



# RISING STRONGER

ANNUAL REPORT 2024



**Shifa**  
International  
Hospitals Ltd.











 **Shifa**  
International  
شفا انٹرنیشنل ہسپتال



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**Shifa**  
International

شفہا انٹرنیشنل ہسپتال



## OUR MISSION

Healthcare with compassion for all

## OUR VISION

To be the region's leader by providing quality healthcare services

## OUR VALUES

Compassion, Commitment, Teamwork, Quality, Respect and Accountability

## OUR STRATEGIC PRIORITIES

- ▶ Physician Partnership and Enhanced Clinical Quality
- ▶ Provide Seamless/Easy Access Care Delivery
- ▶ Financial Strength/Viability
- ▶ Strategic Growth







# FINANCIAL HIGHLIGHTS

DURING YEAR

**2024**

PROFIT ACHIEVED

**Rs. 1,362**  
Million

DEBT : EQUITY

**RATIO**

**14:86**

CONTRIBUTION  
TO NATIONAL  
EXCHEQUER


**Rs. 3,332**  
Million

CASH  
**DIVIDEND**

**40.0%**







INCREASE IN **NET  
REVENUE**  
19.5%

DIVIDEND  
**PAYOUT**  
18.6%

TOTAL  
**ASSETS**  
Rs. 18,287  
Million

EARNINGS PER  
**SHARE**  
FOR THE FINANCIAL  
YEAR ENDED 2024  
Rs. 21.55



# COMPANY INFORMATION

## Board of Directors

**Dr. Habib Ur Rahman**

Chairman

**Dr. Zeeshan Bin Ishtiaque**

Chief Executive Officer

**Dr. Manzoor H. Qazi**

Director

**Mr. Qasim Farooq Ahmad**

Vice Chairman

**Dr. Samea Kauser Ahmad**

Director

**Syed Ilyas Ahmed**

Director

**Dr. Mohammad Naseem Ansari**

Independent Director

**Dr. Ioan Philippe Cleaton-Jones**

Director

**Shah Naveed Saeed**

Independent Director

**Dr. Mohammad Salim Khan**

Independent Director

**Mr. Taimoor Shah**

Director

## Audit Committee

**Shah Naveed Saeed**

Chairman

**Dr. Habib Ur Rahman**

Member

**Dr. Samea Kauser Ahmad**

Member

**Syed Ilyas Ahmed**

Member

## Human Resource & Remuneration Committee

**Dr. Mohammad Naseem Ansari**

Chairman

**Dr. Habib Ur Rahman**

Member

**Dr. Zeeshan Bin Ishtiaque**

Member

**Dr. Manzoor H. Qazi**

Member

**Syed Ilyas Ahmed**

Member

**Mr. Qasim Farooq Ahmad**

Member





## Corporate Governance & Nominations Committee

Dr. Manzoor H. Qazi	Chairman
Dr. Zeeshan Bin Ishtiaque	Member
Dr. Samea Kauser Ahmad	Member
Dr. Ioan Philippe Cleaton-Jones	Member

## Risk Management Committee

Mr. Qasim Farooq Ahmad	Chairman
Dr. Mohammad Naseem Ansari	Member
Mr. Taimoor Shah	Member
Dr. Mohammad Salim Khan	Member

## Chief Operating Officer

Mr. Taimoor Shah

## Chief Medical Officer

Dr. Khawaja Junaid Mustafa

## Chief Financial Officer

Mr. Shams Ur Rehman Abbasi

## Company Secretary

Mr. Muhammad Naeem

## Head of Internal Audit

Mr. Muhammad Saeed

## Auditors

M/s BDO Ebrahim & Co

Chartered Accountants

## Legal Advisor

M/s Bashir Ahmad Ansari & Company

## Share Registrar

M/s Corplink (Private) Limited

Wings Arcade, 1-K, Commercial,  
Model Town, Lahore

## Registered Office

Sector H-8/4, Islamabad

## Bankers

Meezan Bank Limited

Al Baraka Bank (Pakistan) Limited

Bank Alfalah Limited

United Bank Limited

Habib Bank Limited

Faysal Bank Limited

MCB Bank Limited

First Habib Modaraba

Dubai Islamic Bank Limited

Bank Al Habib Limited









# BOARD OF DIRECTORS

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# BOARD OF DIRECTORS



**Dr. Habib Ur Rahman**

Chairman

Dr. Habib Ur Rahman is also serving as Director on the Boards of following Shifa International Hospitals Group companies:

- Shifa CARE (Private) Limited
- Shifa Development Services (Private) Limited
- Shifa Medical Center Islamabad (Private) Limited
- Shifa National Hospital Faisalabad (Private) Limited
- Shifa Neuro Sciences Institute Islamabad (Private) Limited

Dr. Habib Ur Rahman graduated from King Edward Medical College. He received his internal medicine training at D. C. General Hospital, Howard University, Washington D.C. and Wayne State University, Detroit, Michigan and Wright State University, Dayton Ohio. He completed his fellowship of Cardiovascular Disease from Mount Sinai Hospital, University of Connecticut, Hartford, Connecticut. He is Board Certified by American Board of Internal Medicine and also American Board of Cardiovascular Diseases. He has extensive experience in cardiology as well as in education, training and management. He has been Consultant Cardiologist and Head of Cardiology at Graham Hospital, Canton, Illinois and later at Byrd Regional Hospital at Leesville, Louisiana in USA. In addition to teaching experience in Wright State University, Connecticut he is presently member of the Senate of Shifa Tameer-e-Millat University. He has been member of different scientific councils and committees including Pakistan Lifesavers Foundation, Pakistan Cardiac Society and Faculty of Cardiology, College of Physicians and Surgeons Pakistan. He is among the founding members of Shifa International Hospital and Shifa Foundation.



**Dr. Zeeshan Bin Ishtiaque**

Chief Executive Officer

Dr. Zeeshan Bin Ishtiaque is an accomplished healthcare leader with a rich background in healthcare management, quality assurance, and corporate leadership. He currently serves as the Chief Executive Officer of Shifa International Hospitals, a 500-bed, JCI-accredited multispecialty facility.

Throughout his career, Dr. Zeeshan has made notable contributions to the society at large. He actively contributes to various international bodies, national clusters, and policymaking forums, championing improved healthcare quality. His involvement with Shifa Foundation and projects in collaboration with the United Nations underscores his commitment to societal betterment. Furthermore, he has been deeply engaged with several government and non government organizations, demonstrating his dedication to uplift communities.

Prior to his current role, Dr. Zeeshan served as the Chief Medical Officer, where he consistently raised the healthcare standards, provided strategic leadership, fostered a culture of excellence, and ensured strict compliance with international standards and regulations.

His global influence is also evident in his role as an International Physician Surveyor and Team Lead for Joint Commission International. With his expertise, he has conducted surveys in nearly 50 countries, making a significant impact on healthcare services and Patient safety worldwide.

Dr. Zeeshan earned his MBBS from Nishtar Medical College Multan, Pakistan, in 2005. He later pursued an MD in 2009 and a DCPS-Healthcare Systems Management degree in 2011. He is recognized as a Fellow of the American College of Healthcare Executives, a Fellow of the American Board of Quality Assurance and Utilization Review Physicians, and holds the distinction of being a Certified Professional in Healthcare Quality.



### **Dr. Manzoor H. Qazi**

Non-Executive Director

Dr. Manzoor H. Qazi is serving as Director on the Boards of following Shifa International Hospitals Group companies:

- Shifa Medical Center Islamabad (Private) Limited
- Shifa National Hospital Faisalabad (Private) Limited
- Shifa Neuro Sciences Institute Islamabad (Private) Limited

Dr. Manzoor H. Qazi is a founding member of Shifa International Hospital and has been a board member since its inception. He was appointed as Chief Executive of the company on 10th October 2011 and remained the Chief Executive till March 30, 2023. He received his medical degree from King Edward Medical College Lahore. Later he was trained in USA at Little Company of Mary Hospital in Chicago and Flushing Hospital in New York for Internal Medicine and later in Louisiana State University for Cardiology. He is Board certified in Internal Medicine and Cardiology from American Board of Internal Medicine and Cardiology. He has an extensive experience of practice of cardiology as well as administration and management. He was Consultant Cardiologist and President Medical Staff at Byrd Regional Hospital, Leesville, Louisiana for several years. He has also served as President of local chapter of American Heart Association and State Medical Society. He previously has been fellow American College of Cardiology, American Chest Physician and American Board of Quality Assurance and Utilization Review for Physicians. He was actively involved in the initial planning and founding stages of Shifa and later on in the management of the Hospital and has been Medical Director of Shifa International Hospitals Limited since its conception, through planning and implementation until when he accepted the position of Chief Executive Officer. Dr. Qazi retired from the office of Chief Executive Officer on March 30, 2023 and is now working as a Director of the Company. He is also member BOG of Shifa Foundation, a non-profit organization involved in healthcare for poor and medical education.



### **Mr. Qasim Farooq Ahmad**

Vice Chairman

Mr. Qasim Farooq Ahmad is also serving as Director on the Board of

- Shifa CARE (Private) Limited
- SIHT (Private) Limited

Mr. Qasim Farooq Ahmad brings young blood and new dimension to the Board of Shifa International Hospitals. He did his Bachelor of Science in Information Systems and Bachelors of Arts in Economics from Stony Brook University, Stony Brook NY. He furthered his education with a Master of Science degree in Computer Science from Columbia University, New York, in 2007. He has over 20 years of diverse experience in the technology sector focusing on production systems engineering with a strong background in software engineering. This includes 7 years of extensive experience working with high volume financial and reporting applications for companies on Wall Street such as Lehman Brothers and Barclays Capital. Current major responsibilities include change management, incident management, performance planning, capacity planning, business continuity planning and disaster recovery, Sarbanes Oxley compliance and vendor management for all Fund Systems which includes the Front, Middle and Back Office applications. His previous experiences as the lead developer for the NYC Law Department include analysis, design, development and implementation of different technical projects.



# BOARD OF DIRECTORS



**Dr. Samea Kauser Ahmad**

Non-Executive Director

Dr. Samea Kausar Ahmad is also serving as Director on the Board of:

- Shifa Development Services (Private) Limited
- Shifa Medical Center Islamabad (Private) Limited
- Shifa National Hospital Faisalabad (Private) Limited

Dr. Samea is a graduate of Ayub Medical College, Abbottabad. She joined the Board in 2011 and has been helpful in guiding the Board and the administration towards the future direction of the corporation. She has been serving as the Vice Chairperson of Tameere-Millat Foundation (TMF) for the past 10 years. Greatly inspired and influenced by the philanthropic work of her father, Dr. Zaheer Ahmad, she was determined to carry on the vision and legacy laid down by him. As Vice Chairperson, Dr. Samea governs the running and management of over 50 educational institutions in the TMF network, all across Pakistan. In addition, Dr. Samea also serves as a member of the Senate of the federally registered Shifa Tameer-e-Millat University



**Syed Ilyas Ahmed**

Non-Executive Director

Syed Ilyas Ahmed has a long and illustrious career spanning over 45 years in healthcare management and its implementation. He has served in different capacities; Secretary, Scientific Governing Board and Head of Administration in Salahuddin University Hospital, Tripoli, Libya. After returning to Pakistan, he joined The Kidney Center, Karachi as its Chief Executive (1993 – 2000). Later he proceeded to Islamabad in Shifa International Hospitals Ltd and accepted the post of Chief Operating Officer (2001 – 2005). At present he is Chief Advisor Operations at Tabba Heart Institute, Karachi. During his phenomenal professional tenure, he successfully managed premier healthcare facilities, both in Pakistan and abroad. His acumen includes but not limited to, strategic planning, policies and procedures, budgeting and fiscal control, human resource, public relations and quality assurance management. He introduced ISO Quality Management System in Pakistan for the first time in 1995 and is known as Baba-e-ISO in quality conscious circles in Pakistan. Mr. Ahmed, during his university days was a Badminton Champion and accomplished Debater, Gymkhana Secretary and Magazine Editor of University of Karachi (1968-72). He was President of Sind Pharmacy Graduates Association (1970-72). He plays golf and has a refined taste in literature and shows keen interest in a wide range of aesthetic disciplines including culture and history.



### **Dr. Mohammad Naseem Ansari**

Non-Executive Director

Dr. Mohammad Naseem Ansari is also serving as Director on the Board of

- Shifa Neuro Sciences Institute Islamabad (Private) Limited
- SIHT (Private) Limited

Dr. Mohammad Naseem Ansari graduated from the Punjab University, Department of Pharmaceutical Science. He went for his postgraduate studies at Columbia University, New York City, USA and was granted a full talent scholarship. He has a very rich and illustrious career spanning over forty years both State side and upon his return to Pakistan. After the completion of his studies, he joined Mt. Sinai Hospital and School of Medicine, New York City for the internship and training program. He served there in different administrative capacities for about eighteen years. He returned Pakistan in 1988 and joined Shifa International Hospitals Limited from its inception and was assigned different roles such as Director Operations during the construction phase and Chief Operative Officer and Chief of Special Services once in operations. He was instrumental along with the other members in the establishment of Shifa College of Medicine in 1988 under the aegis of Shifa Foundation and became its first Chief Operating Officer. After the establishment of Shifa Tameer-e-Millat University in March 2012 he served at different administrative positions at STMU. He is a member of American Hospital Association and also the "Rho Chi" Honor Society, Columbia University, New York City, USA. He also served on the board of International School of Islamabad as a member and then as the Board Chair for a few years. He also has the honor and privilege of serving on the Board of Shifa International Hospitals Limited, Islamabad.



### **Dr. Ioan Philippe Cleaton-Jones**

Non-Executive Director

Ioan P. Cleaton-Jones is the Senior Director for Healthcare Delivery at the William Davidson Institute at the University of Michigan, USA. His work includes training and mentoring C-suite and other senior healthcare executives in emerging markets to equip them with tools for commercial success. He also advises financial institutions investing in private healthcare in emerging markets.

Ioan also serves as Director on board of Grupo OSME, a privately owned healthcare provider in Northern Mexico.

During his 30-year international career in healthcare, he has worked on predominantly private sector healthcare projects and investments in 35 countries on 5 continents, including 29 emerging markets. As an institutional investor and transaction adviser, he has invested USD1.4 billion invested in emerging market private healthcare. He has been an invited speaker on investing in emerging market healthcare at numerous international conferences. He has also been an invited guest lecturer at the University of Michigan's Schools of Business, Medicine, and Public Health as well as Columbia University's School of Public Health.

As an independent consultant and investor, Ioan advised a New York hedge fund on strategic investments in biotechnology, pharmaceuticals, medical devices and healthcare IT. Furthermore, his strategic advisory roles with organizations such as a major U.S. managed care company, the Inter-American Development Bank, IDB Invest, the African Development Bank, and The Global Fund to Fight AIDS, TB, and Malaria, highlight his versatility in addressing diverse healthcare challenges.

He served as Principal Healthcare Specialist at the World Bank Group's International Finance Corporation (IFC) where he spent eleven years. Prior to IFC, he worked internationally as a healthcare-focused management consultant with Shift Health in Canada, KPMG in South Africa and Angle Technology in the UK. Earlier in his career, he practiced medicine, mostly as an emergency room physician, at hospitals in South Africa and the UK.

He holds an MBA from the University of Southampton, UK as well as BSc and MBChB degrees from the University of the Witwatersrand, South Africa.



# BOARD OF DIRECTORS



## Mr. Shah Naveed Saeed

Independent Director

Mr. Shah Naveed Saeed is a seasoned professional with over 30 years of experience in the fields of accounting, auditing, and financial management. His extensive educational background includes a range of prestigious qualifications: Chartered Global Management Accountant from the American Institute of Certified Public Accountants (2012), Certified Public Accountant from the University of Illinois (1985), and Chartered Accountancy from the Institute of Chartered Accountants of Pakistan (1980). He also holds a certificate in Advanced Accounting & Auditing from DePaul University, Chicago (1984).

Currently, Mr. Saeed serves as the Managing Partner at Naveed Zafar Ashfaq Jaffery & Co., Chartered Accountants, located in Islamabad. This firm is a member of Prime Global, an international association of independent accounting firms.

Mr. Saeed's career includes a notable tenure with the World Bank, where he worked as a Senior Financial Management Consultant in the Pakistan Country Office for over 20 years. This role allowed him to gain substantial experience in Public Financial Management (PFM), contributing to various significant projects and reforms.

He has also served as a director on the board of Shifa International Hospitals Limited from 29.03.2010 to 27.04.2018 and from 28.05.2018 to 14.05.2019.

He holds memberships in several prestigious professional bodies. He is a Fellow Member of the Institute of Chartered Accountants of Pakistan (ICAP) and a Chartered Global Management Accountant affiliated with CIMA/AICPA. He has previously served on the Public Sector and Technical Advisory Committees of ICAP and is a past member of the American Institute of Certified Public Accountants and ISACA, USA.

Mr. Saeed has attended numerous training courses offered by ICAP, AICPA, LUMS, and other international institutes. These courses cover diverse areas such as financial management, business process re-engineering, change management, risk-based audits, forensic accounting, procurement audits, and various international standards including IAS and IFRSs.

His core competencies are vast and varied. He possesses in-depth knowledge of International Standards on Auditing (ISAs), International Financial Reporting Standards (IFRSs), IPSASs, INTOSAI Auditing Standards, and US Governmental Auditing Standards. Mr. Saeed has developed Financial Management Systems and Reporting Manuals for both public and private sector entities. His expertise extends to designing and reviewing accounting and costing systems, policy development, and

implementation, including risk management and standard operating procedures.

In his role, he has provided guidance to the heads of internal audit for various clients, focusing on internal audit along with information technology-related controls for the COSO framework and application security. He has managed IT internal audits, the IT controls environment, and IT facilities and equipment procurement processes, providing recommendations for improvement.

Mr. Saeed is responsible for delivering comprehensive audit and assurance services, including independent audits of international non-profit entities, UNDP projects, and other multi-donor agency-funded initiatives both in Pakistan and abroad. He has conducted corporate fraud investigations for regulators and performed pre-award assessments for prospective grant recipients under the USAID Pakistan program.

Additionally, he has developed computerized models for decommissioning cost provisioning and conducted related studies for petroleum clients. As an engagement partner, he has overseen independent audits of funds and grants provided by multi-donor agencies.

His extensive experience in PFM includes working as an accredited Financial Management Consultant with the World Bank since 1998. He has been a part of the core team for the 'Tax Base Expansion' study of Sindh Sales Tax on Services, including the preparation of audit and HR manuals and IT assessments. Mr. Saeed has evaluated PFM reforms and conducted PEFA assessments for various government entities.

He has also served on the Pakistan CFAA committee, responsible for reviewing and finalizing assessment reports. His expertise in public sector accounting and auditing standards includes updating gap analysis reports in compliance with IPSAS and INTOSAI.

Moreover, Mr. Saeed has provided financial advisory services, including financial modeling and company formation. He has conducted training programs on IFRS, IAS, and ISAs within his firm and for various multinational clients, with a strong emphasis on quality control. He has also served as an independent director and chairman of the internal audit committee of a public listed company in the healthcare sector.

Shah Naveed Saeed's rich professional journey, marked by significant achievements and contributions, highlights his profound expertise and dedication to the fields of accounting and financial management.



**Dr. Mohammad Salim Khan**

Independent Director

Dr. Mohammad Salim Khan is a graduate of Khyber Medical College, Peshawar. He completed his training in radiation oncology in the United Kingdom and later worked there as a senior registrar and as a lecturer at the University of Newcastle upon Tyne. After working briefly as a radiation oncologist in Jeddah, Saudi Arabia, he moved to Canada. There he worked for over twelve years as a consultant radiation oncologist at the Allan Blair Cancer Centre, Regina, and as an assistant professor in the College of Medicine, University of Saskatchewan, Saskatoon. He returned to Pakistan with twenty-five years of experience overseas and joined Shifa International Hospital during its formative years. At Shifa, in addition to working as a radiation oncologist and as an assistant /associate professor at Shifa College of Medicine, he held several other major administrative positions. He remained a member of the Board of Directors for nine years and has worked as a medical director for over six years. Shifa International Hospital got its first accreditation from the Joint Commission International USA during this time. He also remained a member of the board of directors of the Shifa Foundation for several years. He retired from active medical practice in January 2020.



**Mr. Taimoor Shah**

Executive Director

Taimoor Shah is a seasoned healthcare and technology leader with a robust background in engineering. Currently serving as the Chief Operating Officer of Shifa International Hospitals Limited and Director of SIHT (Pvt.) Limited (eShifa), Taimoor is at the forefront of transforming healthcare delivery through innovation and strategic leadership. His extensive experience, including global consultancy with Joint Commission International (JCI), enables him to merge technology and healthcare quality, driving impactful results across diverse regions.

