medical expenses reimbursed	368	307	84	488	630	970
Utilities	_	-	_	257	1,811	1,745
Others	17,336	11,862	8,679	14,076	31,192	25,796
	73,233	46,278	28,059	40,877	211,986	132,762
Number of persons	1	1	1	3	54	38

^{39.1} In addition to the above, 6 (2017: 6) non executive directors were paid aggregated fee of Rs. 1.700 million (2017: Rs. 1.709 million) for attending

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

Risk management is carried out by the Board of Directors (the Board). The Board has the overall responsibility for the establishment of a financial risk governance frame work. They provide assurance that the financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's risk management policies.

40.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise of three types of risks: interest rate risk, currency risk and other price risk such as equity risk. The objective of market risk management is to manage and control market risk exposures within an acceptable range.

^{39.2} The Chief Executive and the director of the Company are provided with company-maintained cars.

FOR THE YEAR ENDED DECEMBER 31, 2018

40.1.1 Interest rate risk exposure

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rate risk arises from deposits in saving accounts with various commercial banks.

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments was:

	Fixed or variable	2018	2017	2018	2017
		1	Effective rates		ees in ('000)
Financial Assets					
Long term investments Short term investments	Fixed Fixed	8.60 to 6.00%	6.00% 6.50 to 6.60%	45,008 -	45,000 550,000
Bank balance in daily profit account	Variable	3.88 to 8.25%	3.88 to 5.50%	1,360,562	429,875
Financial Liabilities				1,405,570	1,024,875
Long term deposits - employees' securities Deposits - agents	Fixed Fixed	5.50% 5.50%	6.00% 5.00%	24,171 100,017 124,188	45,000 91,570 136,570

Cash flow sensitivity analysis for fixed rate instruments

No interest rate risk arises on fixed rate instruments.

Cash flow sensitivity analysis for variable rate instruments

The Company has only one investment in variable rate instrument and the following table demonstrate the sensitivity to a reasonably possible change interest rate, with all other variables held constant, on the Company's profit before tax.

	2018	2017
	(Rupees in '000)	
Increase in basis points by 100 Decrease in basis points by 100	13,606 (13,606)	4,299 (4,299)

40.1.2 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The Company is exposed to currency risk arising from primarily with respect to the United States Dollar (USD), Singaporean Dollar and Euro. Currently, the Company's foreign exchange risk exposure is restricted to the amounts receivable from/payable to the foreign entities. The Company's exposure to currency risk is as follows:

	2010	201/
		Rupees in '000)
Financial assets		
Trade debts - Export customers		
US Dollar	2,021	1,967
Other receivables - Export receivables		
US Dollar	80	202
Cash in hand		
US Dollar	1,406	146
Euro	4,201	671
UAE Dirhams	65	-
Canadian Dollar	66	-
Cash in bank		
US Dollar	19,615	16,163
	27,454	19,149

FOR THE YEAR ENDED DECEMBER 31, 2018

Financial liabilities

Trade and other Payables - Foreign suppliers US Dollar Euro Singapore Dollar

2018		2017
(1		
55,373		78,387
-		142
47,063		9,543
102,436		88,072

Foreign Currency Sensitivity analysis

The following table demonstrates the sensitivity of the Company's profit before tax to a reasonably possible change in exchange rates of the major currencies involved in transactions with the foreign parties, keeping all other variables constant. The Company's exposure to foreign currency changes for all other currencies is not material.

	2018	2017	2018	2017
	Percentage	Percentage	(Rupee	es in '000)
	Change in Exchange Rate	Change in Exchange Rate	Effect on Profit Before Tax	Effect on Profit Before Tax
	Exchange Rate	Exchange Rate	before fax	before fax
			+/-	+/-
Variation in USD to PKR	5.00%	5.00%	(1,613)	(2,995)
Variation in EURO to PKR	5.00%	19%	210	(27)
Variation in Singapore Dollar to PKR	5.00%	16%	(2,353)	(1,527)

40.1.3 Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to equity price risk as it does not have any exposure in equity securities.

40.2 Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Company's credit risk is primarily attributable to its long term advances, trade debts, advances deposits prepayments and other receivable and its balances at banks.

