

**THE AGA KHAN RURAL SUPPORT
PROGRAMME
(AKRSP)**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2021**

March 31, 2022
818

The Board of Directors
The Aga Khan Rural Support Programme
Karachi

Dear Sirs

**THE AGA KHAN RURAL SUPPORT PROGRAMME (THE COMPANY)
FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021**

We enclose three copies of the above referred financial statements together with our draft audit report thereon initialed by us for identification purposes. We shall be pleased to sign our report, in present or amended form, after:

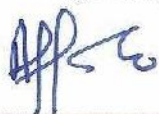
- a) the financial statements have been approved by the Board and signed by the Chairman, the Chief Executive Officer and a Director authorised in this behalf;
- b) we have seen the Board's specific approval for items listed in Annexure to this letter;
- c) we have received management representation letter on the lines of the enclosed draft duly signed by the Chief Executive Officer and Chief Financial Officer of the Company; and
- d) we have received final draft of "other information" to consider whether it, including the manner of its presentation, is materially consistent with the information appearing in the enclosed financial statements.

2. Financing facilities under Accelerate Prosperity project

2.1 The Company has extended loans to small businesses under 'Accelerate Prosperity' project, which as on year end amounted to Rs 8,233,434. Pursuant to Board's approval in its meeting held dated June 6, 2020, the Company involved HBL Microfinance Bank Limited (previously, the First Microfinance Bank Limited) (the Bank) for providing such loans, upon recommendation of the Company to the Bank, against collaterals including lien on the Company's bank deposit maintained with Habib Bank Limited (HBL).

We understand that providing such financing facilities or loans by the Company may attract the applicability of 'Non-Banking Finance Companies' regulatory framework, which requires the Company to obtain a separate license for the same to operate and requires the Company to follow the requirements of the aforementioned regulatory framework.

We recommend that the Company considers involvement in such businesses only which are allowed by its objects of business per articles of association of the Company and which are in compliance with the license obtained by the Company and related regulatory framework applicable to the Company. We further recommend that the Board considers obtaining a legal opinion as to whether the Company can recommend the Bank to provide loans to businesses against collaterals including lien on the Company's bank deposit maintained with HBL and the regulatory and legal implications of the same.



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2.2 In accordance with the requirements of IFRS – 9, the above mentioned lien on the Company's bank deposits maintained with HBL, falls under the definition of 'financial guarantee contract' which requires the same to be recognised in the financial statements at their fair value. Based on assessment performed, management considers that the impact of recognition of the same is not material in the overall context of the financial statements and has not recognised the same in the financial statements for the year ended December 31, 2021. We recommend the Company to reassess the impact of financial guarantee at fair value and adjustments as required be made in the financial statements in the ensuing period.

3. Policy for related party transactions not approved by the Board

We noted that no formal procedures are in place to identify related party transactions / transactions emanating conflict of interest when such transactions occur. Presently, all related party transactions are identified by manually scanning the accounting records at the end of the year. We were informed by the management that a draft of such policy has been developed which is yet to be approved by the Board. We reiterate our last year recommendation that the same is approved by the Board for implementation. Further, all related party transactions are presented to the Finance Committee for review at regular intervals, preferably at each calendar/quarter end. Such transactions are also presented to the Board for approval.

4. Investment policy

We understand from the management that investments made by the Company are approved by Finance Committee and placed for approval of the Board on periodic basis. However, we noted that no formal policy duly approved by the Board is in place for making such investments. We recommend that investment policy should be formally approved by the Board.

5. Responsibilities of auditors and the management

The responsibilities of the independent auditors, in a usual examination of financial statements, are explained in section 249 of the Companies Act, 2017 (the Act) and International Standard on Auditing – 200 "Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with International Standards on Auditing". While the auditors are responsible for forming and expressing their opinion on the financial statements, the responsibility for the preparation of the financial statements is primarily that of the management of the Company in accordance with the applicable financial reporting framework, which includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that are free from material misstatement, whether due to fraud or error. The management's responsibilities include to provide the auditor with (i) all information, such as records and documentation, and other matters that are relevant to the preparation and presentation of the financial statements; (ii) any additional information that the auditor may request from management, and where appropriate, those charged with governance; and (iii) unrestricted access to those within the entity from whom the auditor determines it necessary to obtain audit evidence. The audit of the financial statements does not relieve the management of its responsibilities. Accordingly, our examination of the books of account and records should not be relied upon to disclose all the errors or irregularities in relation to the enclosed financial statements.