Taimoor's journey began in academia, where he served as a Teaching Assistant in Computer Hardware Design at the University of South Australia. His passion for innovation led him to work as a Research Engineer, where he developed advanced in-vivo imaging technologies. He further enhanced his technical expertise with roles at Motorola Mobility and Sydac Pty Ltd, specializing in software development and project management.

In 2010, Taimoor transitioned to the healthcare sector as a Project Manager and Consultant at Lifelong Education, where he led projects that improved hospital operations and ensured ISO compliance. He joined Shifa International Hospitals in 2012 as Associate Director of Quality Assurance, playing a pivotal role in the hospital's successful JCI accreditation and launching key quality improvement initiatives.

By 2019, Taimoor had risen to Chief Operating Officer, overseeing operations and spearheading technology-driven strategies that align with business goals. As Executive Director of eShifa, he has led the platform's growth, making it a leader in telehealth and home healthcare services.

Taimoor holds a Master's in Engineering Management and a Bachelor's in Engineering (Computer Systems). He is a Project Management Professional (PMP), a Certified Professional in Healthcare Quality, and a Fellow of the American College of Healthcare Executives. His leadership extends to serving on the Board of Governors at Shifa Foundation and additionally serving as nominee director and chairman of Shifa Development Services (Pvt.) Limited, a subsidiary company of Shifa International Hospitals Limited.



# CHAIRMAN'S MESSAGE

FOR THE ANNUAL REPORT 2024



The journey over the past year has underscored the importance of resilience, adaptability, and an unwavering commitment to excellence – principles that have guided us through a landscape of economic uncertainty and global challenges.

As we reflect on another year of growth and challenges, it is with immense pride that I address you once more as the Chairman of the Board of Shifa International Hospitals Limited. The journey over the past year has underscored the importance of resilience, adaptability, and an unwavering commitment to excellence – principles that have guided us through a landscape of economic uncertainty and global challenges.

In a year marked by economic pressures, we have remained resolute in our focus on delivering exceptional healthcare. The commitment of our healthcare professionals and staff to maintaining the possible highest standards of care, even in the face of adversity, has been truly remarkable. Their dedication not only upheld the quality of care our patients have come to expect but also reinforced our belief that the foundation of our success lies in our people.

This unequivocal commitment of our organization and people with quality patientcare was dazzlingly endorsed, when the Joint Commission International accredited Shifa International Hospitals Limited third time in a row in our second triennial survey early this year – Alhamdulillah! These accolades drive us further to pursue excellence in our decision making as well as day-to-day operations in the clinics and on the patient floors.

Understanding the need to stay ahead in these challenging times, we have placed a renewed emphasis on quality and continuous improvement. Through targeted training programs and professional development initiatives, we are empowering our staff to enhance their skills and stay at the forefront of advancements in different areas of healthcare industry. This investment in our people is an investment in our future, ensuring that we continue to provide the highest level of care while adapting to an ever-changing healthcare environment.

Moreover, we have remained vigilant in our commitment to sustainability, advancing our efforts to integrate environmentally responsible practices into our operations. Our ongoing transition to renewable energy resources and sustainable practices is not just a contribution to the environment, but also a strategic move to mitigate operational risks in a volatile economic climate. We are proud of the strides we have made and are committed to continuing this journey.

As we move forward, we are also mindful of the leadership transitions that shape our path. I would like to extend my gratitude to our young leadership team who have been instrumental in navigating these times. Under this capable leadership team, we are confident in our ability to meet the challenges ahead with innovation and determination.

In closing, I want to thank each of you – all stakeholders; shareholders, business partners, consultants, employees, patients, families and the broader community. Your trust and support are the pillars upon which we build our success. Together, we will continue to overcome challenges, seize opportunities, and remain steadfast in our mission to deliver compassionate, high-quality healthcare while fostering a sustainable future.

Thank you for your continued partnership, and I look forward to a year defined by resilience, progress, and excellence.

Long Live Pakistan!



**Dr. Habib Ur Rahman**

Chairman  
Islamabad

September 30, 2024



# CEO'S MESSAGE

FOR THE ANNUAL REPORT 2024



I pen this message as the Chief Executive Officer of Shifa International Hospitals Limited with a sense of renewed optimism and hope. This past year has been a true test of our resilience, and I am proud to say that we have not only endured but also risen stronger. The Directors' Report and Financial Statements for the year ended June 30, 2024, which follow this message, detail our performance. However, beyond the numbers and achievements lies a story of teamwork, innovation, and an unwavering commitment to creating value for everyone involved in our journey.

The healthcare landscape continues to evolve rapidly; driven by economic shifts, technological advancements, enhanced patient expectations, and affected by socio-political bedlams. In such a dynamic environment, the ability to adapt and grow becomes more critical than ever. I am pleased to report that Shifa has embraced these challenges head-on, leveraging our strengths to not only meet but also exceed expectations. Our resilience has been our greatest asset, allowing us to navigate these turbulent times with confidence and clarity of purpose.

At the heart of our success is our commitment to creating value for all our stakeholders. Starting from the patients and their families, it means providing the highest possible standard of care, ensuring that every interaction with Shifa is marked by compassion, excellence, and trust. For those who reach out to our patients to ensure this – our caregivers and employees – it means fostering an environment where their dedication and skills are valued, and continually developed. And for the sponsors of this whole paraphernalia – our shareholders – this means delivering consistent performance and safeguarding the equity they have entrusted to us. Let me say it loudly, whatever we undertake at Shifa, we do it with these considerations discussed in preceding lines in mind.

One of the most significant drivers of our progress this year has been our embrace of digitization. We have not merely adopted technology for the sake of efficiency; we have integrated it into the very fabric of our operations to enhance the patient experience, streamline our processes, and improve outcomes. From expanding patients' accessibility through remote care modalities to advanced data analytics, our digital initiatives are setting new standards in healthcare delivery. This transformation is not just about keeping pace with industry trends; it is about leading the way and setting benchmarks that others aspire to achieve.

Likewise, our enterprise spirit has been another cornerstone of our efforts. We have consistently sought out new opportunities for growth and development, whether through expanding our services, enhancing our facilities, or exploring and pursuing new avenues for innovation. This spirit of enterprise is what propels us forward, ensuring that

we remain at the forefront of the healthcare industry. Our pursuit of excellence is relentless and this drive positions Shifa as a leader in quality healthcare.

Teamwork has been, and will continue to be, the key to our achievements. The collective efforts of every member of the Shifa family – whether they are on the front lines or behind the scenes – have been instrumental in our ability to rise to the challenges we face. It is through this spirit of collaboration that we have been able to achieve so much and lay the foundation for even greater successes in the future.

As we look ahead, I am confident that something bigger and brighter is on the horizon. By continuing to work together as a cohesive team, we can unlock new levels of success and make an even greater impact on the lives of those we serve. Our successful pursuit of the Gold Seal of Quality through the JCI accreditation early this year is just one example of our commitment to excellence. Nevertheless, our vision extends far beyond this. Our goal is to set new standards in healthcare, not just for Shifa, but also for the entire industry.

In this journey, we are guided by the timeless wisdom of Prophet Muhammad sallallahu alayhi wa sallam. Last year, I shared a Hadith that resonated deeply with all of us: "One whose two days are equal is a loser." This year, I would like to reflect on these words once more, as they serve as a powerful reminder of our commitment to continuous improvement. We must strive each day to be better than the last, to innovate, to learn, and to grow. By adhering to this wisdom, we ensure that Shifa is not only a place of healing but also a beacon of progress and excellence.

In conclusion, I am optimistic about what the future holds for Shifa International Hospitals Limited. With the continued blessings of Allah Subhanahu Wa Ta'ala, the dedication of our incredible team, and the support of our shareholders, I am confident that we will achieve even greater heights. Together, we will continue to create value, embrace new opportunities, and lead the way in providing exceptional, quality healthcare.

May Allah Subhanahu Wa Ta'ala bless us all and guide us on the right path. Amen!





# DIRECTORS' REPORT

The Directors of your Company are pleased to present the Annual Report with the audited financial statements of the Company for the year ended June 30, 2024

## FINANCIAL PERFORMANCE

A brief financial analysis is presented as under:

For the year ended June 30,		(Rupees in '000')	
Operating Results	2024	2023	Change %
Revenue - net	23,563,840	19,721,425	19.5
Other income	190,123	617,015	(69.2)
Operating cost	(20,944,954)	(17,872,504)	17.2
Profit before levies and income tax	2,256,177	1,946,201	15.9
Profit for the year	1,362,074	1,181,406	15.3
Earnings per share – Rupees	21.55	18.69	15.3





Your company achieved a 19.5% increase in revenue compared to the previous year. However, in comparison operating cost have been increased by 17.2% due to vigilant cost management and operational efficiency.

Despite navigating a host of difficult operational challenges such as a declining economic and political environment, higher interest rates, import constraints, supply chain challenges, inflation, significant reduction in other income and increased direct and indirect taxes the company earnings per share increased from Rs. 18.69 to Rs. 21.55 as compared to the previous year.

## RETURN TO SHAREHOLDERS

The Board of Directors has recommended final cash dividend of Rs. 2.5 per share (25%) in addition

to interim cash dividend of Rs. 1.5 per share (15%) already declared and paid during the year under review. This makes a total dividend of Rs. 4 per share (40%) for the year ended June 30, 2024.

## CONTRIBUTION TO THE NATIONAL EXCHEQUER

The Company's contribution to the national exchequer during the year under review is as following:

Sr. No.	Description	(Rs. in '000')
1	Direct Taxes	827,215
2	Indirect Taxes	923,624
3	Tax deducted and deposited from suppliers, employees, etc.	1,581,822
	Total	3,332,661



# PRINCIPAL ACTIVITIES, DEVELOPMENT AND PERFORMANCE

Building on previous initiatives, the company has implemented several strategic measures to enhance patient care and improve operational efficiency. A new specialized medication administration unit has been established in the Neurosciences building DUS, allowing for more direct patient care and better overall service delivery. Additionally, new OPD phlebotomy points have been set up across the OPD to streamline patient services. These changes have reduced waiting time, minimized patient inconvenience, improved patient experience, and increased revenue.

The Gastroenterology clinic's relocation has expanded accommodation, significantly improving patient services. The first phase of the endoscopy unit extension is now operational, offering better and advanced care. This expansion, including an enlarged patient retention area, enhances patient experience. Plans for an additional tower and the introduction of EBUS (Endobronchial Ultrasound) services are in place to further boost thoracic care capabilities.

The upgraded EMR (Electronic Medical Records) system now features advanced tools that improve the accuracy and thoroughness of patient documentation. These upgrades support better continuity of care by ensuring seamless access to medical records and aiding informed clinical decisions. The system also enhances operational efficiency, reduces errors, and boosts patient satisfaction, aligning with the hospital's care and operational goals.

Switching to a web-based OPD appointment and registration system has made services more accessible and efficient. This change has also enabled the integration of a WhatsApp chatbot, improving patient engagement by making bookings and information easily accessible, which has led to higher patient satisfaction.

Several cost-optimization initiatives have been launched to maximize resource use and improve financial efficiency. One key project is the implementation of the Floor Stock Module, which

optimizes supply levels across the OPD. The initiative helps better manage supplies, reduce waste, and track resources systematically, leading to cost savings.

The newly introduced Pleural Clinic offers specialized care for pleural diseases with advanced diagnostic and therapeutic modalities. The addition of EBUS services further strengthens our ability to diagnose and manage lung cancer and other thoracic conditions. These advanced services not only improve patient outcomes but also attract a diverse patient base, contributing to the growth.

Relocating the Infectious Disease Clinic has allowed for more space to serve patients. The previous location will be repurposed for Executive Clinics to cater to the patients with enhanced services. This move improves patient care and optimizes space usage, ensuring that both infectious and executive patients receive top-quality, tailored care.

The addition of new consultants across various specialties has further enhanced patient care, resulting in increased patient numbers. New specialties, including Pediatric Respiratory and Allergy, Pediatric Oncology, and Pediatric Neurology, have also been introduced.

These initiatives highlight the organization's commitment to process automation, capacity utilization, and patient-centered care, which are key components of the hospital's strategic planning for the upcoming fiscal year.

To enhance outreach, multiple health awareness sessions and activities were organized in partnership with various organizations to educate the audiences about prevention and treatment of different diseases. During this period, our medical experts made over 100 appearances on mainstream media outlets like Voice of America, BBC, and different major national channels.

Keeping in view the growing importance of digital SM platforms, we reached out to over 44 million people across all platforms with engaging health



content. Besides, over 8,900 patient were facilitated through our outreach clinic program conducted by expert consultants in cities such as Peshawar, Quetta, Jhelum, Mirpur, and Lahore.

## STRATEGIC PLANS FOR THE NEXT FISCAL YEAR

The healthcare industry faces challenges due to rising business costs, including the increased cost of supplies, utilities, and overall inflation, which have affected both service providers and patients. To address these challenges, the hospital is committed to enhancing operational efficiency through process automation and maximizing service capacity. Key projects include expanding lab testing points within the hospital, automating processes at in-house OPD pharmacies to reduce waiting time, and streamlining inpatient discharge processes.

Plans for the upcoming year also involve hiring new consultants across various specialties, extending services to evenings, Sundays, and holidays,

relocating OPD areas to improve patient flow, adding more inpatient beds, and introducing specialized services like PET scans, EBUS, and expanding Endoscopy services.

eShifa, our home health and digital healthcare services partner, continues to extend our reach to a broader patient population, ensuring continuity of care. The focus remains on investing in human resources, process automation, IT, quality initiatives, and enhancing patient experience to drive growth.

We also plan to expand our outreach OPD clinics to major cities within our catchment areas, allowing patients to access expert opinions closer to home and generating referrals to the main hospital. Additionally, our teams are working on revising tariffs for institutional clients to improve the overall bottom line.

The first phase of making the outpatient and inpatient facility operational at Shifa National Hospital Faisalabad is underway. This project aims to set a new standard for healthcare services in Faisalabad and surrounding areas.



# PRINCIPAL RISKS AND UNCERTAINTIES

The board is responsible for the identification and effective management of risks faced by the Company. Described below are the principal risks that could affect the Company's business and performance.

Description of the Principal Risks and Uncertainties facing the Company

Risk Category	Description	Mitigation Strategies
Regulatory Compliance	Extensive and evolving laws governing the healthcare industry. Non-compliance can lead to legal penalties, financial losses, and reputational damage.	We have established a compliance team to monitor and ensure adherence to all regulations. We perform regular audits and reviews of compliance processes.
Operational Risks	Includes medical errors, equipment failures, and supply chain disruptions. These risks require effective management strategies to ensure patient safety and operational efficiency.	We have implemented strict protocols and checklists to minimize medical errors. We conduct regular maintenance and upgrades of medical equipment. We foster strong relationships with suppliers and establish contingency plans to manage supply chain disruptions. We also employ strategic sourcing and inventory management practices to ensure a consistent supply of critical materials.
Financial Risks	Rising operational costs, economic uncertainties, delays in payment from insurance and panel companies, changes in interest rates, inflation, and access to capital markets. These factors can impact overall profitability and financial stability.	We have implemented cost control measures and efficiency improvements. We regularly conduct financial planning and analysis to adapt to economic changes. We negotiate favorable terms with insurance and panel companies to stabilize cash flow. We also monitor interest rates and inflation trends to adjust our financial strategies and maintain access to capital markets.
Market and Competition	The healthcare market's competitiveness requires continuous adaptation to market conditions, technological advancements, and competitors' strategies.	We invest in research and development to stay ahead of technological advancements. We conduct regular market analysis to understand and respond to competitive pressures. We enhance patient care services and patient satisfaction.
Cybersecurity Risks	Increasing reliance on digital systems exposes the company to significant cybersecurity risks, including data breaches, cyber-attacks, and theft of sensitive patient information.	We have installed a next-generation firewall and enforce strict access control to enhance security. Continuous log monitoring and data encryption for backups and network data are in place. Additionally, we have established an incident response team to promptly address and mitigate the impact of any cybersecurity incidents.
Pandemic and Epidemic Risks	Outbreaks of diseases like COVID-19 can severely disrupt operations, increase costs, and affect patient volumes.	We have developed and regularly update our pandemic preparedness and response plans. We maintain sufficient stocks of essential medical supplies and personal protective equipment. We have implemented telemedicine services to ensure continuity of patient care during outbreaks.



## Company's Risk Framework and Internal Control System

Shifa International Hospitals Limited (SIHL) is committed to maintaining a robust risk management framework and internal control system to ensure the company's stability and integrity. The company's risk management framework involves identifying, assessing, managing, and monitoring risks across all operational areas. This comprehensive framework includes regular risk assessments, risk registers, and mitigation strategies. The governance structure supporting this framework comprises the Board of Directors, which provides strategic oversight, and the Risk Committee, which is specifically dedicated to identifying, assessing, and managing risks. The Audit Committee reviews the effectiveness of internal controls and financial reporting. The internal control system at SIHL is designed to ensure the accuracy and reliability of financial reporting, compliance with laws and regulations, and the safeguarding of assets. This system includes well-defined policies and procedures, segregation of duties, and regular internal audits. SIHL ensures the ongoing effectiveness of controls through continuous review and improvement and maintains a strong ethical culture that encourages adherence to best practices in risk management and internal controls, supported by leadership and management at all levels within the organization.



# EXPANSION PLANS FOR 2023-24

SIH has recently completed several key renovations and construction projects, including the new Endoscopy Recovery & Procedure Area, revamping the Minor OT for the Ophthalmology Clinic, and upgrading the Pulmonology Department. These improvements have increased outpatient footfall, improved patient care and operational efficiency. Additional renovations and expansions are planned for the next fiscal year, driven by the following key projects:

## Endoscopy Recovery & Procedure Area Expansion:

To enhance patient care and operational efficiency, SIH has expanded the Endoscopy Recovery Area from 6 to 14 beds, providing a more comfortable environment for post-procedure recovery. The number of procedure areas will also increase from 4 to 6 in the next phase, allowing more procedures to be conducted simultaneously, reducing waiting times, and optimizing resources. The expanded area meets all Joint Commission International quality and safety standards.

## Revamped Minor OT for Ophthalmology Clinic:

The ophthalmology clinic's minor OT has been revamped to deliver high-quality eye care efficiently. This upgrade allows for early intervention, preventing the progression of eye conditions and preserving vision. By

performing these procedures in an outpatient setting, we reduce waiting times and simplify scheduling, thus enhancing overall patient satisfaction.

## Pulmonology Department Upgrade:

SIH has upgraded its pulmonology department to offer comprehensive diagnosis and treatment for conditions such as airway diseases, lung fibrosis, pleural disease, sleep disorders, and lung cancer. The upgrade includes a dedicated procedure room and a pulmonary test lab, consolidating all pulmonology services in one location to improve patient care.

## Fluoroscopy Modality Upgrade:

SIH has upgraded its fluoroscopy machine in the radiology area, which was previously used for X-rays. This upgrade enhances diagnostic accuracy, functionality, operational efficiency, and patient safety by providing real-time improved imaging capabilities.

## B-3 ICU Expansion:

Plan to expand and reorganize the B-3 ICU is on cards to better serve critically ill patients. The existing B-3 Wing will be expanded to create a larger ICU with 23 beds, including two isolation rooms and associated amenities, to meet the growing demand for specialized intensive care.







# ENERGY CONSERVATION, ENVIRONMENTAL PROTECTION & CORPORATE ENVIRONMENTAL IMPACT

## Acting Local, Thinking Global – Sustainability for Our Environment and Communities

In today's world, the need for sustainability is more urgent than ever. As we face growing environmental challenges, it's crucial for businesses to adopt practices that not only protect the planet but also benefit the communities they serve. Sustainability initiatives are essential for preserving natural resources, reducing pollution, and ensuring a healthier future for everyone.

Shifa International Hospitals Ltd. (SIH) is deeply committed to these principles, understanding that responsible business practices can make a significant difference. By integrating sustainability into its operations, SIH is not only protecting the environment but also setting a strong example for other organizations to follow.

## The Company's Environmental Impact

SIH is dedicated to environmental stewardship, ensuring that its operations promote ecological balance and sustainability. Below are some key initiatives that demonstrate SIH's commitment to socially responsible business practices.

## Managing Hazardous Materials and Waste

Pakistan's dedication to international agreements, such as the Sustainable Development Goals (SDGs) and various environmental conventions, highlights the importance of safeguarding human health and the environment from hazardous materials and waste. In line with these commitments, SIH strictly manages hazardous materials and waste according to the Hospital Waste Management Rules 2005. This applies not only within the hospitals but also extends to the broader community. SIH uses an advanced waste management system that minimizes environmental impact by following international best practices.



## Environmental Management and Monitoring

SIH has put in place a thorough Environmental Management and Monitoring Plan. This plan includes continuous monitoring and mitigation efforts across various projects to ensure compliance with environmental standards:

- **Solar Power Project:** Careful monitoring during the installation and commissioning phases to manage environmental and social impacts.
- **Hospital Waste Management:** Ongoing monitoring to ensure safe and efficient waste processing.
- **Waste Heat Recovery Boilers:** Continuous oversight to optimize energy recovery and reduce emissions.
- **Ash Burial Site:** Strict adherence to mitigation measures during the commissioning and decommissioning phases to minimize environmental risks.