Investments are allowed only in liquid securities and only with banks. Given their high credit ratings, management does not expect any counter party to fail to meet its obligation.

The management has a credit policy in place and exposure to credit risk is monitored on a continuous basis. Credit evaluations are performed on all customers requiring credit over a certain amount. The Company does not require collateral in respect of financial assets. The Company, however, mitigates any possible exposure to credit risk by taking security deposits from its dealers and distributors as well as by executing formal agreements with them. Out of total financial assets of Rs. 4,002.677 million (2017: Rs. 3,230.078 million) following are subject to credit risk:

Financial Assets

Long term investments Long term deposits Trade debts - unsecured Deposits Letters of credit - margin Other receivables Interest accrued Short term investment Cash at bank

2018	2017					
(Ruj	(Rupees in '000)'000)					
45,008	45,000					
32,736	31,889					
2,167,114	1,563,433					
119,112	9,487					
46,772	388,915					
46,151	29,465					
752	1,751					
_	550,000					
1,400,972	499,617					
3,858,617	3,119,557					

FOR THE YEAR ENDED DECEMBER 31, 2018

40.2.1 Long term investments

Financial institution		Ratings		Carr	ying Values
	Agency	Long Term	Short term	2018	2017
				(Rup	ees in '000)
Habib Metropolitan Bank Limited	PACRA	AA+	A1+	45,008	45,000
				45,008	45,000

 $\textbf{40.2.2} \ \text{Out of the total trade receivables, } 37.35\% \ is \ concentrated \ in ten \ customers \ (2017: 35.84\% \ in \ ten \ customers).$

	2018	2017
	(I	Rupees in '000)
40.2.3 Trade debts - other than related parties		
Neither past due nor impaired	1,409,564	950,031
Past due but not impaired		
1-30 days 31-60 days 61-90 days Over 90 days	336,194 200,310 219,025	162,942 167,656 281,039
0.0.70 dajo	755,529	611,637
Past due and impaired		
1-30 days 31-60 days 61-90 days Over 90 days	30,362	30,527
40.2.4 Trade debts - receivable from related parties		
Neither past due nor impaired	2,021	1,765
Past due but not impaired	-	_
1-30 days 31-60 days 61-90 days	- - -	- - -
Over 90 days	_	

40.2.5 Short term investments

Financial institution		Ratings			
	Agency	Long Term	Short term	2018	2017
_				(F	Rupees in '000)
Habib Metropolitan Bank Ltd.	PACRA	AA+	A1+	_	300,000
United Bank Limited	JCR-VIS	AAA	A-1+	-	250,000
				-	550,000

40.2.6 Cash at bank

Financial institution		Ratings			
	Agency	Long Term	Short term	2018	2017
				(1	Rupees in '000)
Habib Bank Limited	JCR-VIS	AAA	A-1+	1,077,568	304,843
MCB Bank Limited	PACRA	AAA	A1+	33,352	51,603
Habib Metropolitan Bank Limited	PACRA	AA+	A1+	14,944	22,228
Bank Al-Habib Limited	PACRA	AA+	A1+	120,638	82,121
National Bank of Pakistan	PACRA	AAA	A1+	1,791	3,077
United Bank Limited	JCR-VIS	AAA	A-1+	152,679	35,745
				1,400,972	499,617

FOR THE YEAR ENDED DECEMBER 31, 2018

40.3 Liquidity risk

Liquidity risk represents the risk that the Company will encounter difficulties in meeting obligations associated with financial liabilities.

The Company manages liquidity risk by maintaining sufficient cash and bank balances and the availability of funding through an adequate amount of committed credit facilities. At December 31, 2018 the Company had borrowing limits available from financial institutions at Rs. 1,140.000 million (2017: Rs. 1,140.000 million) and Rs. 1,545.032 million (2017: Rs. 610.138 million) in cash and bank balances. The Company follows an effective cash management and planning policy to ensure availability of funds and to take appropriate measures for new requirements.