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6. We wish to place on record our appreciation for the cooperation and courtesy extended to us by all concerned during the course of the audit.

Yours truly

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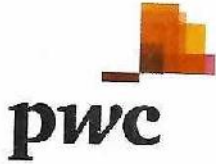
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**THE AGA KHAN RURAL SUPPORT PROGRAMME
FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021**

Items requiring Board's specific approval as referred to in the point (b) of first paragraph of our letter 818 dated March 31, 2022.

| | Rupees |
|---|-------------|
| i) Property and equipment | |
| - additions during the year - at cost | 27,684,917 |
| - disposals having cost of Rs 11,071,498 and net book value of Rs 75,059 sold for | 210,684 |
| ii) Loss allowance for expected credit loss during the year - net | 866,964 |
| iii) Investments in term deposit receipts made during the year – net | 2,000,000 |
| iv) Loss on re-valuation of investments carried at fair value through other comprehensive income – during the year | 317,535,648 |
| v) Balance held under lien by Habib Bank Limited | 40,078,500 |
| vi) Fair value of shares of HBL Microfinance Bank Limited (previously, the First Microfinance Bank Limited) at Rs 29.71 per share (based on approved cash flow projections of FMFB for 2022 – 2026 and underlying assumptions used by the management for valuation of shares of FMFB) | |
| vii) Contingencies and commitments – as disclosed in note 19 to the financial statements | |
| viii) Transactions with related parties – as disclosed in note 33 to the financial statements | |
| ix) Remuneration of chief executive, directors & executives – as disclosed in note 34 to the financial statements | |



INDEPENDENT AUDITOR'S REPORT

To the members of The Aga Khan Rural Support Programme
Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of The Aga Khan Rural Support Programme (the Company), which comprise the statement of financial position as at December 31, 2021, and the statement of income and expenditure, the statement of income and expenditure and other comprehensive income, the statement of changes in fund and reserve, 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 income and expenditure, the statement of income and expenditure and other comprehensive income, the statement of changes in fund and reserve 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, 2021 and of the surplus and other comprehensive loss, the changes in fund and reserve 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.

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 directors' 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.

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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.

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of income and expenditure, the statement of income and expenditure and other comprehensive income, the statement of changes in fund and reserve and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Asim Masood Iqbal.


Chartered Accountants
Islamabad
Date: April 8, 2022

THE AGA KHAN RURAL SUPPORT PROGRAMME
(A company incorporated under section 42 of the Companies Act, 2017)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

1 CORPORATE AND GENERAL INFORMATION

1.1 Status and nature of activities

The Aga Khan Rural Support Programme (the Company) was incorporated in Pakistan as a public company limited by guarantee not having share capital under section 42 of the Companies Ordinance, 1984 (now, the Companies Act, 2017) on August 9, 1982. The Company has its registered office in Karachi and its principal places of activities in Gilgit-Baltistan and Chitral. The primary objective of the Company is rural upliftment, development of land resources and other welfare activities and it:

- applies its income towards those objectives; and
- prohibits payments of any dividend or income to its members.

The Company's current programmes are under five themes specifically Civil Society Development, Gender and Development, Resource Development, Market Development and COVID - 19 Projects.

The business units of the Company include the following:

| Business units | Geographical location |
|----------------------------|--|
| Registered office | Second Floor, New Jubilee Insurance building, I.I. Chundrigar Road, Karachi. |
| Liaison office | Level 9, Serena Business Complex, Islamabad. |
| Regional offices | |
| Core Office | Baber Road, Kashrote, Gilgit. |
| Regional Office, Gilgit | Opposite Supreme Appellate Court, Jutial, Gilgit. |
| Regional Office, Chitral | Near Shahi Qilla, Chitral. |
| Regional Office, Baltistan | Sadpara Road, Skardu. |
| District offices | |
| Astore Office | Near Eidgah, Astore, Gilgit. |
| Ghizer Office | Opposite Green Palace Hotel, Gahkooch, Ghizer, Gilgit. |
| Area offices | |
| Hunza Office | Hunza Nagar, near Civil Hospital, College road, Ali Abad, Hunza. |
| Ghanche Office | Near Khaplu Fort, Serena Hotel, Ghanche. |
| Booni Office | Main Booni Bazar, Booni. |
| Program office | |
| Accelerate Prosperity | Professional Development Center North (PDCN), Konodas, Gilgit. |