## Reducing Waste

SIH focuses on reducing waste through effective sorting and recycling practices. Nonhazardous recyclable materials are identified at the source and moved to a designated storage area for recycling. By partnering with municipality-approved recycling vendors, SIH significantly cuts down on waste sent to landfills, thus reducing its environmental footprint.

## Optimizing Energy Use

To make its energy use more efficient, SIH has installed Variable Frequency Drives (VFDs) in its engineering systems. These drives adjust motor speed to match specific needs, reducing energy consumption and improving the efficiency of systems like HVAC, water distribution, and medical gas. This not only lowers operational costs but also reduces the hospital's carbon footprint.

Additionally, SIH reduces energy use by closing extra elevators during off-peak hours, aligning with its commitment to energy efficiency while maintaining essential services.

## Ongoing and Future Energy Conservation Projects

### Renewable Energy Production with Solar Power

The healthcare industry in Pakistan faces a growing energy crisis, making the shift from conventional energy sources to renewable options more critical. Since November 2022, SIH has been using a PV solar system to generate electricity as a supplemental power source. With a total capacity of 895 kW (DC), this system helps reduce reliance on natural resources and lowers the hospital's carbon footprint. In the last financial year, this solar system produced 1,161,458 kWh of power, reducing carbon emissions by 600 metric tons.





### Waste Heat Recovery Boilers

SIH is committed to environmental sustainability by capturing and reusing waste heat energy from its gas generators. This recovered heat is transformed into steam through waste heat recovery boilers, which is then used in laundry operations, heat exchangers, and steam kettles. In the reporting year, this system generated 16,500 tons of steam and reduced carbon emissions by 570 metric tons.

### AI-Based HVAC Optimization

To further enhance energy efficiency, SIH is integrating Artificial Intelligence (AI) with its HVAC Building Management Systems. This project aims to regulate temperature and humidity by using AI to predict temperature changes and adjust HVAC operations accordingly. This approach is expected to improve energy efficiency and provide better control over the hospital's environment. Goes without saying that each diligent and responsible energy and HVAC consumption practices is a direct contribution to reducing carbon footprint.

## Environmental Protection Measures

### Ongoing Environmental Monitoring and Compliance

SIH ensures compliance with environmental standards through continuous monitoring, following the SMART (Self-Monitoring and Reporting by Industry Rules, 2001) Program by the Pakistan Environmental Protection Agency (Pak-EPA). Key activities include:

- Regular monitoring of emissions from boilers, generators, and incinerators to meet National Environmental Quality Standards (NEQS).

- Sampling and analysis of potable water, bottled water, and distilled water to ensure quality.
- Monitoring of indoor air quality, noise levels, and other environmental factors to maintain a safe environment for patients, staff, and visitors.

### In-House Environmental Monitoring

SIH conducts in-house monitoring of air quality, water quality, and various environmental parameters to ensure a safe and healthy environment within the hospital. This includes assessing factors like temperature, humidity, CO2 levels, and water quality to protect the well-being of everyone in the facility.

### Water Conservation Efforts

- **Water Sprinkler System:** SIH has installed a sprinkler irrigation system that conserves water by using 40% less than traditional methods. This system ensures even water distribution and minimizes waste.
- **Reject Water Treatment System:** SIH has also implemented a water treatment system that recycles up to 13,000 liters of water daily, further contributing to water conservation efforts.

## Acting Local, Thinking Global

SIH's comprehensive approach to sustainability demonstrates its deep commitment to protecting the environment and supporting the community. We undertake all possible initiatives with vivid belief and understanding that our humble contributions are part of a global desire and action to preserve the only planet we have. Through a range of innovative initiatives, from energy conservation to waste management, SIH is making significant strides in reducing its environmental impact. These efforts not only contribute to a healthier planet but also set a powerful example for others to follow. The company's dedication to sustainability is commendable and reflects a strong commitment to a better future for all.

# OCCUPATIONAL SAFETY AND HEALTH

SIH is dedicated to upholding the highest standards of occupational safety to protect everyone within its premises, including staff, patients, contractors, and visitors, from workplace hazards. The health and safety of our infrastructure, assets, and personnel are crucial to delivering quality healthcare services.

## ISO 45001:2018 Re-Certification

A recent audit of our Occupational Health and Safety Management System (OHSMS) by SGS confirmed that our system meets ISO 45001:2018 standards. The audit highlighted our strong adherence to these standards, with no major or minor non-conformances identified, reflecting our commitment to maintaining a safe and healthy work environment.

## Facility Inspections and Environmental Rounds

Weekly facility inspections are conducted as per an annual schedule to assess safety and identify potential risks across the entire hospital. These inspections are essential for detecting issues early, ensuring that our environment remains safe and up to standard for everyone.

## Hazard Vulnerability Analysis (HVA) and Risk Assessment

Comprehensive risk assessments have been carried out for all Facility Management and Safety (FMS) programs. These assessments cover safety, security, hazardous materials, fire safety, medical equipment, utility systems, and emergency management. The goal is to identify and mitigate risks, ensuring the safety of staff, patients, and the environment.

## Preconstruction and Infection Control Risk Assessments

Before any renovation or new project, we conduct Preconstruction and Infection Control Risk Assessments (PCRA & ICRA) to address potential

risks like air quality, infection control, and fire safety. These assessments help us implement necessary controls to protect patients, staff, and visitors throughout our facilities.

## Medical Monitoring of Staff

SIH has a comprehensive medical monitoring program to ensure the safety and health of our staff. This includes annual medical tests and vaccinations according to departmental protocols. Radiation exposure for staff in the Radiology Department is monitored using film badges. The program is tailored to the specific needs of different job roles, ensuring that all staff, from direct care providers to food handlers, are adequately protected.

## Updating Hazardous Material (HAZMAT) Index Sheets and Inventory

We have revised the HAZMAT Index Sheets and inventory list according to the Global Harmonized System of Classification and Labelling of Substances (2015). This revision helps identify potential hazards, ensures proper handling and storage of hazardous materials, and improves safety communication within the facility.

## Hazardous Waste Inventory Update

A comprehensive hazardous waste inventory has been developed, detailing the types and quantities of waste generated by each department. This inventory is crucial for implementing safe handling and disposal procedures, reducing the risk of exposure and environmental contamination, and identifying ways to minimize waste and save costs.



## Commissioning of Hazardous Material and Specimen Storage Cabinets

New HAZMAT storage cabinets have been installed in the Histopathology and Microbiology Labs to securely store dangerous substances. Additionally, formalin specimen storage cabinets have been installed in the Histopathology Lab, featuring advanced safety measures like airtight seals and ventilation systems to maintain a controlled environment.

## Disaster Management Drill

On December 30, 2023, SIH conducted its Annual Disaster Management Drill to test emergency preparedness and response. The drill covered various emergency scenarios, including patient influx, fire, evacuation, utility failure, and violence. The exercise evaluated staff roles, communication strategies, and resource management, with areas for improvement identified and addressed during a debriefing session.

## Annual Building Stability and Structural Integrity Assessment

Our multidisciplinary team of engineers conducted the annual assessment of building stability and structural integrity to ensure safety and resilience against earthquakes. The evaluation found no critical issues, contributing to a secure environment for patient care.

## Facility Management & Safety (FMS) Online Training and Awareness Assessment

Facilities Management & Safety (FMS) training is essential for maintaining Occupational Health and Safety (OHS) standards in healthcare. To ensure staff is up-to-date on safety protocols and facility management practices, SIH follows a structured training calendar and regular assessments. Understanding the demands of healthcare, online FMS presentations and short instructional videos are

available on the intranet for those who cannot attend in-person sessions. These resources collectively support a strong OHS framework, empowering employees with the necessary knowledge and skills to manage safety risks effectively.

## IFC Environment and Social (E&S) Supervision Visit

SIH collaborates with international partners to achieve optimal performance outcomes. During the reporting year, SIH submitted its annual Environment and Social Performance report to International Finance Corporation (IFC), which was followed by an IFC E&S compliance visit. The visit confirmed SIH's adherence to the IFC's performance standards, with no major observations, highlighting the hospital's commitment to high standards of health, safety, and environmental responsibility.

## Health and Safety Policy Framework

SIH has implemented a comprehensive set of safety programs designed to protect infrastructure and ensure the well-being of patients, staff, and visitors. The following programs and manuals were updated and put into practice during the reporting year:

- Fire Safety Management Program
- Hazardous Material and Waste Management Program
- Occupational Health and Safety Management Manual
- Safety Management Program
- Environmental Health and Safety Manual
- Disaster Management Program
- Management of Lasers and Optical Radiation Devices Program
- Laboratory Safety Program
- Radiation Safety Program
- MRI Safety Program
- Ultrasound Safety Program
- Food Safety Management System Manual (FSMS)
- Staff Health & Safety Program

# INFECTION PREVENTION AND CONTROL STRATEGIES

Infection control is vital in healthcare to prevent the spread of infections and ensure a safe environment for everyone. SIH has implemented several key strategies:

**Hand Hygiene Campaign:** Regular training, compliance audits, and adherence to strict protocols.

**Antimicrobial Stewardship Program:** Focused on optimizing antibiotic use, monitoring key performance indicators, and educating staff about antimicrobial resistance.

**Environmental Cleaning Protocols:** Enhanced cleaning and disinfection of high-touch surfaces and patient areas.

**Staff Training and Education:** Ongoing programs on infection prevention, proper PPE use, and waste disposal. SIH also collaborated with the World Health Organization on a national infection control risk assessment workshop.

**Challenges and Future Goals in ID:** SIH is addressing emerging pathogens and compliance challenges while setting strategic goals to improve infection control measures, increase monitoring, and innovate training programs.

# CORPORATE PHILANTHROPY

Shifa Foundation is dedicated to improving the lives of vulnerable communities across Pakistan through programs in Health, Nutrition, Water Sanitation and Hygiene (WASH), Food Security and Livelihoods, and Protection.

## Health Sector Initiatives

Shifa Foundation provided essential healthcare services to underprivileged communities, including mobile health units, maternal and child health services, disease prevention, immunization, and awareness initiatives. These efforts improved health outcomes, increased immunization coverage, and promoted better health-seeking behaviors.

## Nutrition Programs

The Foundation's nutrition programs focused on reducing malnutrition, especially among children and women. Interventions included supplementary feeding, nutrition education, and support for national nutrition initiatives, leading to improved nutritional status and reduced stunting rates.







## WASH Programs

Shifa Foundation ensured access to clean water and sanitation by constructing and rehabilitating water points and sanitation facilities. Hygiene promotion activities further improved community hygiene practices.

## Food Security and Livelihoods Programs

In 2023-2024, the Foundation supported destitute households by enhancing food security and income generation through agricultural inputs, training, and micro-credit schemes, empowering communities toward sustainable livelihoods.

## Protection Services

Shifa Foundation prioritized safeguarding vulnerable populations, especially women and children, by providing psychosocial support, referral services, and establishing child protection mechanisms in various settings.

## Key Achievements

Launched the Maternal and Newborn Nutrition Program and Multiple Micronutrient Supplementation (MMS) in Swabi, KP

Conducted education initiatives to reduce corporal punishment in schools

- The BNP Nashonuma Program addressed stunting in Sindh, Baluchistan, and Punjab
- Implemented integrated flood response and recovery in Baluchistan and Sindh, providing essential services to flood-affected populations
- Supported government hospitals in Gilgit-Baltistan by providing consultants and specialist doctors
- Carried out food security, livelihood support, and WASH services as part of flood relief efforts in Sindh
- Nationwide Humanitarian and Development Services
- Shifa Foundation operates nationwide, leveraging a multidisciplinary approach to meet critical needs. With accreditation from the Pakistan Centre for Philanthropy (PCP) and the Economic Affairs Division (EAD), our services are highly esteemed by partners and funding agencies. Over the past 32 years, we have positively impacted more than 13.6 million individuals in over 60 districts across Pakistan.





## Building Stronger Communities through Partnerships

Our collaborations with donors such as UNICEF, BHA, WFP, Care International, Nutrition International, the Government of Gilgit Baltistan, and the University of Konstanz, Germany, have been instrumental in executing successful projects. These partnerships have earned us recognition and appreciation from district administrations, thus further strengthening our efforts at service delivery levels.

## Shifa Center of Professional Excellence (SCOPE)

In 2023-2024, the Shifa Center of Professional Excellence (SCOPE) focused on enhancing professional skills through Continuing Medical Education, Life Support Training, and research promotion. Our goal is to set new standards in learning design and management to offer quality educational content to our participants.

## Community Services and Philanthropy Initiatives

The Community Outreach and Partnerships for Community Services (COPCS) department has made significant strides in fundraising and building partnerships. This year, we reached millions through

social media, distributed food packages, provided clean drinking water, and offered advanced medical treatments. Strengthened coordination with universities and active volunteer engagement have further amplified our outreach efforts.

## Global Advocacy and Coordination

In 2023-2024, Shifa Foundation actively participated in key global events, including the Asia-Pacific Social Protection Week in Manila and the Partner Connect workshop organized by WFP in Rome. These events provided opportunities to share valuable insights, learn from international experts, and solidify our role as a leading player in social protection and humanitarian efforts.

The fiscal year 2023-2024 has been marked by substantial achievements for Shifa Foundation, with impactful programs that have benefited thousands. These successes are a testament to the generosity of our partners, the collaboration with donor agencies, and the effective coordination with government departments and ministries, ensuring the lasting impact and sustainability of our initiatives.



# CONSUMER PROTECTION MEASURES

Shifa International Hospital remains dedicated to ensuring the safety and security of the patients, visitors, and staff by creating a secure and reassuring environment. In the year under review, we implemented several advanced security measures to address potential vulnerabilities and enhance overall safety standards. These measures include:

## Installation of Automatic Barriers and Ticket Dispensers

Automatic barriers and ticket dispensers have been installed at Dar ul Shifa's Gate 1 and Gate 5 entry points. These integrated systems use sensors and automated mechanisms to manage access for authorized personnel and issue tickets for vehicles and individuals. This upgrade has led to notable cost savings by reducing the need for extensive physical security personnel.

## Voice Cameras at Cash Counters and Elevators

Voice-enabled cameras have been introduced at cash counters (A-0 Admission Office, C-1, D-1, E-3, F-3 Endoscopy, Cardiology OPD, Echo Lab, and Emergency) and elevators (D Block, B Block, G Block, and Employee areas). These cameras provide real-time audio and visual monitoring, enhancing safety for elevator passengers and ensuring accountability at cash counters.

## QR Code-Based Preventive Maintenance of Fire Extinguishers

A new QR code-based system has been implemented for the preventive maintenance of fire extinguishers.

This system allows for efficient tracking and scheduling of maintenance tasks by scanning QR codes, which provide detailed information on each extinguisher's inspection history and maintenance needs.

## Upgrading Communication Devices

Frequency-based walkie-talkie sets have been replaced with SIM and Wi-Fi-based Zong communication devices. This transition addresses previous compliance issues and interruptions caused by frequency conflicts, ensuring uninterrupted communication through advanced SIM and Wi-Fi connectivity.

## New and Ongoing Projects

**Valet Services Enhancement:** We are expanding the number of valet drivers and points to accommodate more vehicles and reduce waiting time.

**Media Wall for Enhanced Security:** A new media wall will display live feeds from CCTV cameras, providing centralized real-time surveillance coverage of critical areas.

**Advanced CCTV Software Integration:** Plans are underway to upgrade CCTV software to include features such as motion detection, facial recognition, and remote access to enhance effective surveillance further.

**Digital Parking Guidance Systems:** Digital boards will be installed to show real-time information about available parking spaces, streamlining the parking experience.

## BUSINESS ETHICS AND ANTI-CORRUPTION MEASURES

SIH is committed to upholding the highest standards of business ethics and implementing rigorous anti-corruption measures. Our comprehensive Code of Conduct outlines the ethical principles and standards for all employees, directors, and stakeholders, addressing conflict of interest, confidentiality, and fair dealing.

### Anti-Corruption Policy

SIHL enforces a strict zero-tolerance policy towards corruption and bribery. Our Anti-Corruption Policy specifies prohibited activities, reporting mechanisms, and disciplinary actions for violations. We encourage reporting of unethical behavior through a confidential whistleblower mechanism, ensuring protection against retaliation.

### Employee Orientation and Third-Party Due Diligence

New employees receive thorough orientation on the Code of Conduct to ensure they understand our ethical standards and anti-corruption measures. Additionally, we conduct comprehensive due diligence on third-party partners, suppliers, and contractors to ensure compliance with our ethical standards.

## Monitoring and Compliance

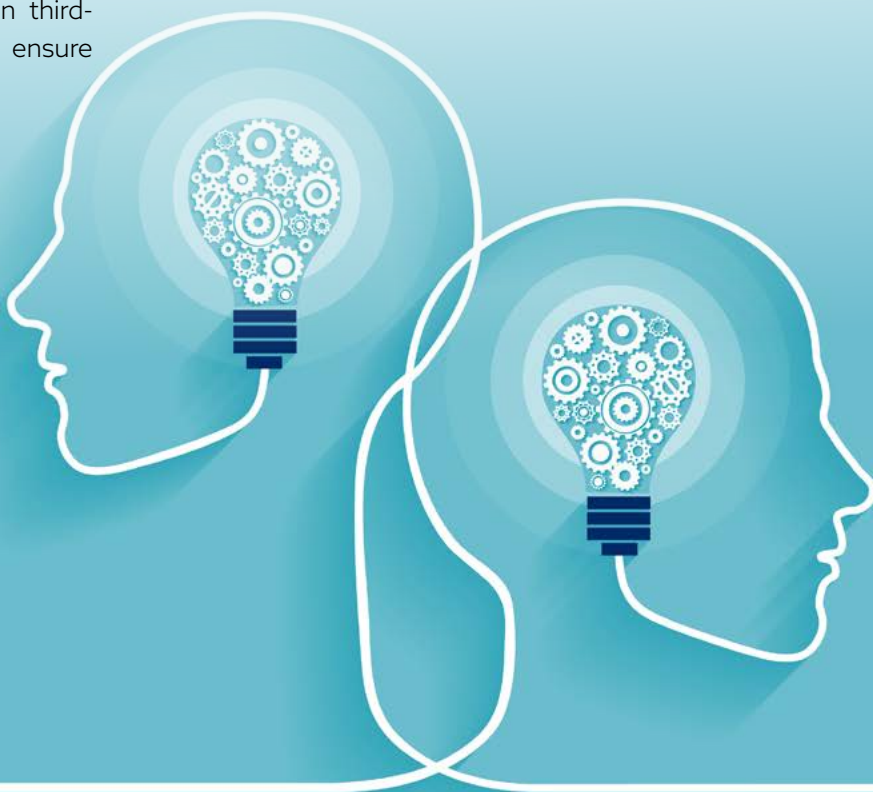
Robust monitoring and compliance mechanisms are in place to detect and prevent unethical practices. Regular audits and compliance checks are conducted to ensure adherence to our policies and procedures, reinforcing our commitment to transparency, integrity, and ethical conduct.

## EMPLOYMENT OF SPECIAL PERSONS

The Company is dedicated to providing equal opportunities for differently abled individuals. Currently, we employ 19 such staff members, reflecting our commitment to non-discrimination, inclusivity and equal employment opportunities for all.

## GENDER PAY GAP

The mean and median pay gap for women is 11.4% and 17.2% higher than that of men.







## CODE OF CONDUCT

The Company has adopted a Code of Conduct that requires all employees to maintain a work environment featuring fairness, respect and integrity and to comply with ethical practices. Provision of the code include, but are not limited to, legal compliance, restraint on political activities, soliciting gifts, avoiding conflict of interest, non-discrimination or harassment on the basis of gender, race, color, age, etc., maintaining confidentiality of information, complying with the laws, rules vis-à-vis environmental protection, etc. The Code of Conduct is applicable to all the directors, officers, employees, consultants and agents of the Company.



## WHISTLEBLOWING POLICY

The Company accords utmost importance to conducting business with honesty, integrity, transparency, openness and accountability. The Company had incorporated a Whistleblowing Policy to enable stakeholders to detect, identify and report an unlawful activity, mismanagement, misuse of authority and any event which is inconsistent with the Company policies. The main purpose of the policy is to guide and encourage individuals by providing ways to raising concerns confidentially and reassurance that they will be protected from possible victimization for doing so.

The Company places the highest value on conducting its operations with principles such as honesty, integrity, transparency, openness, and accountability. It has established a Whistleblowing Policy to empower stakeholders in recognizing, identifying, and reporting any instances of unlawful conduct, mismanagement, misuse of authority, or actions inconsistent with Company policies. The primary objective of this policy is to provide guidance and support to individuals, ensuring they can confidentially voice their concerns while receiving assurance that they will be safeguarded from potential repercussions for doing so.