2010

The following table shows the maturity profile of the Company's financial liabilities:

			2018			
	(Rupees in '000)					
	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total	
Long term deposits	24,171		=	=	24,171	
Trade and other payables	_	2,312,920	_	-	2,312,920	
Unclaimed dividend	-	47,870	-	-	47,870	
			2017			
			(Rupees in '000)			
	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total	
Long term deposits	45,000	=	=		45,000	
Trade and other payables	_	1,599,036	_	_	1,599,036	
Unclaimed dividend	_	41,720	_	_	41,720	

40.4 Fair value of the financial instruments

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction. Underlying the definition of fair value is the presumption that the company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms. The carrying values of all financial assets and liabilities reflected in these financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

Specific valuation techniques used to value financial instruments include:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

As of reporting date, there were no Level 1, 2 or 3 assets or liabilities during prior or current year.

40.5 Financial instruments by categories

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date. 2017 2018

	201/					
	(Rupe	ees in '000)				
At amortized cost	Loans and receivables	Total	Total			
_	32,736	32,736	31,889			
_	2,167,114	2,167,114	1,563,433			
_	119,112	119,112	9,487			
_	46,772	46,772	388,915			
_	46,151	46,151	29,465			
_	752	752	1,751			
_	1,545,032	1,545,032	610,138			
45,008	_	45,008	45,000			
_	-	· –	550,000			
45,008	3,957,669	4,002,677	3,230,078			
	- - - - - - 45,008	At amortized cost - 32,736 - 2,167,114 - 119,112 - 46,772 - 46,151 - 752 - 1,545,032 45,008	(Rupees in '000) At amortized cost Loans and receivables Total - 32,736 32,736 - 2,167,114 2,167,114 - 119,112 119,112 - 46,772 46,772 - 46,151 46,151 - 752 752 - 1,545,032 1,545,032 45,008 - 45,008			

FOR THE YEAR ENDED DECEMBER 31, 2018

Liabilities

Trade and other payables Unclaimed dividend

Financial liabilities at amortised cost				
2018	2017			
(1	Rupees in '000)			
2,204,533 47,870	1,538,975 41,720			
2,252,403	1,580,695			

41. Capital risk management

The Company's policy is to safeguard the company's ability to remain as a going concern and ensure a strong capital base in order to maintain investors', creditors' and market's confidence and to sustain future development of the business. The Board of Directors monitors the returns on capital, which the Company defines as net operating income divided by total shareholders' equity.

The Company's objectives when managing risks are

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders by pricing products

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Consistent with the industry norms, the Company monitors its capital on the basis of gearing ratio. The ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings as shown in the balance sheet less cash and cash equivalent. Total capital is calculated as 'equity' as shown in the balance sheet plus net debt (as defined above).

The debt-to-equity ratio as at December 31 is as follows:

	(I	Rupees in '000)
Net debt	-	=
Total equity	7,491,327	7,126,724
Capital gearing ratio	_	_

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

42. TRANSACTIONS WITH RELATED PARTIES

42.1 The related parties and associated undertakings comprise parent company, related group companies, provident fund trust, directors and key management personnel. Remuneration of Chief Executive and directors is also shown in Note 37. Transactions with related parties during the year are as follows;

		2018	2017
		0	Rupees in '000)
Relationship with the Company	Nature of transactions		
Common Control Companies	Purchase of goods and services	864,517	972,087
	Sale of goods and services	8,568	4,077
	Trademark license fee	635,697	388,158
	Management service fee	173,119	144,767
	IT charges	15,319	14,805
Holding company	Dividend paid	852,880	796,021
Staff Retirement Benefits	Contribution to provident fund trusts	67,347	63,719
Staff Retirement Benefits	Gratuity paid to outgoing employees	5,363	6,674

42.2 The Company in normal course of business conducts transactions with its related parties. Balances of related parties at the reporting date have been shown under payables and receivables. The Company continues to have a policy, whereby, all transactions with related parties and common control companies are carried out at mutually agreed terms and conditions.

FOR THE YEAR ENDED DECEMBER 31, 2018

42.3 Following are the related parties with whom the Company had entered into transactions or have arrangements / agreements in place.