1.2 These financial statements are the separate financial statements of the holding Company (AKRSP). In addition to these separate financial statements, the holding Company also prepares consolidated financial statements to consolidate its four subsidiaries i.e. Ozhor Utility Company Limited, Yadgar Utility Company Limited, Shandur Utility Company Limited and Pamir Utility (Private) Limited.

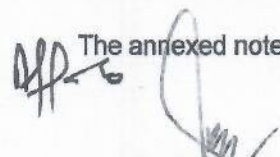
1.3 The Company's license issued by the Securities and Exchange Commission of Pakistan (SECP) under section 42 of the Companies Ordinance, 1984 (now Companies Act, 2017) has been renewed by SECP upto July 13, 2020. In accordance with the SECP's SRO 1574(I) / 2021 dated November 29, 2021, the requirement of renewal of license by the Company under section 42 of the Companies Act, 2017 has now been omitted from Associations with Charitable and Not for Profit Objects Regulations, 2018. Accordingly, renewal of license is not required to be obtained and the existing license issued by SECP dated July 14, 2015 remains effective.

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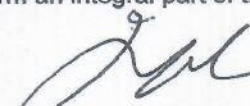
THE AGA KHAN RURAL SUPPORT PROGRAMME
(A company incorporated under section 42 of the Companies Act, 2017)
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021

| ASSETS | Note | 2021 Rupees | 2020 Rupees |
|--|-------------|------------------------|------------------------|
| NON-CURRENT ASSETS | | | |
| Property and equipment | 5 | 38,391,337 | 18,336,696 |
| Long-term investments | 6 | 892,410,869 | 1,209,946,517 |
| Long-term loan to subsidiaries | 7 | - | - |
| Loans to businesses | 8 | - | 9,844,635 |
| | | 930,802,206 | 1,238,127,848 |
| CURRENT ASSETS | | | |
| Loans and advances | 9 | 13,335,098 | 6,573,766 |
| Deposits, prepayment and other receivables | 10 | 3,506,423 | 13,708,472 |
| Receivable from related parties | 11 | 5,620,258 | 7,593,930 |
| Contract assets | 12 | 127,295,481 | 119,693,616 |
| Receivable from donors | 15 | 42,435,331 | 45,735,534 |
| Short-term investments | 13 | 368,366,937 | 362,394,776 |
| Bank balances | 14 | 524,153,418 | 178,769,397 |
| | | 1,084,712,946 | 734,469,491 |
| | | 2,015,515,152 | 1,972,597,339 |
| FUND AND RESERVE | | | |
| General fund | | 812,635,292 | 787,881,299 |
| Surplus on re-measurement of investments classified as fair value through other comprehensive income | | 456,316,229 | 773,851,877 |
| | | 1,268,951,521 | 1,561,733,176 |
| NON-CURRENT LIABILITIES | | | |
| Deferred capital grant | 16 | 36,788,291 | 16,253,075 |
| Revolving fund for Accelerate Prosperity | 17 | 28,692,481 | 27,035,104 |
| | | 65,480,772 | 43,288,179 |
| CURRENT LIABILITIES | | | |
| Restricted grants | 15 | 484,692,873 | 175,823,907 |
| Other payables | 18 | 196,389,986 | 191,752,077 |
| | | 681,082,859 | 367,575,984 |
| | | 2,015,515,152 | 1,972,597,339 |
| CONTINGENCIES AND COMMITMENTS | | | |
| | 19 | | |

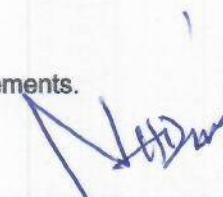
The annexed notes 1 to 37 form an integral part of these financial statements.