## GRIEVANCE POLICY

The Company has committed itself that employees' grievances will be properly recognized and addressed. An employee's first point of communication is his/her immediate supervisor in case of a grievance. Grievances lodged by the workers under third party contract are also seriously considered and communicated to the respective vendors by the concerned area supervisor for resolution.

The Company has made a dedicated commitment to acknowledging and resolving employee grievances effectively. In the event of a grievance, an employee's initial contact point is their immediate supervisor. Additionally, grievances raised by workers employed through third-party contracts are given due consideration and are communicated by the relevant area supervisor to the respective vendors for resolution.

# BOARD OF DIRECTORS

The total number of Directors of the Company are 11 as listed below:

- a. Male: Ten (10)
- b. Female: One (01)

The Board derives its powers and obligations from various provisions contained in the Memorandum & Articles of Association of the Company, Companies Act, 2017 ("the Act"), the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the "Code") and other relevant laws. The Board met six (06) times during the year ended June 30, 2024.

At the Extra Ordinary General Meeting held on June 15, 2024, a new Board of Directors was elected for a term of three years with effect from June 15, 2024.

## Changes in the composition of the board are as follows:

- Dr. Ioan Philippe Cleaton-Jones appointed as Director w.e.f. October 28, 2023 in place of Mr. Jean Christophe Maurice Renondin.
- Mr. Muhammad Zahid, Prof. Dr. Shoab Ahmed Khan and Mr. Javed K. Siddiqui retired as a Director w.e.f June 15, 2024.
- Shah Naveed Saeed, Dr. Mohammad Salim Khan and Mr. Taimoor Shah appointed as Directors w.e.f June 15, 2024

Currently Board is comprised of three independent, two executive and six non-executive (including one female director) as follows:

Category	Names
Independent Directors	Dr. Mohammad Naseem Ansari Dr. Mohammad Salim Khan Shah Naveed Saeed
Non-Executive Directors	Dr. Habib Ur Rahman Dr. Manzoor H. Qazi Mr. Qasim Farooq Ahmad Dr. Samea Kauser Ahmad Syed Ilyas Ahmed Dr. Ioan Philippe Cleaton-Jones
Executive Directors	Dr. Zeeshan Bin Ishtiaque (Chief Executive Officer) Mr. Taimoor Shah

In compliance with the non-mandatory provisions contained in the Code regarding diversity in the Board, the Company's Board consists of six Medical Doctors, one IT Professional, two Pharmacists, a Healthcare Management Professional and a Chartered Accountant.



## BOARD AUDIT COMMITTEE

The Board Audit Committee (BAC) was reconstituted on June 15, 2024 and it comprises of three non-executive and one independent directors as under:

**Shah Naveed Saeed**

Chairman, Independent Director

**Dr. Habib Ur Rahman**

Member, Non-Executive Director

**Dr. Samea Kauser Ahmad**

Member, Non-Executive Director

**Syed Ilyas Ahmed**

Member, Non-Executive Director

Every member of the BAC possesses exceptional qualifications. BAC met eight times during the year under review.

The BAC's Terms of Reference (ToRs) have been developed in accordance with the guidelines outlined in the Code, and the BAC operates in alignment with these provisions. The ToRs encompass various responsibilities, such as establishing systems to protect Company assets, ensuring the maintenance of sufficient accounting records, overseeing internal controls and risk management, ensuring compliance with regulatory and legal requirements, and reviewing periodic financial statements, among other duties. While this list of ToRs is comprehensive, the BAC is also open to addressing any other issues or matters as assigned by the Board to fulfill its ultimate goal of safeguarding the Company's interests.

The Chairman of BAC conveys the committee's observations and recommendations to the Board. In addition to its regular meetings, the BAC held one meeting with the External Auditors, excluding the Head of Internal Audit and CFO, and another meeting with the Head of Internal Audit, excluding the CFO and External Auditors.

## HUMAN RESOURCE & REMUNERATION COMMITTEE

The Human Resource & Remuneration (HR & R) Committee was reconstituted on June 15, 2024 and has the following members:

**Dr. Mohammad Naseem Ansari**

Chairman, Independent Director

**Dr. Habib Ur Rahman**

Member, Non-Executive Director

**Dr. Zeeshan Bin Ishtiaque**

Member, Chief Executive Officer

**Dr. Manzoor H. Qazi**

Member, Non-Executive Director

**Syed Ilyas Ahmed**

Member, Non-Executive Director

**Mr. Qasim Farooq Ahmad**

Member, Non-Executive Director

The Terms of Reference (ToRs) mandate that the HR & R Committee's main focus is to evaluate compensation packages necessary for attracting



and retaining executive directors and senior personnel, in accordance with market standards, regulatory requirements, and stakeholder interests. Furthermore, a noteworthy provision stipulates that a majority of the HR & R Committee members must be non-executive directors, including at least one independent director. Similarly, the Chairman of the HR & R Committee is also required to be an independent director.

The HR & R Committee functions in accordance with approved ToRs. The HR & R Committee met once during the year under review.

## CORPORATE GOVERNANCE & NOMINATIONS COMMITTEE

The Corporate Governance & Nominations (CG & N) Committee was reconstituted on June 15, 2024 and is composed of the following members:

**Dr. Manzoor H. Qazi**

Chairman, Non-Executive Director

**Dr. Zeeshan Bin Ishtiaque**

Member, Chief Executive Officer

**Dr. Samea Kauser Ahmad**

Member, Non-Executive Director

**Dr. Ioan P. Cleaton-Jones**

Member, Non-Executive Director

The Terms of Reference for the CG & N Committee have been established in alignment with the provisions set forth in the Code. The Committee is primarily tasked with evaluating the Board's structure, size, and composition, among other key responsibilities.

During the year under review one meeting of the Committee was held.

## RISK MANAGEMENT COMMITTEE

Under the provisions of the Code, the Board also has a Risk Management Committee (RMC). The RMC was reconstituted on June 15, 2024 with the following directors as members:

**Mr. Qasim Farooq Ahmad**

Chairman, Non-Executive Director

**Dr. Mohammad Naseem Ansari**

Member, Independent Director

**Mr. Taimoor Shah**

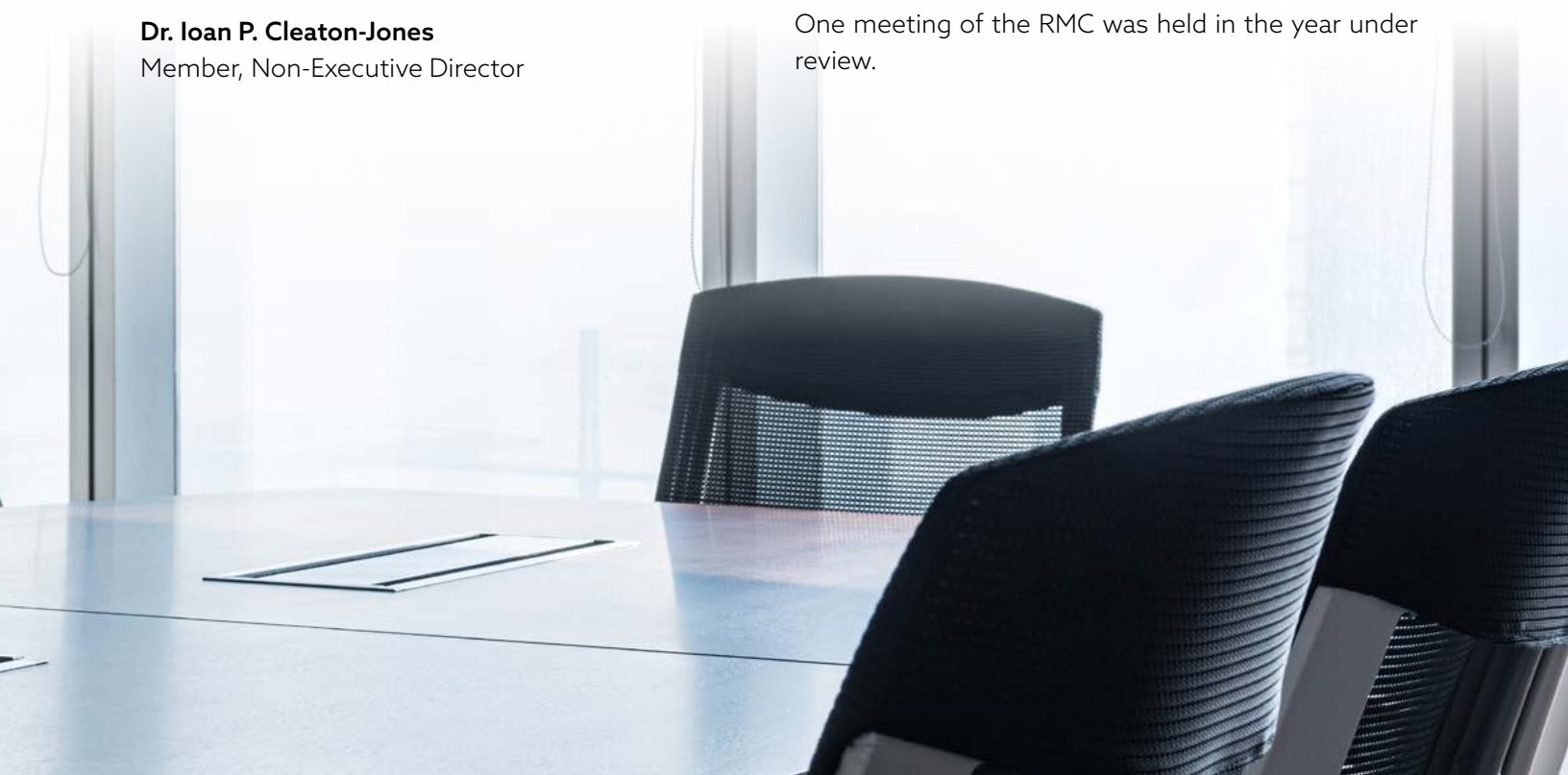
Member, Executive Director

**Dr. Mohammad Salim Khan**

Member, Independent Director

RMC's ToRs require to undertake monitoring and undertaking review of all material controls including financial, operational & compliance and ascertain that risk mitigation measures are robust.

One meeting of the RMC was held in the year under review.





# FREQUENCY & ATTENDANCE OF BOARD & AUDIT COMMITTEE MEETINGS

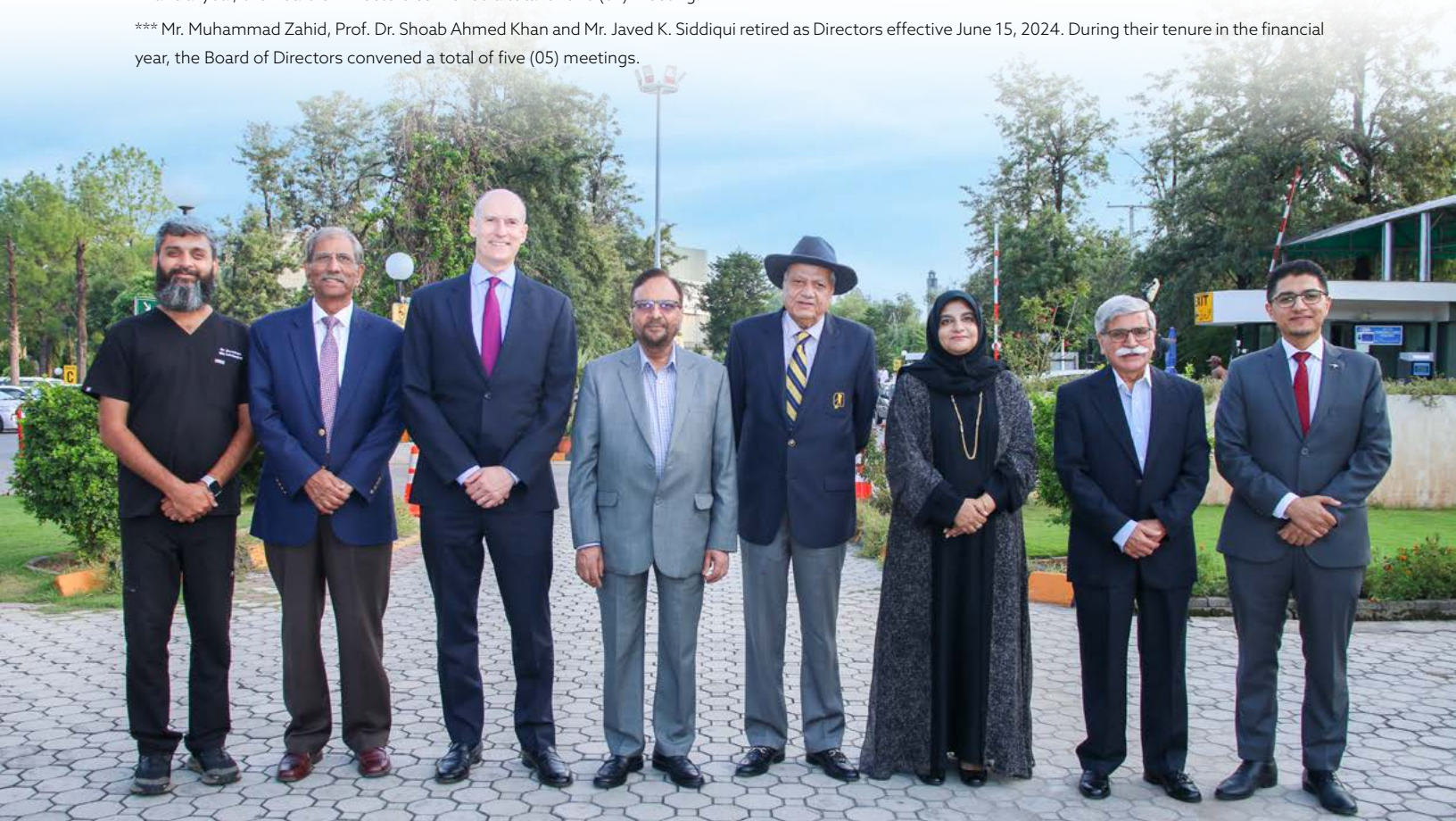
During the year under review, a total of six (06) meetings for the Board of Directors and eight (08) meetings for the Audit Committee respectively were held through video link and in person. The attendance of the Directors is as under:

Name of Director	No. of Board Meetings Attended	No. of Audit Committee Meetings Attended
Dr. Habib Ur Rahman	6	8
Dr. Manzoor H. Qazi	6	N/A
Mr. Qasim Farooq Ahmad	6	N/A
Dr. Samea Kauser Ahmad	6	8
Syed Ilyas Ahmed	6	8
Dr. Mohammad Naseem Ansari	6	N/A
Dr. Ioan Philippe Cleaton-Jones*	3	N/A
Shah Naveed Saeed**	1	N/A
Dr. Mohammad Salim Khan**	1	N/A
Mr. Taimoor Shah**	1	N/A
Dr. Zeeshan Bin Ishtiaque	6	N/A
Mr. Muhammad Zahid***	0	N/A
Prof. Dr. Shoab Ahmed Khan***	5	N/A
Mr. Javed K. Siddiqui***	5	8

\* Dr. Ioan Philippe Cleaton-Jones was appointed as a Director effective October 28, 2023. During his tenure in the financial year, the Board of Directors convened a total of three (03) meetings.

\*\* Shah Naveed Saeed, Dr. Mohammad Saleem Khan and Mr. Taimoor Shah were appointed as Directors effective June 15, 2024. During their tenure in the financial year, the Board of Directors convened a total of one (01) meeting.

\*\*\* Mr. Muhammad Zahid, Prof. Dr. Shoab Ahmed Khan and Mr. Javed K. Siddiqui retired as Directors effective June 15, 2024. During their tenure in the financial year, the Board of Directors convened a total of five (05) meetings.



## BOARD EVALUATION

As per the requirements of the Code, the Board annually conducts self-evaluation of its performance which covers structure & characteristics of the Board, roles & responsibilities, relationship with management and hospital specific measures, etc.

The overall performance of the Board was determined to be good on the basis of approved criteria.

## DIRECTORS' REMUNERATION

The Board of Directors of the Company approves and fixes the remuneration of the Board members in accordance with the Articles of Association of the Company, the Act and the Code. The details of aggregate amount of remuneration separately of executive and non-executive directors, including salary/fee, perquisites, benefits and performance-linked incentives etc. have been disclosed in Note No. 37 of the Financial Statements.

## SECURITY CLEARANCE OF FOREIGN DIRECTOR

A Foreign Director elected to the Board requires security clearance from the Ministry of Interior, facilitated through the Securities and Exchange Commission of Pakistan (SECP). All necessary legal formalities and requirements from the Company's end have been duly met and fulfilled in this regard

## TRADING OF SHARES

All direct or indirect trading and holdings of the Company's shares by Directors, Chief Executive, substantial shareholders, executives or their spouses notified in writing to the Company Secretary along with the price, number of shares and nature of transaction were notified by the Company Secretary

to the Board, the SECP, where required, and the PSX within the stipulated time. Pattern of Shareholding as at June 30, 2024 annexed herewith disclose the holdings by Directors, Chief Executive, substantial shareholders or their spouses.

## PATTERN OF SHAREHOLDING

The total number of Company's shareholders as at June 30, 2024 was 2431 as against 2422 on June 30, 2023. The pattern of shareholding as at June 30, 2024 is included in this Annual Report.

## DIRECTORS' TRAINING PROGRAM

Eight out of eleven Directors (72%) have completed the Directors' Training Program (DTP) as laid down under Regulation 19(1) of the Code.

The detail of the certified directors is as under:

- Dr. Habib Ur Rahman
- Dr. Manzoor H. Qazi
- Dr. Samea Kauser Ahmad
- Syed Ilyas Ahmed
- Dr. Mohammad Naseem Ansari
- Dr. Zeeshan Bin Ishtiaque
- Shah Naveed Saeed
- Dr. Mohammad Salim Khan

Two directors are to acquire the directors' training program certification by October 28, 2024 and June 15, 2025 respectively whereas one could not take-up the DTP, during the year under review, as he resides in U.S.A.

Moreover, the Company also arranged DTP for a male & one female executive as required under the sub-regulation 19 (3) (i) of the Code.



## CORPORATE BRIEFING SESSION

The Pakistan Stock Exchange encourages sound corporate governance practices and in compliance with the mandatory requirement of holding corporate briefing by listed companies a Corporate Briefing Session was held through video link for the investors and shareholders of the Company on November 16, 2023. A detailed presentation was given on the Company's performance and financial results for the financial year ended June 30, 2023 followed by a brief on the Company's future plans by the management of the Company. The management satisfactorily answered all the questions and queries raised by the participants during the session.

## STATEMENT OF DIRECTORS' RESPONSIBILITY

The Directors hereby confirm compliance with the Corporate and Financial Reporting Framework of the Securities and Exchange Commission of Pakistan and the Code for the following matters:

- i. The Financial Statements, prepared by the management of the Company, present fairly its state of affairs, the results of its operations, cash flows and changes in equity.

- ii. Proper books of accounts of the Company have been maintained as required by the Companies Act, 2017.
- iii. Appropriate accounting policies have been consistently applied in preparation of the Financial Statements and accounting estimates are based on reasonable and prudent judgment.
- iv. International Accounting Standards, as applicable in Pakistan, have been followed in preparation of Financial Statements.
- v. The system of internal control is sound in design and has been effectively implemented and monitored.
- vi. There has been no material departure from the best practices of Corporate Governance, as detailed in the Code.
- vii. There are no significant doubts upon Company's ability to continue as a going concern.

## RELATED PARTY TRANSACTIONS

All the related party transactions have been approved by the Board of Directors in accordance with the Company's policy on the related party transactions. The Company maintains a complete record of all such transactions, along with the terms and conditions. The disclosure of such related party transactions has been given at Note No. 36 of the Notes to the Financial Statements.





## MATERIAL CHANGES

There is no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statement relates and the date of the report.

## STATUTORY AUDITORS OF THE COMPANY

The Board of Directors, as recommended by the Audit Committee, has proposed the appointment of M/s BDO Ebrahim & Co., Chartered Accountants as External Auditors of the Company for the year ending June 30, 2025.