Sr. No.	Company Name	Registered Address	Country of incorporation	Basis of Association	Aggregate % Shareholding in the Company	Name of Chief Executive / Principal Officer	Operational Status	Auditor's opinion on latest available financial statements
1	Bafin B.V., Nederland	Europaplien 1, Best, The Netherlands	Netherlands	Parent Company	75.21%	Paul Regan	Active	Not audited
2	Bata Brands S.A. Switzerland	Avenue d'Ouchy 6 1006 Lausanne Switzerland	Switzerland	Common group company	N/A	Alberto Toni	Active	Unmodified audit opinion
3	Bata Shoe (Singapore) Pte. Ltd.	111 North Bridge Road, #19-03 Singapore 179098	Singapore	Common group company and common directorship	N/A	Long Jek Howe	Active	Unmodified audit opinion
4	Bata (Thailand) Limited	1858/2, 1858/134, 35th Floor, Debaratna Road, Bangna Tai, Bangna, Bangkok 10260	Thailand	Common group company	N/A	Uttam Kumar	Active	Unmodified audit opinion
5	Empresas Commerciales S.A Bata Peru	Av. Ricardo Palma # 341, Miraflores, Lima, Perú	Peru	Common group company	N/A	Patricio Espinoza	Active	Unmodified audit opinion
6	Global Footwear Services Pte. Ltd.	111 North Bridge Road #19-04 Singapore 179098	Singapore	Common group company and common directorship	N/A	Jeremy Chong	Active	Unmodified audit opinion

43. CAPACITY AND ACTUAL PRODUCTION

	No. of shifts worked			Installed capacity based on actual shifts worked		Actual production	
			Pairs	in '000	Pairs	in '000	
	2018	2017	2018	2017	2018	2017	
Footwear in pairs							
Cemented	1 to 3	1 to 3	2,176	3,068	2,053	2,637	
Polyurethane	1 to 3	1 to 3	5,653	6,096	4,526	4,990	
Thongs	1 to 3	1 to 3	4,914	3,514	2,992	2,774	
Directly injected plastic	3	3	4,493	4,505	4,050	4,019	
Sandak	3	3	3,054	3,146	2,211	2,512	
			20,290	20,329	15,832	16,932	

43.1 The deviation in actual production from installed capacity is due to rapidly growing trends as the Company has to change major shoe lines in accordance with the market trends. This involves change in manufacturing operations and product mix which causes variances not only between the installed capacity and actual production but also between the actual production of any two years.

2018

2017

	2010	201/
44. NUMBER OF PERSONS EMPLOYED		
Number of persons employed as at year end	2,693	2,421
Average number of persons employed during the year	2,501	2,469
Number of factory workers employed as at year end	846	906
Average number of factory workers employed during the year	876	935

45. PROVIDENT FUND

The Company operates provident funds for its managers and other employees. The following information pertains to both the Employees Provident Fund and the Managerial Staff Provident Fund: 2018 2017

	(Rupe	es in '000)
Size of the fund (total equity)	1,492,544	1,554,486
Percentage of investments made	91%	91%
Fair value of investments Cost of investments made	1,358,677 1,358,677	1,408,371 1,408,371

FOR THE YEAR ENDED DECEMBER 31, 2018

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

		2018		2017	
	Investments (Rs. 000)	Investment as a % of size of the fund	Investments (Rs. 000)	Investment as a % of size of the fund	
Investment Bond	20,000	1.3%	20,000	1.3%	
pts	1,338,677	89.3%	1,388,371	89.3%	
	1,358,677		1,408,371		

- **45.2** Investments out of provident fund have been made in accordance with the provision of the section 218 of the Companies Act, 2017 and the rules formulated for this purpose.
- 45.3 The above information is based on audited financial statements of the provident fund.

46. SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS

- a) The provisions of the fourth schedule to the Companies Act, 2017 became applicable to the Company for the first time in the preparation of these financial statements, as detailed in Note 2.2.1.
- b) The Company entered into a revised Trademark License Fee agreement with Bata Brands Switzerland thereby revising the royalty payable thereon from 2% (inclusive of all taxes) to 5% (exclusive of all taxes) of non BSO turnover with effect from July 1, 2018.

47. EVENT AFTER THE REPORTING DATE

The Board of Directors have proposed a final dividend for the year ended December 31, 2018 of Rs. 60 per share, amounting to Rs. 453.6 million at their meeting held on March 06, 2019 for approval of the members at the Annual General Meeting to be held on April 25, 2019. These financial statements do not include the effect of the above dividend that will be accounted for in the period in which it is approved.

48. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on March 06, 2019 by the Board of Directors of the Company.

Description

49. CORRESPONDING FIGURES

Reclassification from component

Description

The fourth schedule to the Companies Act, 2017 has introduced certain presentation and classification requirements for the elements of financial statements. The preparation and presentation of these financial statements for the year ended December 31, 2018 is in accordance with the requirements in Companies Act, 2017. Accordingly the corresponding figures have been rearranged and reclassified, wherever considered necessary, to comply with the requirements of Companies Act, 2017. During the year the following major reclassifications were made:

Reclassification to component

Trade and other payables	25	Unclaimed dividend	Total	41,720

Chief Executive	Chief Financial Officer	Director

2017 (Rupees in '000)



Gallern of Shareholding.

PATTERN OF SHAREHOLDING

AS AT DECEMBER 31, 2018

No. of	Shar	Shareholding		
Shareholders	From	То	Shares held	
802	1	100	29,880	
389	101	500	93,171	
60	501	1,000	44,258	
44	1,001	5,000	81,561	
4	5,001	10,000	27,110	
1	10,001	15,000	11,392	
1	15,001	20,000	16,420	
2	20,001	25,000	42,582	
1	25,001	30,000	28,076	
1	95,001	100,000	99,674	
1	305,001	310,000	309,776	
1	1,090,001	1,095,000	1,090,234	
1	5,685,001	5,690,000	5,685,866	
1,308			7,560,000	

CATEGORIES OF SHAREHOLDERS

	Number of Shareholders	Total Shares held	Percentage
FOREIGN SHAREHOLDERS			
Bafin (Netherlands) B.V.	1	5,685,866	75.21
AFC Umbrella Fund (CDC)	1	16,420	0.22
Alpha Beta Finance Limited (CDC)	1	220	_
Tundra Pakistan Fond (CDC)	1	21,582	0.29
LOCAL SHAREHOLDERS			
Individuals	1,263	245,577	3.25
Industrial Development Bank of Pakistan IDBP (ICP UNIT)	1	125	_
Trustee National Investment (UNIT) Trust (CDC)	1	1,090,234	14.42
National Investment Trust Limited (CDC)	1	28,076	0.37
National Investment Trust Limited Administration Fund (CDC)	1	21,000	0.28
Nnational Bank of Pakistan (CDC)	1	611	0.01
Insurance Companies	5	329,128	4.35
Pension Fund	4	101,964	1.35
Joint Stock Companies	13	2,592	0.03
Modaraba & Mutual Fund	4	8,627	0.11
Other Companies	10	7,978	0.11
	1,308	7,560,000	100.00