Chairman



Director



Chief Executive Officer

THE AGA KHAN RURAL SUPPORT PROGRAMME
(A company incorporated under section 42 of the Companies Act, 2017)
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED DECEMBER 31, 2021

| | Note | 2021 Rupees | 2020 Rupees |
|---|------|--------------------------|----------------------------|
| INCOME | | | |
| Grant income recognized - restricted grants | 15 | 1,024,626,925 | 470,624,135 |
| Amortization of deferred capital grant | 16 | 6,709,656 | 4,201,485 |
| Income from Microhydel Projects | 20 | 75,955,623 | 166,071,627 |
| Unrestricted grant income | 21 | 42,900,000 | - |
| Other income | 22 | 45,700,375 | 86,703,364 |
| | | <u>1,195,892,579</u> | <u>727,600,611</u> |
| EXPENDITURE | | | |
| Civil society development | 23 | 155,592,102 | 67,222,388 |
| Gender and development | 24 | 6,109,013 | 25,320,701 |
| Resource development | 25 | 595,050,873 | 426,533,558 |
| Market development | 26 | 181,856,717 | 74,371,467 |
| COVID - 19 projects | 27 | 70,991,696 | 88,216,126 |
| | | <u>1,009,600,401</u> | <u>681,664,240</u> |
| Management and administration | 28 | 160,671,221 | 145,529,250 |
| | | <u>1,170,271,622</u> | <u>827,193,490</u> |
| Loss allowance / (reversal of loss allowance) for expected credit losses | 29 | 866,964 | (1,776,114) |
| SURPLUS / (DEFICIT) FOR THE YEAR | | <u><u>24,753,993</u></u> | <u><u>(97,816,765)</u></u> |

The annexed notes 1 to 37 form an integral part of these financial statements.

APP-6



Chairman



Director



Chief Executive Officer


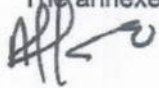
THE AGA KHAN RURAL SUPPORT PROGRAMME

(A company incorporated under section 42 of the Companies Act, 2017)

**STATEMENT OF INCOME AND EXPENDITURE AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | 2021 Rupees | 2020 Rupees |
|--|----------------------|--------------------|
| Surplus / (deficit) for the year | 24,753,993 | (97,816,765) |
| OTHER COMPREHENSIVE (LOSS) / INCOME FOR THE YEAR | | |
| Items that may be reclassified to statement of income and expenditure | | |
| (Loss) / gain on fair value of investments classified as fair value through other comprehensive income | (317,535,648) | 218,851,877 |
| Total comprehensive (loss) / income for the year | <u>(292,781,655)</u> | <u>121,035,112</u> |

The annexed notes 1 to 37 form an integral part of these financial statements.



Chairman

Director

Chief Executive Officer

THE AGA KHAN RURAL SUPPORT PROGRAMME
(A company incorporated under section 42 of the Companies Act, 2017)
STATEMENT OF CHANGES IN FUND AND RESERVE
FOR THE YEAR ENDED DECEMBER 31, 2021

| | General fund Rupees | Surplus on re- measurement of investments classified as fair value through other comprehensive income Rupees | Total Rupees |
|---|---------------------------|--|----------------------|
| Balance as at January 1, 2020 | 885,698,064 | 555,000,000 | 1,440,698,064 |
| Total comprehensive income for the year (Deficit) for the year | (97,816,765) | - | (97,816,765) |
| Other comprehensive income | - | 218,851,877 | 218,851,877 |
| | (97,816,765) | 218,851,877 | 121,035,112 |
| Balance as at December 31, 2020 | 787,881,299 | 773,851,877 | 1,561,733,176 |
| Surplus for the year | 24,753,993 | - | 24,753,993 |
| Other comprehensive (loss) | - | (317,535,648) | (317,535,648) |
| | 24,753,993 | (317,535,648) | (292,781,655) |
| Balance as at December 31, 2021 | 812,635,292 | 456,316,229 | 1,268,951,521 |

The annexed notes 1 to 37 form an integral part of these financial statements.