## SUBSIDIARY/ASSOCIATED COMPANIES

As on June 30, 2024 the detail of the subsidiary/associated undertakings of the Company along with percentage shares held in each subsidiary/associated undertaking is as under:

Sr. No.	Name of the Company	Status	%age
1	Shifa Neuro Sciences Institute Islamabad (Pvt.) Limited	Wholly owned Subsidiary	100%
2	Shifa National Hospital Faisalabad (Pvt.) Limited	Subsidiary	61%
3	Shifa Medical Center Islamabad (Pvt.) Limited	Subsidiary	56%
4	Shifa Development Services (Pvt.) Limited	Subsidiary	55%
5	Shifa CARE (Pvt.) Limited	Associated	50%
6	SIHT (Pvt.) limited	Associated	29.5%



## UPDATE OF SUBSIDIARY/ ASSOCIATED COMPANIES

### Shifa Neuro Sciences Institute Islamabad (Pvt.) Limited (SNSI)

SNSI's primary focus is on creating and operating a cutting-edge neuroscience institute that provides a comprehensive range of healthcare services. Over the past year, SNSI earned rental income by leasing its facility to the Company for neuroscience-related activities. The Board of Directors is actively investigating multiple avenues to broaden the company's revenue sources. Various strategies and opportunities are being evaluated, with a commitment to executing the most robust and sustainable solution for the long-term benefit of SNSI and the Group.

### Shifa National Hospital Faisalabad (Pvt.) Limited (SNHF)

It was shared in the 2023 report that we were facing and tackling the formidable challenges of managing escalated project costs and project completion simultaneously. Project costs had gone up as a direct result of rising costs of construction material, medical equipment and rupee devaluation. The Board and the management thoroughly took toll of the situation and decided to revise the feasibility for a realistic and pragmatic way forward. The company shall inject PKR 1.6 Billion in the project to meet the revised targets. Work is in progress and we positively expect the phased operationalization of the project.

### Shifa Medical Center Islamabad (Pvt.) Limited (SMCI)

During the year construction of the hospital building remained at halt. The sponsors initially contemplated divesting their investment in the SMCI and reallocating it to another related project, SNHF. However, given the current economic conditions, the real estate market has significantly plummeted. Accordingly,

the Board of directors of SMCI in the recently held meeting has instructed its management to evaluate various feasible options other than the sale.

### Shifa Development Services (Pvt.) Limited (SDS)

Currently, the subsidiary has no active project going on. Further, in view of ongoing financial difficulties faced by SDS, due to which it may not be able to continue its business.

### Shifa CARE (Pvt.) Limited (SCPL)

SCPL continued developing different components of the Healthcare Supply Chain Management (HSCM) during the period under review.

### SIHT (Pvt.) Limited (SIHT)

During the year the Company had paid Rs. 425 million to purchase equity interest in SIHT (Private) Limited (JCIA Accredited home health Company), from Shifa Foundation.

## OPERATING & FINANCIAL DATA

Summary of key operating and financial data of last six years is annexed in this report.

## COMPANY'S WEBSITE

The Company's official website can be accessed at [www.shifa.com.pk](http://www.shifa.com.pk)

## FUTURE PLANS, OUTLOOK AND POSSIBLE HURDLES

As we move forward with our commitment to enhancing the quality of care, the focus will be on converting every opportunity into a meaningful patient experience. By refining our processes, we

aim to ensure that each inquiry and interaction translates into genuine, compassionate care that addresses the needs of our community. This approach emphasizes our dedication to patient-centric care, where every connection counts towards building trust and delivering exceptional service.

Digitalization will play a crucial role in this journey. By advancing our digital infrastructure, we plan to streamline patient interactions, making it easier for individuals to access the care they need. This transition to a more digital environment will not only improve efficiency but also enhance the overall patient experience, ensuring that our services are accessible, responsive, and aligned with the evolving needs of those we serve.

In addition to this, optimizing our inventory management will be pivotal in supporting our expanding operations. By focusing on inventory optimization, we will ensure that our resources are utilized effectively, reducing waste and ensuring that critical supplies are always available. This proactive approach will support our ability to provide uninterrupted care, even as we scale our services.

Furthermore, the expansion of Darul Shifa represents our ongoing commitment to meeting the growing demands of our patient community. By increasing our capacity and enhancing our facilities, we aim to extend our reach and continue our role as a trusted healthcare provider in the region. This expansion is not just about increasing numbers but about deepening our impact, ensuring that every patient receives the highest standard of care in a compassionate and supportive environment.

While we are optimistic about our future, we remain mindful of external factors that could impact our progress. The current economic and political instability may present challenges, but we are equipped with strategies to mitigate potential disruptions. Additionally, the growing trend of healthcare professionals seeking opportunities abroad could influence our workforce stability. We are proactively addressing this through robust retention initiatives, ensuring that our teams remain strong and dedicated to our mission.

## ACKNOWLEDGEMENT

The Board earnestly appreciates the consultants, management and staff for their untiring efforts to deliver seamless and consistent quality healthcare despite all the challenges. The Board is also thankful to the shareholders, bankers, patients and regulators for their continued confidence and support of our operations.

On behalf of the Board



**DR. ZEESHAN BIN ISHTIAQUE**

Chief Executive Officer  
ISLAMABAD  
September 14, 2024



**DR. MANZOOR H. QAZI**

Director



اگرچہ ہم اپنے مستقبل کے بارے میں پرامید ہیں، تاہم ان بیرونی عوامل سے بھی آگاہ ہیں جو ہماری پیشرفت کو متاثر کر سکتے ہیں۔ موجودہ اقتصادی اور سیاسی عدم استحکام ہمارے لیے نئے چیلنجز لا سکتا ہے۔ ہم نے ممکنہ خلل یا رکاوٹوں سے نپٹنے کی حکمت عملی تیار کی ہے۔ اس کے علاوہ پروفیشنلز کا بہتر مواقع کی تلاش میں بیرون ملک جانے کا بڑھتا ہوا رجحان ہماری افرادی قوت کا استحکام متاثر کر سکتا ہے۔ ہم پائیدار اقدامات کے ذریعے اس کا فعال طور پر مقابلہ کر رہے ہیں، یہ یقینی بناتے ہوئے کہ ہماری ٹیمیں مضبوط اور ہمارے مشن کے لیے پرعزم رہیں۔

### اظہار تشکر

کنسلٹنٹس، انتظامیہ اور عملے کو ان کی انتھک کوششوں پر بورڈ انہیں زبردست خراج تحسین پیش کرتا ہے۔ انہوں نے تمام تر چیلنجز کے باوجود بلا تعطل معیاری ہیلپتھ کیئر فراہم کی۔ بورڈ شیئر ہولڈرز، بینکاروں، مریضوں اور ریگولیٹرز کا بھی شکریہ ادا کرتا ہے جنہوں نے ہماری سروسز پر اعتماد کیا اور ہمیں ہر طرح کی سپورٹ فراہم کی۔

بورڈ کی جانب سے

*Daniel M. Rahman*

ڈاکٹر منظور ایچ قاضی

(ڈائریکٹر)

*Dr. Aftab Khan*

ڈاکٹر ذیشان بن اشتیاق

(چیف ایگزیکٹو آفیسر)

اسلام آباد

14 ستمبر، 2024

# ڈائریکٹرز رپورٹ

## شفا میڈیکل سینٹر اسلام آباد (پرائیویٹ) لمیٹڈ (ایس ایم سی آئی)

اس سال کے دوران ہسپتال کی عمارت کی تعمیر معطل رہی۔ سپانسرز نے ابتدائی طور پر اپنی سرمایہ کاری ایس ایم سی آئی سے نکال کر ایک دوسرے متعلقہ منصوبے ایس این ایچ ایف میں منتقل کرنے کا سوچا تھا۔ تاہم، موجودہ معاشی حالات کے پیش نظر، پراپرٹی کی مارکیٹ میں نمایاں کمی واقع ہوئی ہے۔ اسی لیے، حالیہ اجلاس میں ایس ایم سی آئی کے بورڈ آف ڈائریکٹرز نے اپنی انتظامیہ کو فروخت کے علاوہ دیگر ممکنہ اختیارات کا جائزہ لینے کی ہدایت کی ہے۔

## شفا ڈیولپمنٹ سروسز (پرائیویٹ) لمیٹڈ (ایس ڈی ایس)

فی الحال، اس ذیلی ادارے کے پاس کوئی فعال منصوبہ نہیں ہے۔ مزید برآں، مالی مشکلات کی وجہ سے ایس ڈی ایس کو کاروبار جاری رکھنے میں دشواریوں کا سامنا ہو سکتا ہے۔

## شفا کیئر (پرائیویٹ) لمیٹڈ (ایس سی پی ایل)

ایس سی پی ایل نے رپورٹ کیے گئے عرصے کے دوران ہیلتھ کیئر سپلائی چین مینجمنٹ (ایچ ایس سی ایم) کے مختلف اجزاء کا اہتمام جاری رکھا۔

## ایس آئی ایچ ٹی (پرائیویٹ) لمیٹڈ

سال کے دوران، کمپنی نے شفا فاؤنڈیشن سے ایس آئی ایچ ٹی (پرائیویٹ) لمیٹڈ (جے سی آئی اے سے منظور شدہ ہوم ہیلتھ کمپنی) میں ایکویٹی انٹرست خریدنے کے لیے 425 ملین روپے ادا کیے۔

## عملی اور مالی ڈیٹا

پچھلے چھ سالوں کا کلیدی عملی اور مالی ڈیٹا کا خلاصہ اس سالانہ رپورٹ میں شامل کیا گیا ہے۔

## کمپنی کی ویب سائٹ

کمپنی کی آفیشل ویب سائٹ تک رسائی [www.shifa.com.pk](http://www.shifa.com.pk) پر کی جا سکتی ہے۔

## مستقبل کے منصوبے، نقطہ نظر اور ممکنہ رکاوٹیں

ہم اپنی خدمات کے معیار کو بہتر بنانے کے عزم کے ساتھ آگے بڑھتے ہوئے، ہر موقع کو مریضوں کے لیے ایک بامعنی تجربے میں تبدیل کرنے پر توجہ مرکوز کیے ہوئے ہیں۔ ہم اپنے طریقوں کو بہتر کر کے اس بات کو یقینی بنائیں گے کہ ہر استفسار اور تعامل حقیقی، ہمدردانہ دیکھ بھال میں تبدیل ہو اور ہماری کمپنی کی ضروریات کو پورا کرے۔ یہ طریقہ مریض کی مرکزیت پر مبنی کیئر کے لیے ہماری وابستگی کو ظاہر کرتا ہے، جہاں ہر تعلق اعتماد پیدا کرنے اور بہترین سروس فراہم کرنے کی طرف شمار ہوتا ہے۔

ڈیجیٹلائزیشن اس سفر میں اہم کردار ادا کرے گا۔ ہم اپنے ڈیجیٹل انفراسٹرکچر کو بہتر بنا کر مریضوں کے ساتھ تعامل کو آسان بنانے کا ارادہ رکھتے ہیں، تاکہ افراد کو ضرورت کے وقت آسانی سے ہیلتھ کیئر تک رسائی حاصل ہو سکے۔ اس ڈیجیٹل ماحول کی طرف سفر نہ صرف کارکردگی بلکہ بحیثیت مجموعی مریضوں کے تجربے کو بھی بہتر بنائے گا۔ اس کے لیے ہمیں اس بات کو یقینی بنانا ہو گا کہ ہماری سروسز قابل رسائی ہوں، وہ ان کی ضروریات کے مطابق ہوں اور لوگوں کو مناسب رسپانس بھی ملے۔

اس کے علاوہ، ہمارے بڑھتے ہوئے آپریشنز کی سپورٹ میں انوینٹری مینجمنٹ کو بہتر بنانا کلیدی اہمیت کا حامل ہو گا۔ انوینٹری کو بہتر بنانے پر توجہ مرکوز کر کے، ہم اس بات کو یقینی بنائیں گے کہ ہمارے وسائل مؤثر طریقے سے استعمال کیے جائیں، ضیاع کو کم کیا جائے اور اہم سامان ہمیشہ دستیاب ہو۔ یہ فعال طریقہ ہمارے لیے بغیر کسی رکاوٹ کے نگہداشت فراہم کرنے میں مدد کرے گا، چاہے ہم اپنی خدمات کو بڑھا رہے ہوں۔

مزید برآں دار الشفاء کی توسیع مریضوں کی بڑھتی ہوئی ضروریات کو پورا کرنے کے لیے ہماری جاری وابستگی کی نمائندگی کرتی ہے۔ ہم اپنی صلاحیتوں کو بڑھا کر اپنی سہولیات کو بہتر بنا کر اس خطے میں ایک قابل اعتماد ہیلتھ کیئر فراہم کنندہ کے طور پر اپنا کردار جاری رکھنا چاہتے ہیں۔ یہ توسیع صرف تعداد میں اضافے سے متعلق نہیں، بلکہ ہمارے اثرات کو گہرا کرنے کے بارے میں ہے۔ ہمیں اس بات کو یقینی بنانا ہو گا کہ ہر مریض کو ہمدرد اور معاون ماحول میں اعلیٰ ترین معیار کی ہیلتھ کیئر حاصل ہو۔



- v. داخلی کنٹرول کا نظام مضبوط ہے - عمل درآمد اور نگرانی مؤثر طریقے سے کی گئی ہے۔
- vi. کارپوریٹ گورننس کے بہترین طریقوں سے کہیں بھی انحراف نہیں ہوا، جیسا کہ کوڈ میں تفصیل سے بیان کیا گیا ہے۔
- vii. کمپنی کے چلتے رہنے کی صلاحیت پر کوئی اہم شک نہیں ہے۔

### متعلقہ پارٹی کی ٹرانزیکشنز

متعلقہ پارٹی کی تمام ٹرانزیکشنز کی منظوری بورڈ آف ڈائریکٹرز نے کمپنی کی متعلقہ پارٹی کی ٹرانزیکشنز پالیسی کے مطابق دی ہے۔ کمپنی بشمول شرائط و ضوابط ان تمام ٹرانزیکشنز کا مکمل ریکارڈ رکھتی ہے۔ ایسی متعلقہ پارٹی کی ٹرانزیکشنز کی تفصیلات مالی سٹیٹمنٹ کے نوٹ نمبر 36 میں دی گئی ہیں۔

#### مادی تبدیلیاں

کمپنی کے مالی سال کے اختتام اور رپورٹ کی تاریخ کے درمیان کمپنی کی مالی حیثیت پر اثر انداز ہونے والی کوئی مادی تبدیلیاں اور کمٹمنٹس نہیں ہوئیں۔

#### کمپنی کے قانونی آڈیٹرز

بورڈ آف ڈائریکٹرز نے آڈٹ کمپنی کی تجویز پر 30 جون 2025 کو ختم ہونے والے سال کے لیے M/s BDO Ebrahim & Co., چارٹرڈ اکاؤنٹنٹس کی بطور بیرونی آڈیٹرز تقرری کی تجویز پیش کی ہے۔

#### ذیلی/متعلقہ کمپنیاں

30 جون 2024 تک کمپنی کی ذیلی/متعلقہ کمپنیوں کی تفصیلات اور ہر ذیلی/متعلقہ کمپنی میں شیئرز کی فیصد درج ذیل ہے:

نمبر شمار	کمپنی کا نام	حیثیت	فیصد
1	شفا نیور سائنسز انسٹی ٹیوٹ اسلام آباد (پرائیویٹ)	مکمل ملکیتی ذیلی کمپنی	100 %
2	شفا نیشنل ہسپتال فیصل آباد (پرائیویٹ)	ذیلی کمپنی	61%
3	شفا میڈیکل سینٹر اسلام آباد (پرائیویٹ)	ذیلی کمپنی	56%
4	شفا ڈویلپمنٹ سروسز (پرائیویٹ)	ذیلی کمپنی	55%
5	شفا کیئر (پرائیویٹ)	ایسو سی ایٹڈ	50%
6	ایس آئی ایچ ٹی (پرائیویٹ)	ایسو سی ایٹڈ	29.5%

#### ذیلی/متعلقہ کمپنیوں کی تازہ ترین معلومات

#### شفا نیور سائنسز انسٹی ٹیوٹ اسلام آباد (پرائیویٹ)

شفا نیور سائنسز انسٹی ٹیوٹ (ایس این ایس آئی) اسلام آباد (پرائیویٹ) لمیٹڈ کا بنیادی فوکس ایک جدید نیور سائنسز انسٹی ٹیوٹ کی شکل میں ڈھلنا ہے جو صحت کی جامع سروسز فراہم کرے۔ گزشتہ سال کے دوران ایس این ایس آئی نے اپنی جگہ کمپنی کو نیور سائنس سے متعلق سرگرمیوں کے لیے لیز پر دے کر کرایہ کی مد میں آمدن حاصل کی۔ بورڈ آف ڈائریکٹرز کمپنی کے ذرائع آمدن کو وسیع کرنے کے لیے مختلف راہیں تلاش کر رہا ہے۔ اس سلسلے میں مختلف حکمت عملیوں اور مواقع کا جائزہ لیا جا رہا ہے۔ اس میں ایس این ایس آئی اور گروپ کے طویل مدتی فائدے کے لیے مضبوط اور پائیدار حل کو اپنانے کا عزم بھی شامل ہے۔

# ڈائریکٹرز رپورٹ

## شیئر ہولڈنگ کا پیٹرن

کمپنی کے کل شیئر ہولڈرز کی تعداد 30 جون 2024 تک 2431 تھی جبکہ 30 جون 2023 کو یہ تعداد 2422 تھی۔ 30 جون 2024 تک شیئر ہولڈنگ کا پیٹرن اس سالانہ رپورٹ میں شامل کیا گیا ہے۔

## ڈائریکٹرز کا تربیتی پروگرام

گیارہ ڈائریکٹرز میں سے آٹھ (72 فیصد) نے کوڈ کے ریگولیشن 19(1) کے تحت ڈائریکٹرز کا تربیتی پروگرام (ڈی ٹی پی) مکمل کر لیا ہے۔ سرٹیفائیڈ ڈائریکٹرز کی تفصیلات درج ذیل ہیں:

1. ڈاکٹر حبیب الرحمن
2. ڈاکٹر منظور ایچ قاضی
3. ڈاکٹر سمیعہ کوثر احمد
4. سید الیاس احمد
5. ڈاکٹر محمد نسیم انصاری
6. ڈاکٹر ذیشان بن اشتیاق
7. شاہ نوید سعید
8. ڈاکٹر ایم سلیم خان

دو ڈائریکٹرز 28 اکتوبر 2024 اور 15 جون 2025 تک ڈائریکٹرز کی تربیتی پروگرام کا سرٹیفکیٹ حاصل کریں گے جبکہ ایک نے اس سال ڈی ٹی پی نہیں لیا کیونکہ وہ امریکہ میں مقیم ہیں۔ مزید برآں، کمپنی نے کوڈ کے تحت ذیلی ریگولیشن 19(i)(3) کے مطابق ایک مرد اور ایک خاتون ایگزیکٹو کے لیے ڈی ٹی پی کا اہتمام کیا۔

## کارپوریٹ بریفنگ سیشن

پاکستان اسٹاک ایکسچینج اچھی کارپوریٹ گورننس کے طریقوں کی حوصلہ افزائی کرتا ہے اور فرسٹ میں شامل کمپنیوں کے لیے کارپوریٹ بریفنگ کا اہتمام کرنا ایک لازمی ضرورت ہے۔ اس تناظر میں کمپنی کے سرمایہ کاروں اور شیئر ہولڈرز کے لیے 16 نومبر 2023 کو ویڈیو لنک کے ذریعے کارپوریٹ بریفنگ سیشن منعقد کیا گیا۔ اس سیشن میں کمپنی کی کارکردگی اور مالی نتائج کے بارے میں تفصیلی پریزنٹیشنز دی گئیں جو 30 جون 2023 کو ختم ہونے والے مالی سال کے لیے تھی۔ اس کے بعد کمپنی کے مستقبل کے منصوبوں پر انتظامیہ نے مختصر بریفنگ دی۔ انتظامیہ نے سیشن کے دوران شرکاء کی جانب سے اٹھائے گئے تمام سوالات کا تسلی بخش جواب دیا۔

## ڈائریکٹرز کی ذمہ داری کا بیان

ڈائریکٹرز اس بات کی تصدیق کرتے ہیں کہ وہ درج ذیل امور کے لیے پاکستان کے سیکوریٹیز اینڈ ایکسچینج کمیشن اور کارپوریٹ اور مالی رپورٹنگ کے فریم ورک کی تعمیل کرتے ہیں:

- i. کمپنی کی انتظامیہ کی تیار کردہ مالی سٹیٹمنٹس، اس کی صورت حال، آپریشن کے نتائج، کمیشن فلو اور ایکویٹی میں تبدیلیوں کی درست عکاسی کرتی ہیں۔
- ii. کمپنی کے حسابات کو کمپنی ایکٹ، 2017 کے مطابق برقرار رکھا گیا ہے۔
- iii. مالی سٹیٹمنٹ کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو مسلسل لاگو کیا گیا ہے اور اکاؤنٹنگ تخمینے معقول اور ذہانت پر مبنی ہیں۔
- iv. مالی سٹیٹمنٹس کی تیاری میں پاکستان میں قابل اطلاق بین الاقوامی اکاؤنٹنگ معیارات کی پیروی کی گئی ہے۔