PATTERN OF SHAREHOLDING

AS AT DECEMBER 31, 2018

Cate	gories of Shareholders	Number of shares held
1.	Directors, Chief Executive Officer, their spouses and minor children Chief Executive Directors Mr. Roberto Longo Mr. Toh Guan Kiat Mr. Kamal Monnoo Mr. Muhammad Maqbool Mr. Juga Ahmad Chaudhry Directors' Spouses and their Minor Children	- 1 1 1 1 1
2.	Associated Companies, Undertakings And Related Parties Bafin (Netherlands) B.V.	5,685,866
3.	NIT and ICP IDBP (ICP UNIT) CDC - Trustee National Investment (UNIT) Trust (CDC) National Investment Trust Limited (CDC) National Investment Trust Limited Administration Fund (CDC)	125 1,090,234 28,076 21,000
4.	Banks, Dfi's and Nbfi's National Bank of Pakistan (CDC)	611
5.	Insurance Companies EFU General Insurance Limited. (CDC) Habib Insurance Co. Limited. (CDC) Habib Insurance Company Limited. (CDC) State Life Insurance Corp. of Pakistan. (CDC) Dawood Family Takaful Limited (CDC)	309,776 4,500 1,500 11,392 1,960
6.	Foreign Companies AFC Umbrella Fund (CDC) Credit Agricole (Suisse) S.A. (759-5) (CDC) Tundra Pakistan Fond (CDC)	16,420 220 21,582
7.	Modarbas And Mutual Funds CDC - Trustee Akd Index Tracker Fund (CDC) CDC Trustee NIT Islamic Equity Fund (CDC) CDC - Trustee NIT-Equity Market Opprtunity Fund (CDC) CDC - Trustee NIT-Equity Market Opprtunity Fund (CDC)	377 5,120 2,580 550
8.	Pension Fund Trustee National Bank of Pakistan Employee Pension Fund (CDC) Trustee Pak Tobacco Co Ltd Staff Def Contri PEN FD (CDC) Trustees Sanofi-Aventis Pak. Senior Executive Pension Fund (CDC) CDC-Trustee Pakistan Pension Fund - Equity Sub Fund (CDC)	99,674 400 550 1,340
9.	Joint Stock Companies Fatch Industries Imitted Naeem's Securities (Private) Limited (CDC) IGI Fines Securities (Private) Limited (CDC) Ifan Mazhar Securities (Private) (CDC) Ifan Mazhar Securities (Priv Ltd. (CDC) Maple Leaf Capital Limited (CDC NH Securities (Pvt.) Limited. (CDC) Saoo Capital (Pvt) Limited. (CDC) Safraz Mahmood (Private) Ltd (CDC) Sarfraz Mahmood (Private) Ltd. (CDC) Service Sales Copporation (Private) Limited (CDC) Stanley House Industries (Pvt) Ltd. (CDC UHF Consulting (Private) Limited (CDC) Haral Sons (Pvt) Limited. (CDC)	160 50 320 1 540 1 135 20 25 100 500 40
10.	Other Companies Trustee National Bank of Pakistan EMP Benevolent Fund Trust (CDC) Trustees of Magnus Investment Advisors Itd. Empl. Prov. Fund (CDC) Trustees Iotte Chemical Pakistan MNGT Staff Gratuly Fund (CDC) Trustees Sanofi-Aventis Pakistan Employees Gratuliy Fund (CDC) Trustee Pak Tobacco Co Itd Employees Gratuliy Fund (CDC) Trustee Pak Tobacco Co Itd Employees Provident Fund (CDC) Trustee Pak Tobacco Co Itd Management Prov Fund (CDC) Trustees Lotte Chemical Pakistan MNG Staff Provident Fund (CDC) Trustees Sanofi-Aventis Pakistan-Employees Provident Fund (CDC) Trustees Sanofi-Aventis Pakistan-Employees Provident Fund (CDC) Trustees Sanofi-Aventis Pakistan-Employees Cont. S. Fund (CDC)	3,498 20 310 400 400 820 1,380 150 550 450
8.	General Public Shares Held by the General Public (FOREIGN) Shares Held by the General Public (Local)	3,140 242,432
9.	Executives, Their Spouses and Minor Children	-
Chart !	day halding years than 50. Victing Letward in the Communi	7,560,000
snarehol	ders holding more than 5 % Voting Interest in the Company Bafin (Nederland) B.V.	5,685,866
	National Investment Trust	2,002,000
	CDC - Trustee National Investment (UNIT) Trust (CDC) National Investment Trust Limited (CDC) National Investment Trust Limited Administration Fund (CDC) National Bank of Pakistan (CDC)	1,090,234 28,076 21,000 611 1,139,921
	During the Financial Vear the Teading in Shares of the Company by the Directors CEO CEO Company Secretary	6,825,787

During the Financial Year the Trading in Shares of the Company by the Directors, CEO, CFO, Company Secretary and their Spouses and Minor Children is NIL.



FORM OF PROXY

67^{th} ANNUAL GENERAL MEETING

2.

3.

					The Secretary Bata Pakistan Limited P.O. Batapur, Lahore.
I/W	['] e				Lanore.
of					
beir	ng a member of Ba	a Pakistan Limited and holder of			
(No	o. of Shares)			Ordinary	Shares as per Share Register Folio
No.			and / or CDC Participant I.D. No.		
and	l Sub Account No.		hereby appoint		
of			, 11		
			of		
10 11	my/our provy to yo	te for me/us and on my/our behalf	at the 67th Annual General Meeting of the G	Company to be bled	l on April 25, 2010 and at any
	ournment thereof.		at the of the state of the stat	oniput) to 20 med	2), 2017, and arany
Sign	ned this	day of	2019.		
WIT	ΓNESSES:				
1.	Signature _				
	Name _				
	Address _				
	NIC or				Signature on
					Rs. 5/- Revenue stamp
	•				Revende stamp
2.	Signature				
2.	Name _				
	Address _				ould agree with the specimen istered with the Company)
	NIC or			0 0	1 7
	Passport No.				
No	ote:				
1.		entitled to be present and vote at the Company.	he Meeting may appoint a proxy to attend,	speak and vote for	him/her. A proxy need not be a

Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the meeting.