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 Chairman



 Director

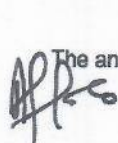


 Chief Executive Officer

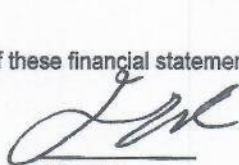
THE AGA KHAN RURAL SUPPORT PROGRAMME
(A company incorporated under section 42 of the Companies Act, 2017)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

| | Note | 2021 Rupees | 2020 Rupees |
|--|------|--------------------|--------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Surplus / (deficit) for the year | | 24,753,993 | (97,816,765) |
| Adjustment for non-cash items: | | | |
| Depreciation | | 7,555,217 | 4,884,396 |
| Interest income on financial assets | | (34,726,681) | (47,578,910) |
| Income from Microhydel Projects | | (75,955,623) | (166,071,627) |
| Grant income recognized | | (1,024,626,925) | (470,624,135) |
| Amortization of deferred capital grant | | (6,709,656) | (4,201,485) |
| Exchange gain | | (182,729) | (98,673) |
| Gain on disposal of property and equipment | | (135,625) | (105,996) |
| Loss allowance / (reversal of loss allowance) for expected credit losses | | 866,964 | (1,776,114) |
| | | (1,133,915,058) | (685,572,544) |
| | | (1,109,161,065) | (783,389,309) |
| Working capital changes | | | |
| (Increase) / decrease in current assets | | | |
| Loans and advances | | (4,995,617) | 5,069,817 |
| Deposits, prepayments and other receivables | | 10,202,049 | (9,881,606) |
| Receivable from related parties | | 1,973,672 | (6,496,999) |
| Contract assets | | 68,353,758 | 121,359,179 |
| Receivable from donors | | 1,327,708 | 16,630,467 |
| Increase / (decrease) in current liabilities | | | |
| Restricted grants | | 1,333,495,891 | 603,382,656 |
| Other payables | | 4,637,909 | 89,262,921 |
| | | 1,414,995,370 | 819,326,435 |
| Cash generated from operations | | 305,834,305 | 35,937,126 |
| Change in deferred capital grant | | 27,244,872 | 11,410,355 |
| Change in revolving fund | | 1,657,377 | (208,063) |
| Net cash from operating activities | | 334,736,554 | 47,139,418 |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Capital expenditure incurred | | (27,684,917) | (12,066,205) |
| Interest received during the year | | 30,754,520 | 60,143,723 |
| Proceeds from disposal of property and equipment | | 210,684 | 476,012 |
| Investments made during the year - net | | (2,000,000) | (11,000,000) |
| Loans extended to businesses - net | | 9,184,451 | 3,105,393 |
| Net cash from investing activities | | 10,464,738 | 40,658,923 |
| Effect of foreign currency exchange gain on cash and cash equivalents | | 182,729 | 98,673 |
| Net increase in cash and cash equivalents | | 345,384,021 | 87,897,014 |
| Cash and cash equivalents at beginning of the year | | 178,769,397 | 90,872,383 |
| Cash and cash equivalents at end of the year | | 524,153,418 | 178,769,397 |

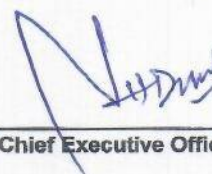
The annexed notes 1 to 37 form an integral part of these financial statements.



Chairman



Director



Chief Executive Officer

36 IMPACT OF COVID - 19 ON THE FINANCIAL STATEMENTS

The spread of COVID-19 as a pandemic and consequently imposition of lock down by the Federal and Provincial Governments of Pakistan caused an overall economic slowdown and disruption to various businesses. The management of the Company has been regularly conducting in depth analysis and has assessed that there is no material impact of COVID-19 on the carrying amounts of assets and liabilities as at December 31, 2021. Going forward, the management is taking all the required actions and will continue to monitor the potential impact and take all steps possible to mitigate any effects.

37 GENERAL

37.1 These financial statements have been authorized for issue by the Board of Directors of the Company on

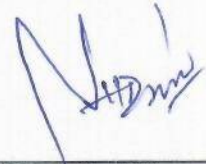




Chairman



Director



Chief Executive Officer