شاہ نوید سعید**	1	لاگو نہیں
ڈاکٹر محمد سلیم خان**	1	لاگو نہیں
جناب تیمور شاہ**	1	لاگو نہیں
ڈاکٹر ذیشان بن اشتیاق	6	لاگو نہیں
جناب محمد زاہد***	0	لاگو نہیں
پروفیسر ڈاکٹر شعیب احمد خان***	5	لاگو نہیں
جناب جاوید کے صدیقی***	5	8

\* ڈاکٹر ایون فیلیپ کلینن جونز کو 28 اکتوبر 2023 سے بطور ڈائریکٹر مقرر کیا گیا۔ ان کی مدت کے دوران مالی سال میں بورڈ آف ڈائریکٹرز نے کل تین (03) اجلاس منعقد کیے۔

\*\* شاہ نوید سعید، ڈاکٹر محمد سلیم خان اور جناب تیمور شاہ کو 15 جون 2024 سے بطور ڈائریکٹر مقرر کیا گیا۔ ان کی مدت کے دوران مالی سال میں بورڈ آف ڈائریکٹرز نے کل ایک (01) اجلاس منعقد کیا۔

\*\*\* جناب محمد زاہد، پروفیسر ڈاکٹر شعیب احمد خان اور جناب جاوید کے صدیقی 15 جون 2024 سے بطور ڈائریکٹر ریٹائر ہو گئے۔ ان کی مدت کے دوران مالی سال میں بورڈ آف ڈائریکٹرز نے کل پانچ (05) اجلاس منعقد کیے۔

### بورڈ کا جائزہ

ضابطے کی ضروریات کے مطابق، بورڈ ہر سال اپنی کارکردگی کا خود جائزہ لیتا ہے۔ اس میں بورڈ کا ڈھانچہ اور خصوصیات، کردار اور ذمہ داریاں، انتظامیہ کے ساتھ تعلقات اور ہسپتال سے متعلق مخصوص اقدامات شامل ہوتے ہیں۔ بورڈ کی مجموعی کارکردگی کو منظور شدہ معیار کی بنیاد پر اچھا قرار دیا گیا۔

### ڈائریکٹرز کی تنخواہ

کمپنی کے بورڈ آف ڈائریکٹرز، کمپنی کے آرٹیکلز آف ایسوسی ایشن، ایکٹ اور کوڈ کے مطابق بورڈ کے اراکین کی تنخواہ متعین کرتا اور اس کی منظوری دیتا ہے۔ ایگزیکٹو اور غیر ایگزیکٹو ڈائریکٹرز کی مجموعی تنخواہ کی تفصیلات، بشمول تنخواہ/فیس، مراعات، فوائد اور کارکردگی سے منسلک مراعات وغیرہ، فنانشل سٹیٹمنٹ کے نوٹ نمبر 37 میں ظاہر کی گئی ہیں۔

### غیر ملکی ڈائریکٹر کی سکیورٹی کلیئرنس

بورڈ میں منتخب ہونے والے غیر ملکی ڈائریکٹر کو وزارت داخلہ سے سکیورٹی کلیئرنس درکار ہوتی ہے۔ اس کا اہتمام پاکستان کے سکیورٹیز اینڈ ایکسچینج کمیشن (ایس ای سی پی) کے ذریعے کیا جاتا ہے۔ اس سلسلے میں کمپنی کی طرف سے تمام ضروری قانونی رسمی کارروائیاں پوری کر لی گئی ہیں۔

### شیئرز کی تجارت

کمپنی کے ڈائریکٹرز، چیف ایگزیکٹو، اہم شیئر ہولڈرز، ایگزیکٹوز یا ان کی بیویوں کی جانب سے شیئرز کی تمام براہ راست یا بالواسطہ تجارت اور ہولڈنگز، کمپنی سیکرٹری کو تحریری طور پر قیمت، شیئرز کی تعداد اور لین دین کی نوعیت کے ساتھ مطلع کی گئیں۔ یہ معلومات بورڈ، ایس ای سی پی اور پی ایس ایکس کو مقررہ وقت میں فراہم کی گئیں۔ 30 جون 2024 تک شیئر ہولڈنگ کا نمونہ منسلک کیا گیا ہے جس میں ڈائریکٹرز، چیف ایگزیکٹو، اہم شیئر ہولڈرز یا ان کی بیویوں کی ہولڈنگز کی تفصیلات ہیں۔

# ڈائریکٹرز رپورٹ

## کارپوریٹ گورننس اینڈ نو مینیشنز کمیٹی

کارپوریٹ گورننس اینڈ نو مینیشنز (سی جی اینڈ این) کمیٹی کو 15 جون 2024 کو از سر نو تشکیل دیا گیا، اور اس کے درج ذیل اراکین ہیں:

1. ڈاکٹر منظور ایچ قاضی چیئرمین، غیر ایگزیکٹو ڈائریکٹر
2. ڈاکٹر ذیشان بن اشتیاق رکن، چیف ایگزیکٹو آفیسر
3. ڈاکٹر سمیعہ کوثر احمد رکن، غیر ایگزیکٹو ڈائریکٹر
4. ڈاکٹر ایوان پی۔ کلیٹن جونز رکن، غیر ایگزیکٹو ڈائریکٹر

سی جی اینڈ این کمیٹی کے ٹی او آرز کو کوڈ کے مطابق تشکیل دیا گیا ہے۔ کمیٹی کی بنیادی ذمہ داری بورڈ کی ساخت، سائز، اور ترکیب کا جائزہ لینا ہے۔ کمیٹی کی مالی سال کے دوران ایک میٹنگ ہوئی۔

## رسک مینجمنٹ کمیٹی

کوڈ کی شقوں کے مطابق، بورڈ میں ایک رسک مینجمنٹ کمیٹی (آر ایم سی) بھی شامل ہے۔ آر ایم سی کو 15 جون 2024 کو دوبارہ تشکیل دیا گیا، اور اس کے درج ذیل اراکین ہیں:

1. جناب قاسم فاروق احمد چیئرمین، غیر ایگزیکٹو ڈائریکٹر
2. ڈاکٹر محمد نسیم انصاری رکن، آزاد ڈائریکٹر
3. جناب تیمور شاہ رکن، ایگزیکٹو ڈائریکٹر
4. ڈاکٹر محمد سلیم خان رکن، آزاد ڈائریکٹر

آر ایم سی کے ٹی او آرز کے مطابق، کمیٹی مالیاتی، عملیاتی، اور تعمیلی کنٹرولز کی نگرانی اور جائزہ لینے کی ذمہ دار ہے۔ اس کا کام اس بات کو یقینی بنانا ہے کہ رسک کم کرنے کے اقدامات پائیدار ہوں۔ مالی سال کے دوران آر ایم سی کی ایک میٹنگ ہوئی۔

## بورڈ اور آڈٹ کمیٹی کی میٹنگز کی فریکوئنسی اور حاضری

مالی سال کے دوران، بورڈ آف ڈائریکٹرز کی کل چھ (06) میٹنگز اور آڈٹ کمیٹی کی آٹھ (08) میٹنگز ویڈیو لنک اور براہ راست منعقد ہوئیں۔ ڈائریکٹرز کی حاضری درج ذیل ہے

ڈائریکٹرز کے نام	بورڈ میٹنگز میں شرکت کی تعداد	آڈٹ کمیٹی میں شرکت کی تعداد
ڈاکٹر حبیب الرحمن	6	8
ڈاکٹر منظور ایچ قاضی	6	لاگو نہیں
جناب قاسم فاروق احمد	6	لاگو نہیں
ڈاکٹر سمیعہ کوثر احمد	6	8
سید الیاس احمد	6	8
ڈاکٹر محمد نسیم انصاری	6	لاگو نہیں
ڈاکٹر ایوان پی۔ کلیٹن جونز*	3	لاگو نہیں



## بورڈ آڈٹ کمیٹی

بورڈ آڈٹ کمیٹی (بی اے سی) کی 15 جون 2024 کو تشکیل نو ہوئی۔ یہ تین غیر ایگزیکٹو اور ایک آزاد ڈائریکٹر پر مشتمل ہے:

1. شاہ نوید سعید، چیئرمین آزاد ڈائریکٹر
2. ڈاکٹر حبیب الرحمان، غیر ایگزیکٹو ڈائریکٹر
3. ڈاکٹر سمیعہ کوثر احمد، غیر ایگزیکٹو ڈائریکٹر
4. سید الیاس احمد، غیر ایگزیکٹو ڈائریکٹر

بی اے سی کے ہر رکن کے پاس غیر معمولی قابلیت ہے۔ بی اے سی نے جائزے کے سال کے دوران آٹھ اجلاس منعقد کیے۔ بی اے سی کے ٹرمز آف ریفرنس (ٹی او آر) کو ضابطے میں دیے گئے رہنما اصولوں کے مطابق تیار کیا گیا ہے، اور بی اے سی اس کی دفعات کے مطابق کام کرتا ہے۔ ٹی او آر میں کمپنی کے اثاثوں کی حفاظت کے لیے نظام قائم کرنا، مناسب اکاؤنٹنگ ریکارڈز کو برقرار رکھنا، داخلی کنٹرول اور رسک مینجمنٹ کی نگرانی کرنا، قانونی اور ریگولیٹری تقاضوں کی پابندی کو یقینی بنانا، اور وقتاً فوقتاً فنانشل سسٹمنٹس کا جائزہ لینا شامل ہیں۔ کمپنی کے مفادات کے تحفظ کے لیے بی اے سی کو بورڈ کی جانب سے تفویض کردہ دیگر امور دیکھنے کا بھی اختیار حاصل ہے۔

بی اے سی کے چیئرمین کمیٹی کے مشاہدات اور اس کی سفارشات کو بورڈ تک پہنچاتے ہیں۔ بی اے سی نے اپنے باقاعدہ اجلاسوں کے علاوہ ایک اجلاس بیرونی آڈیٹرز کے ساتھ منعقد کیا، جس میں انٹرنل آڈٹ کے سربراہ اور سی ایف او کو شامل نہیں کیا گیا۔ ایک اور اجلاس انٹرنل آڈٹ کے سربراہ کے ساتھ منعقد کیا گیا جس میں سی ایف او اور ایکسٹرنل آڈیٹرز شامل نہیں تھے۔

## ہیومن ریسورس لینڈ ریویژن کمیٹی

ہیومن ریسورس لینڈ ریویژن کمیٹی (ایچ آر لینڈ آر) کمیٹی کو 15 جون 2024 کو از سر نو تشکیل دیا گیا۔ اس کے درج ذیل اراکین ہیں:

1. ڈاکٹر محمد نسیم انصاری، چیئرمین، آزاد ڈائریکٹر
2. ڈاکٹر حبیب الرحمن، رکن، غیر ایگزیکٹو ڈائریکٹر
3. ڈاکٹر دیشان بن اشتیاق، رکن، چیف ایگزیکٹو آفیسر
4. ڈاکٹر منظور ایچ قاضی، رکن، غیر ایگزیکٹو ڈائریکٹر
5. سید الیاس احمد، رکن، غیر ایگزیکٹو ڈائریکٹر
6. جناب قاسم فاروق احمد، رکن، غیر ایگزیکٹو ڈائریکٹر

ایچ آر لینڈ آر کمیٹی کے ٹی او آر کے مطابق، کمیٹی کی بنیادی کام ایگزیکٹو ڈائریکٹرز اور سینئر عملے کے معاوضے کے پیکیجز کا جائزہ لینا ہے تاکہ مارکیٹ کے معیارات، قانونی تقاضوں اور اسٹیک ہولڈرز کے مفادات کے مطابق بہترین ٹیلنٹ کو برقرار رکھا جاسکے۔ ایچ آر لینڈ آر کمیٹی کی اکثریت غیر ایگزیکٹو ڈائریکٹرز پر مشتمل ہوتی ہے، جن میں کم از کم ایک آزاد ڈائریکٹر ہونا ضروری ہے۔ ایچ آر لینڈ آر کمیٹی کی مالی سال کے دوران ایک میٹنگ ہوئی۔

# ڈائریکٹرز رپورٹ

ناجائز استعمال کی ذیل میں آتا ہو۔ اس پالیسی کا بنیادی مقصد افراد کو اس قابل بنانا ہے کہ وہ تشویش ظاہر کرنے میں اعتماد محسوس کریں اور انہیں کسی کے ممکنہ منفی رد عمل سے تحفظ کی یقین دہانی فراہم کی جائے۔

## شکایات کی پالیسی

کمپنی پر عزم ہے کہ ملازمین کی شکایات کو مناسب طریقے سے سنا اور حل کیا جائے۔ شکایت کی صورت میں پہلے مرحلے پر ملازم کا تعامل اپنے فوری سپروائزر سے ہوتا ہے۔ تھرڈ پارٹی کنٹریکٹ کے تحت ورکرز کی جانب سے درج کرائی گئی شکایات پر بھی سنجیدگی سے غور کیا جاتا ہے اور متعلقہ ایمریا سپروائزر کے ذریعہ متعلقہ پارٹی کو اسے حل کرنے کو کہا جاتا ہے۔

## بورڈ آف ڈائریکٹرز

کمپنی کے کل ڈائریکٹرز کی تعداد 11 ہے، جیسا کہ ذیل میں درج ہے:

\* عورت: ایک (01)

\* مرد: دس (10)

بورڈ اپنی قوت اور ذمہ داریاں کمپنی کے میورنڈم اور آرٹیکلز آف ایسوسی ایشن، کمپنیز ایکٹ 2017 ("ایکٹ")، لسٹڈ کمپنیز (کارپوریٹ گورننس کوڈ) ریگولیشنز 2019 ("کوڈ") اور دیگر متعلقہ قوانین سے حاصل کرتا ہے۔ بورڈ نے 30 جون 2024 کو ختم ہونے والے سال کے دوران چھ (06) اجلاس منعقد کیے۔

15 جون 2024 کو ہونے والے غیر معمولی جنرل اجلاس میں اسی تاریخ سے تین سال کی مدت کے لیے ایک نیا بورڈ آف ڈائریکٹرز منتخب ہوا۔

بورڈ کی تشکیل میں تبدیلیاں درج ذیل ہیں:

\* ڈاکٹر ایون فیلیپ کلیٹن جونز کو مسٹر جہین کرسٹوف موریس ریٹرنڈن کی جگہ 28 اکتوبر 2023 سے ڈائریکٹر مقرر کیا گیا۔

\* جناب محمد زاہد، پروفیسر ڈاکٹر شعیب احمد خان اور جناب جاوید کے۔ صدیقی 15 جون 2024 سے بطور ڈائریکٹر ریٹائر ہو گئے۔

\* شاہ نوید سعید، ڈاکٹر محمد سلیم خان اور جناب تیمور شاہ 15 جون 2024 سے بطور ڈائریکٹر مقرر کیے گئے۔

فی الحال بورڈ کی تشکیل میں تین آزاد، دو ایگزیکٹو، چھ غیر ایگزیکٹو بشمول ایک خاتون ڈائریکٹر شامل ہیں:

کیٹگری	نام
آزاد ڈائریکٹرز	ڈاکٹر محمد نسیم انصاری ڈاکٹر محمد سلیم خان شاہ نوید سعید
غیر ایگزیکٹو ڈائریکٹرز	ڈاکٹر حبیب الرحمن ڈاکٹر منظور ایچ قاضی جناب قاسم فاروق احمد ڈاکٹر سمیعہ کوثر احمد سید الیاس احمد ڈاکٹر ایون فیلیپ کلیٹن جونز
ایگزیکٹو ڈائریکٹرز	ڈاکٹر ذیشان بن اشتیاق (چیف ایگزیکٹو آفیسر) جناب تیمور شاہ

تنوع کو برقرار رکھنے کے لیے کمپنی کے بورڈ میں چھ میڈیکل ڈاکٹرز، ایک آئی ٹی پروفیشنل، دو فارماسسٹ، ایک ہیلتھ کیئر مینجمنٹ پروفیشنل، اور ایک چارٹرڈ اکاؤنٹنٹ شامل ہیں۔



## انسداد بدعنوانی پالیسی

شفا انٹرنیشنل ہسپتال رشوت ستانی اور بدعنوانی کے خلاف سخت عدم برداشت کی پالیسی پر کاربند ہے۔ ہماری انسداد بدعنوانی پالیسی ممنوعہ سرگرمیوں، رپورٹنگ کے طریقہ کار، اور خلاف ورزیوں پر تادیبی کارروائیوں کی وضاحت کرتی ہے۔ ہم ایک خفیہ سیٹی بجانے والے نظام کے ذریعے غیر اخلاقی رویے کی رپورٹنگ کی حوصلہ افزائی کرتے ہیں، جو انتقامی کارروائی کے خلاف تحفظ کو یقینی بناتا ہے۔

## ملازمین کی تربیت اور تھرڈ پارٹی کی جانچ

نئے ملازمین کو ضابطہ اخلاق پر مکمل تربیت فراہم کی جاتی ہے تاکہ یہ یقینی بنایا جاسکے کہ وہ ہمارے اخلاقی معیارات اور انسداد بدعنوانی کے اقدامات کو سمجھ گئے ہیں۔ اس کے علاوہ ہم تھرڈ پارٹی پارٹنرز، سپلائرز اور کنسٹرکٹرز کی جانچ کرتے ہیں تاکہ اس بات کو یقینی بنایا جاسکے کہ وہ ہمارے اخلاقی معیارات پر عمل کر رہے ہیں۔

## نگرانی اور تعمیل

غیر اخلاقی طریقوں کا پتہ لگانے اور ان کی روک تھام کے لیے مضبوط نگرانی اور تعمیل کے طریقہ کار موجود ہیں۔ ہماری پالیسیوں اور طریقہ کار کی تعمیل کو یقینی بنانے کے لیے باقاعدہ آڈٹ اور تعمیلی جانچ کی جاتی ہے جو شفافیت، دیانتداری، اور اخلاقی طرز عمل کے لیے ہماری وابستگی کو مزید مستحکم کرتی ہے۔

## خصوصی افراد کی ملازمت

کمپنی معذور افراد کے لیے مساوی مواقع فراہم کرنے پر یقین رکھتی ہے۔ اس وقت ہمارے پاس ایسے 19 ملازمین موجود ہیں۔ یہ عدم امتیاز، شمولیت، اور سب کے لیے ملازمت کے مساوی مواقع کے لیے ہمارے عزم کی عکاسی کرتا ہے۔

## صنعتی تنخواہ کا فرق

اوسط اور درمیانی فرق: شفا انٹرنیشنل میں خواتین کی تنخواہ مردوں سے اوسطاً (mean) 11.4 فیصد جبکہ درمیانی طور (median) پر 17.2 فیصد زیادہ ہے۔

## ضابطہ اخلاق

کمپنی نے ایک ضابطہ اخلاق اپنایا ہے جو تمام ملازمین سے کام کا ایسا ماحول برقرار رکھنے کا مطالبہ کرتا ہے جس کی خصوصیات میں انصاف، احترام، سکھ اور اخلاقی اقدار کی تعمیل شامل ہو۔ اس کی حقوق میں دیگر کے علاوہ قانونی تعمیل، سیاسی سرگرمیوں پر پابندی، تحائف طلب کرنے پر پابندی، مفادات کے ٹکراؤ سے گریز، جنس، نسل، رنگ اور عمر وغیرہ کی بنیاد پر غیر امتیازی سلوک اور ہراسیت کی ممانعت، معلومات کی رازداری کو برقرار رکھنا، قوانین کی تعمیل اور ماحولیاتی تحفظ کے بارے میں قواعد وغیرہ شامل ہیں۔ ضابطہ اخلاق کا اطلاق کمپنی کے تمام ڈائریکٹرز، افسران، ملازمین، کنسلٹنٹس اور ایجنٹوں پر ہوتا ہے۔

## "وسل بلوٹنگ" پالیسی

شفا انٹرنیشنل ہسپتال دیانتداری، شفافیت، احتساب اور کھلے پن کے اعلیٰ معیارات پر عمل پیرا رہتے ہوئے کاروبار کرنا چاہتا ہے۔ اس حوالے سے کمپنی نے "وسل بلوٹنگ" کی پالیسی لاگو کی ہے۔ اس کا مقصد یہ ہے کہ سلیک ہولڈر ایسے کسی بھی واقعہ کی نشاندہی اور اسے رپورٹ کرنے کے قابل ہو سکیں جو کمپنی کی پالیسیوں کے خلاف ہو، غیر قانونی ہو، بدانتظامی یا اختیار کے

# ڈائریکٹرز رپورٹ

## خود کار ہیپیز اور نلٹ ڈسپنسرز کی تنصیب

دارالشفاء کے گیٹ 1 اور گیٹ 5 کے داخلی راستوں پر خود کار ہیپیز اور نلٹ ڈسپنسرز لگائے گئے ہیں۔ یہ خودکار میکازم کے ذریعے گاڑیوں اور افراد کو نلٹ دیتے ہیں۔ اس اپ گریڈیشن کی بدولت سکیورٹی عملے کی ضرورت میں کمی ہوئی۔ اس سے لاگت میں نمایاں بچت بھی ہوئی ہے۔