CDC Shareholders and their Proxies must each attach an attested photocopy of their National Identity Card or passport with this proxy form.

AFFIX CORRECT POSTAGE

The Company Secretary **BATA PAKISTAN LIMITED**P.O. BATAPUR,

LAHROE.

جناب سمپنی سیرٹری صاحب باٹا پاکستان کمیٹڈ باٹا پورلا ہور

پراکسی فارم
67 وال سالانه إجلاسِ عام باڻا ما كستان <i>لميشدُ</i>

	عام خصص كاما لكمشمى امتهما ة	لىتان كمىيىڭ	_ بحثیت ممبر باٹا پا		کن
۔ یااس کی عدم دستیا بی کی صورت میں	سى اكاؤنٹ نمبر	کوجسکا فولیوسی ڈی			اکن
		ساكن			سمى/مسّماة
وَكِهِ مُورِخِهِ 25اپرِيل 2019 ءِكُومِنع	ی طرف سے تمپنی کے 67 واں سالانہ عام اجلاس ج) اہماری جگہاور میری اہمار	رتے ہیں تا کہوہ میر ک	رِ کرتا ہوں <i>اکر</i> تی ہوں <i>ا</i> ک	وبطور برائسى مقرأ
·	اڈالے۔	ے، بات کرے اور ووٹ	ەاجلاس مىں نثر كت كر	اوراس کے سی ملتو می شد	در ہاہےاس میں ا
		•			
	£2019			شخط بتاریخ	برے مادےدت
	7		ى ڈى تى ا كاؤنٹ نمبر		فوليونمبر
پانچ روپیه کے ریو نیوسٹامپ پر ستن		_	اویک بر اکاؤنٹ نمبر	_	7.9.9
			ا فاونٹ بنر	پارت پرت ال	
و حطار بسر دہوئے سےمطابقت رکھتے ہونے جاہیے					

	(2) ئام:				لواهان: *) نام <u>: </u>
	., ()				
					: پنة: خوت ماريخ
	شناختی کارڈ نمبر :			: <i>/</i>	شناختی کارڈنم
	وستخط:				دستخط:

نوك:

- 1- اجلاس میں شرکت کرنے ، دوٹ دینے کے اہل رکن کسی دوسر ہے رکن کواپنا اپنی پراکسی مقرر کرسکتا ہے جس کوشر کت کرنے ، بولنے اور دوٹ دینے کاحق حاصل ہوگا۔ پراکسی کے لئے کمپنی کا ممبر ہونالازی نہیں ہے۔
 - 2- بیکمل پر کردہ اورد تظ شدہ پراکسی فارم کمپنی کے ہیڈ آفس میں اجلاس کے انعقاد سے 48 گھنٹے پہلے جمع کروانا چاہیے۔
 - 3- سی ڈی اکاؤنٹ رکھنے والوں / کارپوریٹ اداروں کے لیے۔
 - مستفید مالکان اور پرانسی کا کمپیوٹرائز ڈتو می شاختی کارڈیا پاسپورٹ کی تصدیق شدہ کا پیاں پرانسی فارم کے ساتھ مہیاء کی جائیں گی۔
 - اجلاس كےموقع پر پراكسى اپنااصل شاختى كارڈيا پاسپورٹ مہياءكرےگا۔

پوری ٹکٹ لگانے کے بعد

جناب سیخی سیرٹری صاحب ب**اٹا یا کشان کم میشٹر** باٹاپورلا ہور





INVESTORS' EDUCATION

In compliance with the Securities and Exchange Commission of Pakistan's SRO 924(1)/2015 dated September 9, 2015, Investors' attention is invited to the following information message:



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FAX: +92-42-36581176

website: www.bata.com.pk E-mail: pk.bata@bata.com