## کیش کاؤنٹرز اور لفٹوں پر وائس کیمز

کیش کاؤنٹر (A-0) ایڈمن آفس، C-1، D-1، E-3، F-3، لینڈسکوپ، کارڈیالوجی او پی ڈی، ایکو لیپ، اور ایمرجنسی اور لفٹوں (D بلاک، B بلاک، G بلاک، اور ملازمین کے ایباز) میں وائس کیمز لگائے گئے ہیں۔ یہ کیمز آڈیو اور ویڈیو مانیٹرنگ کی سہولت فراہم کرتے ہیں، لفٹ کے مسافروں کی حفاظت کو بہتر بناتے ہیں اور کیش کاؤنٹر پر احتساب کو یقینی بناتے ہیں۔

## آگ بھجانے والے آلات کی QR کوڈ پر مبنی دیکھ بھال

آگ بھجانے والے آلات کی دیکھ بھال کے لیے QR کوڈ پر مبنی نیا نظام متعارف کرایا گیا ہے۔ یہ نظام QR کوڈز کو سکین کر کے دیکھ بھال کے کاموں کی مؤثر طریقے سے ٹریکنگ اور شیڈولنگ کو ممکن بناتا ہے۔ یہ ہر فائر ایکسٹینگوشر کی معائنہ کی تاریخ اور دیکھ بھال کی ضروریات کے بارے میں تفصیلی معلومات فراہم کرتا ہے۔

## کمیونٹی کیش سے متعلق آلات کی اپ گریڈنگ

فریکوئنسی پر مبنی وائی ٹی سی سیٹس کو سم اور وائی فائی پر مبنی زوننگ کمیونیکیشن آلات سے تبدیل کیا گیا ہے۔ یہ تبدیلی فریکوئنسی کی عدم آہنگی اور عملدرآمد کے مسائل حل کرتی ہے۔ یہ نظام جدید سم اور وائی فائی کنٹیکٹیویٹی کے ذریعے بغیر رکاوٹ کے کمیونٹی کیش کو یقینی بناتا ہے۔

## نئے اور جاری منصوبے

ویلیٹ سروسز میں بہتری: زیادہ گاڑیوں کے لیے گنجائش پیدا کرنے اور انتظار کا وقت کم کرنے کے لیے ویلیٹ ڈرائیورز اور پوائنٹس کی تعداد میں اضافہ کیا جا رہا ہے۔

میڈیا وال برائے اضافی سکیورٹی: ایک نئی میڈیا وال سی سی ٹی وی کیمروں کی لائیو فیڈ دکھائے گی۔ اس سے اہم ایباز کی مرکزی نگرانی بہتر ہوگی۔

جدید سی سی ٹی وی سافٹ ویئر کا انضمام: موثر نگرانی کو مزید بہتر بنانے کے لیے موشن ڈیٹیکشن، چہرے کی شناخت، اور ریوٹ رسائی جیسی خصوصیات شامل کرنے کے منصوبے زیر غور ہیں۔

ڈیجیٹل پارکنگ گائیڈنس سسٹم: ڈیجیٹل بورڈز نصب کیے جائیں گے جو دستیاب پارکنگ سپیس کی حقیقی وقت کی معلومات دکھائیں گے۔ اس سے ہسپتال آنے والوں کا پارکنگ کا تجربہ بہتر ہوگا۔

## کاروباری اخلاقیات اور اینٹی کرپشن اقدامات

شفا انٹرنیشنل ہسپتال کاروباری اخلاقیات کے اعلیٰ ترین معیارات کو برقرار رکھنے اور انسداد بدعنوانی کے لیے سخت اقدامات کرنے کے لیے پرعزم ہے۔ ہمارا جامع ضابطہ اخلاق تمام ملازمین، ڈائریکٹرز اور سٹیک ہولڈرز کے لیے اخلاقی اصولوں اور معیارات کا خاکہ پیش کرتا ہے۔ اس میں مفادات کے ٹکراؤ، رازداری، اور منصفانہ سلوک جیسے موضوعات شامل ہیں۔

## قومی سطح پر انسانی و ترقیاتی خدمات

شفا فاؤنڈیشن ملکی سطح پر اپنی خدمات انجام دیتی ہے۔ انتہائی اہم ضروریات کو پورا کرنے کے لیے وہ ایک کثیر الضابطہ نقطہ نظر کو بروئے کار لاتی ہے۔ ہمیں پاکستان سینئر فار فلن تھراپی (پی سی پی) اور اکنانک افیئرز ڈویژن (ای اے ڈی) کی سند توثیق حاصل ہے۔ اس تناظر میں ہمارے شراکت دار اور فنڈنگ ایجنسیاں ہماری سروسز کو قدر کی نگاہ سے دیکھتی ہیں۔ پچھلے 32 سالوں میں ہم نے پاکستان کے 60 سے زائد اضلاع میں 13.6 ملین سے زیادہ افراد کی زندگیوں پر مثبت اثرات مرتب کیے ہیں۔

## پارٹنرشپس کے ذریعے مضبوط تعلقات

یو این آئی سی ایف، بی ایچ اے، ڈبلیو ایف پی، کیئر انٹرنیشنل، نیورلین انٹرنیشنل، حکومت گلگت بلتستان، اور جرمنی کی یونیورسٹی آف کنٹینز کے ساتھ ہماری شراکت داری کامیاب منصوبوں کے نفاذ میں بہت اہم رہی ہے۔ ان شراکت داروں کے سبب مختلف ضلعوں کی انتظامیہ کی جانب سے ہماری خدمات کو سراہا گیا۔ اس طرح سروسز ڈیلوری کی سطح پر ہماری کوششوں کو تقویت ملی۔

## شفا سینٹر آف پروفیشنل ایکسی لینس

2023-2024 میں شفا سینٹر آف پروفیشنل ایکسی لینس (SCOPE) نے جاری طبی تعلیم، لائف سپورٹ ٹریننگ اور تحقیق کی ترویج کے ذریعے پیشہ ورانہ مہارت بڑھانے پر توجہ مرکوز کی۔ ہمارا مقصد لرننگ ڈیزائن لینڈ مینجمنٹ میں نئے معیارات قائم کرنا ہے تاکہ اپنے شرکاء کو معیاری تعلیمی مواد فراہم کر سکیں۔

## کمیونٹی سروسز اور فلاح و بہبود کے اقدامات

کمیونٹی آؤٹ ریچ لینڈ پارٹنرشپس فار کمیونٹی سروسز (COPCS) کے شعبے نے فنڈ ریٹنگ اور شراکت داری کے قیام میں اہم کامیابیاں حاصل کیں۔ اس سال ہم سوشل میڈیا کے ذریعے لاکھوں لوگوں تک پہنچنے، فوڈ پیکجز تقسیم کیے، پینے کا صاف پانی فراہم کیا اور جدید طبی علاج تک لوگوں کی رسائی بڑھانے کی کوشش کی۔ یونیورسٹیوں کے ساتھ بہتر ہم آہنگی اور فعال رضاکارانہ شمولیت نے ہماری آؤٹ ریچ کی کوششوں کو مزید بڑھا دیا۔

## گلوبل ایڈوکیسی لینڈ کوارڈینیشن

2023-2024 میں شفا فاؤنڈیشن نے اہم عالمی ایونٹس میں فعال طور پر شرکت کی۔ ان میں نیپلا میں ایشیا-پسیفک سوشل پروٹیکشن ویک اور روم میں ڈبلیو ایف پی کی جانب سے منعقدہ پارٹنر کنٹیکٹ ورکشاپ نمایاں ہیں۔ ایسے ایونٹس قابل قدر اور گہری بصیرت شیئر کرنے، بین الاقوامی ماہرین سے سیکھنے، سماجی تحفظ اور فلاح و بہبود کے کاموں میں ایک اہم فریق کے طور پر اپنی پہچان بنانے کے مواقع فراہم کرتے ہیں۔

مالی سال 2023-2024 شفا فاؤنڈیشن کے لیے بڑی کامیابیوں سے بھرپور رہا ہے۔ اس میں ایسے گہرے اثرات مرتب کرنے والے پروگرام بھی شامل ہیں جنہوں نے ہزاروں لوگوں کو فائدہ پہنچایا۔ یہ کامیابیاں ہمارے شراکت داروں کی فراہمی، ڈونر ایجنسیوں کے ساتھ تعاون، اور سرکاری اداروں اور وزارتوں کے ساتھ مؤثر ہم آہنگی کا ثبوت ہیں۔ یہ سرگرمیاں ہمارے کام کے دیہا اثرات اور استحکام کو یقینی بناتی ہیں۔

## صارفین کے تحفظ کے اقدامات

شفا انٹرنیشنل ہسپتال مریضوں، وزیٹرز اور عملے کو سیفٹی اور سکیورٹی کے حوالے سے محفوظ اور اطمینان بخش ماحول فراہم کرنے کے لیے پرعزم ہے۔ اس سال ہم نے مجموعی حفاظتی معیار کو بہتر بنانے کے لیے کئی جدید اقدامات کیے ہیں۔ ان میں سے کچھ اہم اقدامات یہ ہیں:



# ڈائریکٹر رپورٹ

## صحت کے شعبے میں اقدامات

شفا فاؤنڈیشن نے محروم طبقات کو صحت سے متعلق بنیادی سروسز فراہم کی ہیں۔ ان میں موبائل ہیلتھ یونٹس، ماں اور بچے کی صحت سے متعلق سروسز، بیماری کی روک تھام، ویکسی نیشن، اور آگاہی کے اقدامات شامل ہیں۔ ان کوششوں سے ان کی صحت کی صورت حال میں بہتری آئی، ویکسی نیشن کی کوریج میں اضافہ ہوا، اور صحت سے متعلق بہتر رویوں کو فروغ ملا۔

## غذائیت کے پروگرام

فاؤنڈیشن کے نیوریشن پروگراموں کا مقصد خاص طور پر بچوں اور خواتین میں غذائی کمی کو دور کرنا تھا۔ فاؤنڈیشن کی طرف سے اقدامات میں سپلیمنٹری فیڈنگ، نیوریشن ایجوکیشن اور غذائیت سے متعلق قومی اقدامات کی سپورٹ شامل تھی۔ اس کے نتیجے میں بہت سے لوگوں کی غذائی حالت میں بہتری آئی اور بچوں کی سست نشوونما کی شرح میں کمی واقع ہوئی۔

## واش (WASH) پروگرام

شفا فاؤنڈیشن نے واٹر پوائنٹس اور نکاسی آب کی سہولیات کی تعمیر و بحالی کے ذریعے پانی اور صحت و صفائی کی سہولیات تک لوگوں کی رسائی کو یقینی بنایا۔ فاؤنڈیشن کا ایک کردار حفظان صحت کو فروغ دینا بھی ہے۔ اس کی سرگرمیوں نے کمیونٹی کے حفظان صحت کے طریقوں کو مزید بہتر کیا۔

## فوڈ سکیورٹی اور روزگار کے پروگرام

2023-2024 میں فاؤنڈیشن نے بے گھر خاندانوں کی مدد کی۔ اس کے علاوہ فوڈ سکیورٹی اور آمدن پیدا کرنے کے لیے زرعی امداد، تربیت، اور مائیکرو کریڈٹ سکیموں کے ذریعے کمیونیز کو باختیار بنایا۔

## تحفظ سے متعلق خدمات

شفا فاؤنڈیشن نے کمزور طبقات، خاص طور پر خواتین اور بچوں کے تحفظ کو اپنی ترجیحات میں شامل کیا۔ ان میں ان کی نفسیاتی مدد، ریفرل سروسز فراہم کرنا، اور مختلف سیننگز میں بچوں کے تحفظ کے میکانزم قائم کرنا شامل تھا۔

## اہم کامیابیاں

- \* سوات، خیبر پختونخوا میں ماؤں اور نوزائیدہ بچوں کے لیے نیوریشن پروگرام اور ملٹی پل مائیکرو نیوٹریشنٹ سپلیمنٹس کی فراہمی
- \* اسکولوں میں جسمانی سزا کو کم کرنے کے لیے تعلیمی اقدامات کا انعقاد
- \* بی این پی نشوونما پروگرام نے سندھ، بلوچستان اور پنجاب میں بچوں کی متاثرہ نشوونما کے مسائل کو حل کیا۔
- \* بلوچستان اور سندھ میں سیلاب کے موقع پر مربوط خدمات فراہم کیں۔
- \* کنسلٹنٹس اور سپیشلسٹ ڈاکٹروں کی فراہمی کے ذریعے گلگت بلتستان میں سرکاری ہسپتالوں کی مدد کی۔
- \* سندھ میں متاثرین سیلاب کے لیے فوڈ سکیورٹی، روزگار، اور واش (WASH) خدمات فراہم کیں۔

## ہیلتھ لینڈ سیفٹی پالیسی فریم ورک

شفا انٹرنیشنل نے ایک جامع سیکیورٹی پروگرام نافذ کیا ہے جو انفراسٹرکچر کی حفاظت کے علاوہ مریضوں، عملے اور وزیٹرز کی مامونیت کو یقینی بناتا ہے۔ رپورٹنگ سال کے دوران، درج ذیل پروگراموں اور مینولز کو آپ ڈیٹ اور نافذ کیا گیا:

- \* فائر سیفٹی مینجمنٹ پروگرام
- \* خطراتک مواد اور ویسٹ مینجمنٹ پروگرام
- \* آکوپیشنل سیفٹی لینڈ ہیلتھ مینجمنٹ کا مینول
- \* ڈیزائزر مینجمنٹ پروگرام
- \* لیزرز اور آپٹیکل تابکاری کے آلات مینجمنٹ پروگرام
- \* لیبارٹری سیفٹی پروگرام
- \* ریزی ایشن سیفٹی پروگرام
- \* ایمر آرائی سیفٹی پروگرام
- \* فوڈ سیفٹی مینجمنٹ سسٹم مینول (ایف ایس ایم ایس)
- \* الٹراساؤنڈ سیفٹی پروگرام
- \* سٹاف ہیلتھ لینڈ سیفٹی پروگرام

## انفیکشن سے بچاؤ اور کنٹرول کی حکمت عملی

انفیکشن کا پھیلاؤ روکنے اور سب کے لیے محفوظ ماحول کو یقینی بنانے کے لیے ہیلتھ کیئر میں انفیکشن کنٹرول بہت ضروری ہے۔ اس ضمن میں شفا انٹرنیشنل نے کئی کلیدی حکمت عملیوں کو نافذ کیا ہے:

**ہاتھ کی صفائی کی مہم:** باقاعدہ تربیت، تعمیلی آڈٹ، اور سخت پروٹوکول کی پابندی۔

**اینٹی مائکرو بیل اسٹیورڈ شپ پروگرام:** اینٹی بائیوٹکس کے استعمال کو بہتر بنانے، کارکردگی کے اہم اشاریوں کی نگرانی، اور عملے کو اینٹی مائکرو بیل مزاحمت کے بارے میں انجکٹ کرنے پر توجہ مرکوز کی گئی۔

**ماحولیاتی صفائی کے پروٹوکول:** زیادہ چھوٹی جانے والی سطحوں اور مریضوں کے ایلیاز کی بہتر صفائی اور انہیں جراثیم سے پاک کرنا

**عملے کی تربیت اور تعلیم:** انفیکشن سے بچاؤ، پی پی ای کے مناسب استعمال، اور ویسٹ کو ٹھکانے لگانے کے لیے جاری پروگرام۔ شفا انٹرنیشنل نے عالمی ادارہ صحت کے ساتھ نیشنل انفیکشن کنٹرول رسک اسیسمنٹ ورکشاپ میں بھی اشتراک کیا۔

**متعدی امراض میں چیلنجز اور مستقبل کے اہداف:** بیماریوں کا باعث بننے والے نئے جراثیم سے نپٹنے اور اس چیلنج کا مقابلہ کرنے کے لیے شفا انٹرنیشنل متعدد اقدامات کر رہا ہے۔ اس سلسلے میں انفیکشن کنٹرول کے اقدامات کو بہتر بنانے، نگرانی میں اضافہ کرنے اور تربیتی پروگراموں کو جدید بنانے کے لیے اسٹریٹجک اہداف کا تعین کیا جا رہا ہے۔

## کارپوریٹ فلاح و بہبود

پاکستان کے کمزور طبقات کی زندگیوں کو بہتر بنانے کے لیے شفا فاؤنڈیشن اپنا کردار ادا کر رہی ہے۔ وہ صحت، غذائیت، پانی کی صفائی اور حفظان صحت (WASH)، فوڈ سیکیورٹی اور روزگار، اور تحفظ کے پروگراموں کے ذریعے ان کی مدد کر رہی ہے۔

# ڈائریکٹر رپورٹ

## خطرناک فاضل مادوں کی انویسٹری کا اپ ڈیٹ

خطرناک فاضل مادوں کی ایک جامع انویسٹری تیار کی گئی ہے۔ اس میں ہر ڈپارٹمنٹ میں پیدا ہونے والے فاضل مادوں کی اقسام اور مقدار کا احاطہ کیا گیا ہے۔ یہ انویسٹری محفوظ بینڈنگ اور ضائع کرنے کے طریقے کار کے اطلاق، خطرات کے امکانات کو کم کرنے، اور ماحول کی آلودگی کو روکنے کے لیے بہت اہم ہے۔ یہ ویسٹ کو کم کرنے اور لاگت کی بچت کے طریقے تلاش کرنے میں بھی مددگار ثابت ہوتی ہے۔

## خطرناک مواد اور نمونہ ذخیرہ کرنے کی الماریوں کی کمیشننگ

خطرناک مواد کو محفوظ طریقے سے ذخیرہ کرنے کے لیے ہسپتالوں میں لیبرٹری میں نئی الماریاں لگائی گئی ہیں۔ ہسپتالوں میں لیبرٹری میں فاریلین نمونہ ذخیرہ کرنے کی الماریاں بھی لگائی گئی ہیں۔ محفوظ ماحول کو برقرار رکھنے کے لیے ان میں ہوا بند سیل اور وینٹی لیشن سسٹم جیسی حفاظتی تدابیر بھی اختیار کی گئی ہیں۔

## ڈیزاسٹر مینجمنٹ کی ڈرل

30 دسمبر 2023 کو شفا انٹرنیشنل میں سالانہ ڈیزاسٹر مینجمنٹ ڈرل منعقد کی گئی تاکہ ہنگامی صورتحال میں اپنی تیاری اور رسپانس کی سطح اور معیار کو جانچا جاسکے۔ اس مشق میں مختلف طرح کی ہنگامی صورتحال مثلاً مریضوں کی بڑی تعداد میں آمد، آگ لگنے، انخلاء، بجلی چلی جانے اور پر تشدد واقعات کا احاطہ کیا گیا۔ اس مشق میں عملے کے کردار، کمپنی کیشن سسٹمی، اور وسائل کے انتظام کا جائزہ لیا گیا۔ بریفنگ سیشن کے دوران بہتری کے لیے تجاویز بھی زیر بحث لائی گئیں۔

## عمارت کی پائیداری اور انفراسٹرکچر کی سالمیت کی سالانہ جانچ

ہمارے انجینئرز کی ایک کثیر الشعبہ ٹیم نے زلزلے کی صورت میں عمارت کی پائیداری اور انفراسٹرکچر کی سالمیت کی صلاحیت کی سالانہ جانچ کی۔ اس جائزے میں کوئی بڑی خرابی نہیں پائی گئی۔ یہ مشق مریضوں کی کثیر اور حفاظت کے لیے بہت اہم ہے۔

## فیسلیٹی مینجمنٹ اینڈ سکیورٹی (ایف ایم ایس) کی آن لائن تربیت اور آگاہی تشخیص

آپریشنل ہیلتھ اینڈ سیفٹی کے معیارات کو برقرار رکھنے کے لیے فیسلیٹی مینجمنٹ اینڈ سکیورٹی کی تربیت بہت ضروری ہے۔ اس بات کو یقینی بنانے کے لیے کہ سٹاف حفاظتی پروٹوکول اور فیسلیٹی مینجمنٹ کے طریقوں سے واقف رہے، شفا انٹرنیشنل ایک منظم ٹریننگ کیلنڈر جاری کرتا ہے اور اس کے باقاعدہ جائزے کو یقینی بناتا ہے۔ جو لوگ ذاتی طور پر سیشن میں شرکت نہیں کر سکتے، ان کے لیے آن لائن ایف ایم ایس پریزنٹیشنز اور مختصر ویڈیوز انسٹریٹ پر دستیاب ہیں۔ یہ تمام ذرائع باہم مل کر ایک مضبوط او ایچ ایس فریم ورک تشکیل دیتے ہیں۔ اس سے سٹاف کو حفاظتی خطرات سے مؤثر طریقے سے پنپنے کے لیے ضروری علم اور مہارت حاصل ہوتی ہے۔

## آئی ایف سی انوائرومنٹ اینڈ سوشل (ای اینڈ ایس) سپروژن وزٹ

شفا انٹرنیشنل اپنی کارکردگی کو بہتر کرنے کے لیے بین الاقوامی پارٹنرز کے ساتھ مل کر کام کرتا ہے۔ رپورٹنگ سال کے دوران شفا انٹرنیشنل نے بین الاقوامی مالیاتی کارپوریشن (آئی ایف سی) کو اپنی سالانہ انوائرومنٹ اینڈ سوشل پرفارمنس رپورٹ پیش کی۔ اس کے بعد آئی ایف سی کا ای اینڈ ایس پر عملدرآمد کے سلسلے میں ایک دورہ ہوا۔ اس میں کوئی بڑی خامی ظاہر نہیں ہوئی اور شفا انٹرنیشنل کی کارکردگی مطلوبہ معیار کے مطابق ہونے کی تصدیق کی گئی۔ اس سے صحت، حفاظت، اور ماحولیاتی ذمہ داری کے اعلیٰ معیارات کے لیے ہسپتال کی وابستگی ظاہر ہوتی ہے۔



## آئی ایس او 45001:2018 کی دوبارہ سرٹیفیکیشن

ایس جی ایس نے حال ہی میں شفا انٹرنیشنل ہسپتال کے آپریشنل ہیلتھ لینڈ سیفٹی مینجمنٹ سسٹم (او ایچ ایس ایم ایس) کا آڈٹ کیا ہے۔ اس نے تصدیق کی کہ ہمارا سسٹم آئی ایس او 45001:2018 کے معیار پر پورا اترتا ہے۔ آڈٹ میں اس کے معیارات کو سختی سے جانچا گیا اور اس میں کسی بڑی یا چھوٹی عدم مطابقت کی نشاندہی نہیں کی گئی۔ یہ کام کے محفوظ اور صحت مند ماحول کو برقرار رکھنے کے ہمارے عزم کی عکاسی کرتا ہے۔

## عمارت کا معائنہ اور ماحولیاتی راؤنڈ

سالانہ طے شدہ نظام الاوقات کے مطابق ہر ہفتے ہسپتال کی عمارت کا معائنہ کیا جاتا ہے تاکہ ممکنہ خطرات کی بروقت نشاندہی ہو سکے اور لوگوں کی حفاظت کو یقینی بنایا جاسکے۔ یہ معائنہ ممکنہ مسائل کو ابتدائی مراحل میں ہی شناخت کرنے کے لیے ضروری ہیں تاکہ ہمارا ماحول سب کے لیے محفوظ اور معیار کے مطابق رہے۔

## خطرات کی تشخیص اور کمزوریوں کا تجزیہ

فیسیلی مینجمنٹ لینڈ سیفٹی (ایف ایم ایس) کے تمام پروگراموں کے لیے خطرات کی جامع نشاندہی کی گئی ہے۔ ان میں سیفٹی لینڈ سیکورٹی، خطرناک مواد، آگ سے حفاظت، طبی آلات، یونٹیلٹی سسٹمز اور ایمرجنسی مینجمنٹ شامل ہیں۔ اس کا مقصد خطرات کی نشاندہی اور ان کا بروقت تدارک کرنا ہے تاکہ عملے، مریضوں اور ماحول کی حفاظت کو یقینی بنایا جاسکے۔

## تعمیر سے پہلے اور انفیکشن کنٹرول سے متعلق خطرات کا جائزہ

کسی بھی تزئین و آرائش یا نئے منصوبے پر کام سے پہلے ہم قبل از تعمیر اور انفیکشن کنٹرول کے نقطہ نظر سے خطرات کا جائزہ (آئی سی آر اے - پی سی آر اے) لیتے ہیں۔ اس کا مقصد ہوا کے معیار، انفیکشن کنٹرول اور آگ سے حفاظت جیسے ممکنہ خطرات کا اندازہ لگانا ہوتا ہے۔ ان سے ضروری کنٹرول لاگو کرنے میں مدد ملتی ہے تاکہ مریضوں، عملے، اور وزیٹرز کی حفاظت کو یقینی بنایا جاسکے۔

## سٹاف کی میڈیکل مانیٹرنگ

شفا انٹرنیشنل اپنے سٹاف کی حفاظت اور اس کی صحت کو یقینی بنانے کے لیے جامع میڈیکل مانیٹرنگ کے ایک پروگرام پر وگرام عمل کرتا ہے۔ اس میں سالانہ میڈیکل ٹیسٹ اور مختلف شعبہ جاتی پروٹوکول کے مطابق ویکسی نیشنز شامل ہیں۔ ریڈیالوجی ڈپارٹمنٹ میں کام کرنے والے عملے کی ریڈی ایشنز سے حفاظت فلم ہیجز کے ذریعے مانیٹر کی جاتی ہے۔ پروگرام کو مختلف ملازمتوں کی ضروریات کے مطابق ڈھالا گیا ہے تاکہ تمام سٹاف، خواہ اس کا تعلق براہ راست ہیلتھ کیئر فراہم کرنے سے ہو یا محض کھانے پینے کی اشیاء کی تیاری سے، سبھی کو مناسب حفاظت فراہم کی جاسکے۔

## خطرناک مواد کی فرسٹ اور اونینٹری کی اپ ڈیٹ

ہم نے خطرناک مواد (HAZMAT) کی فرسٹ اور اونینٹری کو گلوبل ہارمونائزڈ سسٹم آف کلاسیفیکیشن لینڈ لیبلنگ آف سبسٹانسز (2015) کے مطابق اپ ڈیٹ کیا ہے۔ اس سے ممکنہ خطرات کی نشاندہی، خطرناک مواد کو مناسب طریقے سے سنبھالنے، محفوظ کرنے، اور ادارے میں حفاظتی معلومات کو بہتر بنانے میں مدد ملی ہے۔

# ڈائریکٹرز رپورٹ

## ماحولیاتی تحفظ کے اقدامات

### مسلل ماحولیاتی نگرانی اور تعمیل

شفا انٹرنیشنل ہسپتال ماحولیاتی معیار کی تعمیل کو یقینی بنانے کے لیے مسلل نگرانی کرتا ہے۔ وہ پاکستان ماحولیاتی تحفظ ایجنسی (Pak-EPA) کے "سمارٹ" پروگرام (Self-Monitoring and Reporting by Industry Rules 2001) کی پابندی کرتا ہے۔ اس سلسلے میں اہم سرگرمیاں درج ذیل ہیں:

\* ہوائی، جنریٹرز، اور انیہٹرز سے ہونے والے اخراج کی قومی ماحولیاتی معیاروں (این ای کیو ایس) سے مطابقت کے لیے باقاعدہ نگرانی

\* معیار کو یقینی بنانے کے لیے پینے کے پانی، بوتل بند پانی اور کشید شدہ (ڈسٹنڈ) پانی کے نمونے لینا اور ان کا تجزیہ کرنا

\* کمروں میں ہوا کے معیار، شور کی سطح اور دیگر ماحولیاتی عوامل کی نگرانی کرنا تاکہ مریضوں، عملے، اور وزیٹرز کے لیے محفوظ ماحول فراہم کیا جاسکے۔

### اندرونی ماحولیاتی نگرانی

شفا انٹرنیشنل ہسپتالز ہوا، پانی اور مختلف ماحولیاتی معیارات کی نگرانی کرتا ہے تاکہ محفوظ اور صحت مند ماحول کو یقینی بنایا جاسکے۔ اس میں درجہ حرارت، نمی، کاربن ڈائی آکسائیڈ کی سطح، اور پانی کے معیار جیسے عوامل کا جائزہ لینا شامل ہے تاکہ سب کی مامونیت کا خیال رکھا جاسکے۔

### پانی کی پخت کی کوششیں

**واٹر اسپرنگ سسٹم:** شفا انٹرنیشنل ہسپتالز نے اسپرنگر آبپاشی کا سسٹم انسٹال کیا جو روایتی طریقوں کی نسبت 40 فیصد کم پانی استعمال کرتا ہے۔ یہ سسٹم پانی کی یکساں تقسیم کو یقینی بناتا ہے اور اس کا ضیاع کم کرتا ہے۔

**ریجیکٹ واٹر ٹریٹمنٹ سسٹم:** شفا انٹرنیشنل ہسپتالز نے پانی کی صفائی کا بھی انتظام کیا ہے۔ اس کے ذریعے روزانہ 13,000 لیٹر پانی ری سائیکل ہوتا ہے۔ اس سے پانی کی مزید بچت ہوتی ہے۔

### سوچ عالمی، عمل مقامی

پائیداری کے لیے شفا انٹرنیشنل ہسپتالز کا جامع طریقہ کار ماحول کی حفاظت اور کمیونٹی کی بہتری کے ساتھ اس کی گہری وابستگی کا مظہر ہے۔ ہم یہ تمام اقدامات اس یقین کے ساتھ کرتے ہیں کہ ہماری چھوٹی چھوٹی کاوشیں اس عالمی خواہش اور عمل کا حصہ ہیں جو ہمارے تصرف میں اس واحد سیارے کی حفاظت کے لیے کی جا رہی ہیں۔ توانائی کے تحفظ سے لے کر فاضل مادوں کے انتظام تک کے جدید ترین انیٹی لیڈز کے ذریعے شفا انٹرنیشنل ہسپتال نے منفی ماحولیاتی اثرات کم کرنے میں نمایاں کامیابیاں حاصل کی ہیں۔ یہ کوششیں نہ صرف اس سیارے کو صحت بخش بناتی ہیں بلکہ دوسروں کے لیے قابل عمل مثال بھی قائم کرتی ہیں۔ اس اعلیٰ مقصد کے ساتھ کمپنی کی وابستگی قابل تعریف ہے اور یہ سب کے لیے بہتر مستقبل کے عزم کو بھی ظاہر کرتی ہے۔

### پیشہ جاتی حفاظت اور صحت

شفا انٹرنیشنل ہسپتالز اپنی حدود میں موجود تمام افراد، بشمول عملہ، مریض، کنٹریکٹرز اور وزیٹرز کو ممکنہ خطرات سے بچانے کے لیے اعلیٰ ترین سطح کے حفاظتی معیار کو برقرار رکھنے کے لیے پرعزم ہے۔ اعلیٰ معیار کی ہیلتھ کیئر فراہم کرنے میں ہمارے انفراسٹرکچر، وسائل اور عملے کی صحت اور حفاظت کلیدی حیثیت رکھتی ہے۔

**ویسٹ ہیٹ ریکوری بوائز: انرجی ریکوری کو بہتر بنانے اور اخراج کو کم کرنے کے لیے مسلسل نگرانی۔**

**راکھ ٹھکانے لگانے کی جگہ:** کمیشننگ اور ڈی کمیشننگ کے مراحل کے دوران ماحولیاتی خطرات کو کم کرنے کے لیے ضروری اقدامات پر سختی سے عمل درآمد

**فاضل مادے کم کرنا:** شفا انٹرنیشنل ڈسٹر تریب اور ری سائیکلنگ کے ذریعے ویسٹ کو کم کرنے پر توجہ دیتا ہے۔ غیر مضر مواد کو ابتدائی مرحلے پر ہی علیحدہ کر کے ری سائیکلنگ کے لیے مخصوص سٹوریج ایریا میں منتقل کر دیا جاتا ہے۔ میونسپلٹی سے منظور شدہ ری سائیکلنگ وینڈرز کے ساتھ کوارڈینیشن کے ذریعے ہم لینڈ فلز میں بھیجے جانے والے کوڑے کو نمایاں طور پر کم کرتے ہیں۔ اس سے اس کا ماحولیاتی اثر بھی کم ہوتا ہے۔

### توانائی کے استعمال کو بہتر بنانا

توانائی کے استعمال کو ڈسٹر بنانے کے لیے ہم نے انجینئرنگ سسٹمز میں ویری ایبل فریکوئنسی ڈرائیوز (وی ایف ڈیز) نصب کی ہیں۔ یہ ڈرائیوز موٹر کی رفتار کو مخصوص ضروریات کے مطابق ایڈجسٹ کرتی ہیں۔ اس سے توانائی کی کھپت کم ہوتی ہے اور انچ وی اے سی، پانی کی تقسیم اور میڈیکل گیس کی کارکردگی بہتر ہوتی ہے۔ اس سے نہ صرف آپریشنل اخراجات کم ہوتے ہیں بلکہ کاربن کے اخراج میں بھی کمی آتی ہے۔ مزید برآں توانائی کی بچت کے لیے آف پیک اوقات میں اضافی لفٹوں کو بند کر دیا جاتا ہے۔ یہ اقدام سروسز کو متاثر کیے بغیر توانائی کے بہتر استعمال کے عزم کے ساتھ ہم آہنگ ہے۔

### جاری اور مستقبل کے توانائی کے تحفظ کے منصوبے

#### شمسی توانائی کے ذریعے قابل تجدید توانائی کی پیداوار

پاکستان میں ہیلتھ کیئر انڈسٹری کو توانائی کے بڑھتے ہوئے بحران کا سامنا ہے۔ اس سے روایتی توانائی کے ذرائع سے قابل تجدید آپشنز کی طرف منتقلی زیادہ اہم ہو گئی ہے۔ نومبر 2022 سے شفا انٹرنیشنل ہاسپٹلز (ایس آئی انچ) نے پی وی سولر سسٹم کا استعمال شروع کیا تاکہ اضافی بجلی پیدا کی جاسکے۔ اس سسٹم کی مجموعی صلاحیت 895 کلو واٹ (ڈی سی) ہے۔ یہ نظام قدرتی ذرائع پر انحصار کم کرنے کے ساتھ ساتھ کاربن کے اخراج کو کم کرنے میں بھی مدد دیتا ہے۔ پچھلے مالی سال کے دوران اس سولر سسٹم نے 1,161,458 کلو واٹ بجلی پیدا کی جس سے کاربن کے اخراج میں 600 میٹرک ٹن کمی واقع ہوئی۔

#### ویسٹ ہیٹ ریکوری بوائز

شفا انٹرنیشنل ہاسپٹل ماحولیاتی ذمہ داری ادا کرنے کے لیے پُر عزم ہے۔ وہ اپنے گیس جنریٹرز سے خارج ہونے والی ضائع شدہ حرارت کو دوبارہ استعمال کر رہا ہے۔ یہ بازیافت شدہ حرارت ویسٹ ہیٹ ریکوری بوائز کے ذریعے بھاپ میں تبدیل کی جاتی ہے۔ یہ بھاپ لائڈز کے آپریشنز، ہیٹ ایکسچینجرز، اور اسٹیم کیٹل میں استعمال ہوتی ہے۔ رپورٹنگ سال میں اس سسٹم نے 16,500 ٹن بھاپ پیدا کی اور کاربن کے اخراج میں 570 میٹرک ٹن کمی کا باعث بنا۔

#### اے آئی پر مبنی انچ وی اے سی کی بہتری

توانائی کی کارکردگی کو مزید بہتر بنانے کے لیے شفا انٹرنیشنل ہسپتال اپنے انچ وی اے سی بلڈنگ مینجمنٹ سسٹمز میں مصنوعی ذہانت کو شامل کر رہا ہے۔ اس منصوبے کا مقصد درجہ حرارت اور نمی کو منظم کرنا ہے۔ اس میں اے آئی کا استعمال کرتے ہوئے درجہ حرارت کی تبدیلیوں کی پیش گوئی کی جاتی ہے اور انچ وی اے سی آپریشنز کو اس کے مطابق ایڈجسٹ کیا جاتا ہے۔ توقع ہے کہ اس طریقے سے توانائی کا بہتر استعمال ممکن ہو پائے گا۔ اس کے ساتھ ساتھ ہسپتال کے ماحول کو مزید صحت مندانہ بنایا جاسکے گا۔ بلاشبہ توانائی اور انچ وی اے سی کا محتاط اور ذمہ دارانہ استعمال کاربن کے اخراج کو کم کرنے میں براہ راست کردار ادا کرتا ہے۔



## B-3 آئی سی یو کی توسیع:

شدید بیمار مریضوں کی بہتر نگہداشت کے لیے B-3 آئی سی یو کو وسعت دینے اور اس کی تنظیم نو کا منصوبہ تیار کیا جا رہا ہے۔ موجودہ B-3 ونگ کو بڑھا کر ایک بڑا آئی سی یو بنایا جائے گا جس میں 23 بستروں کی گنجائش ہوگی۔ اس میں دو انسولیشن رومز ہوں گے جن میں متعلقہ سہولیات دستیاب ہوں گی تاکہ خصوصی نگہداشت کی برہتی ہوئی ضروریات کو پورا کیا جاسکے۔

## توانائی کا تحفظ، ماحولیاتی تحفظ اور کارپوریٹ ماحولیاتی اثرات

### حالی سوچ، مقامی عمل - ہمارے ماحول اور کمیونٹیز کی حفاظت

آج کی دنیا میں حفاظت کے لیے اقدامات کی ضرورت اور اہمیت پہلے سے کہیں زیادہ بڑھ گئی ہے۔ بڑھتے ہوئے ماحولیاتی چیلنجوں کی روشنی میں ضروری ہے کہ کاروبار ایسی حکمت عملی اپنائیں جو نہ صرف کرہ ارض کا تحفظ کریں بلکہ ان کمیونٹیز کے لیے بھی مفید ہوں جنہیں وہ سروسز فراہم کرتے ہیں۔ قدرتی وسائل کے تحفظ، آلودگی کو کم کرنے اور سب کے لیے صحت بخش مستقبل کو یقینی بنانے کے لیے اقدامات ناگزیر ہیں۔

شفا انٹرنیشنل ہسپتالز لمیٹڈ ماحولیاتی تحفظ کے صولوں کے ساتھ گہری وابستگی رکھتا ہے۔ وہ یہ سمجھتا ہے کہ ذمہ دارانہ کاروباری عمل سے اس میں بہت مدد مل سکتی ہے۔ انہیں اپنے آپشنز کا لازمی حصہ بنا کر شفا انٹرنیشنل نہ صرف ماحول کی حفاظت کر رہا ہے بلکہ دیگر اداروں کے لیے روشن مثال بھی قائم کر رہا ہے۔

### کمپنی کا ماحولیاتی اثر

شفا انٹرنیشنل ماحولیات کے تحفظ کی ذمہ داری ادا کرنے کے لیے پرعزم ہے۔ ہم اس بات کو یقینی بناتے ہیں کہ ہماری سرگرمیاں ایکو سسٹم کی بقا اور ماحولیاتی توازن کا باعث بنیں۔ ذیل میں کچھ اہم اقدامات بیان کیے جا رہے ہیں جو شفا انٹرنیشنل کے سماجی طور پر ذمہ دار کاروباری عمل کے عزم کو ظاہر کرتے ہیں۔

### مضر صحت مواد اور فاضل مادوں کا انتظام

پاکستان کی بین الاقوامی معاہدوں مثلاً پائیدار ترقی کے اہداف (ایس ڈی جی) اور مختلف ماحولیاتی کنونشنز سے وابستگی انسانی صحت اور ماحول کو مضر صحت مواد اور فاضل مادوں سے بچانے کے اس کے عزم کا اظہار ہے۔ ان کی روشنی میں شفا انٹرنیشنل ہسپتال "ویسٹ مینجمنٹ رولز 2005" کے تحت خطرناک مواد اور فاضل مادوں کو بحفاظت ٹھکانے لگانے کا سختی سے اہتمام کرتا ہے۔ اس پالیسی کا اطلاق نہ صرف ہسپتال کی حدود کے اندر ہوتا ہے بلکہ یہ اہتمام بھی کیا جاتا ہے کہ اس کے ارد گرد کمیونٹیز بھی اس سے متاثر نہ ہوں۔ اس مقصد کے لیے شفا انٹرنیشنل جدید ویسٹ مینجمنٹ سسٹم استعمال کرتا ہے جو بین الاقوامی بہترین طریقوں کے مطابق منفی ماحولیاتی اثرات کو کم کرتا ہے۔

### ماحولیاتی انتظام اور نگرانی

شفا انٹرنیشنل میں ایک جامع ماحولیاتی انتظام اور نگرانی کا منصوبہ نافذ العمل ہے۔ اس منصوبے میں ماحولیاتی معیاروں پر عمل درآمد کو یقینی بنانے کے لیے مسلسل نگرانی اور مسائل سے نمٹنے کی کوششیں شامل ہیں۔ ان میں سے کچھ یہ ہیں:

**سولر پاور پروجیکٹ:** انسولیشن اور کمیشننگ کے مراحل کے میں منفی ماحولیاتی اور سماجی اثرات سے نمٹنے کے لیے محتاط نگرانی

**ہسپتال ویسٹ کا انتظام:** فاضل مادوں کی محفوظ اور مؤثر پروسیسنگ کو یقینی بنانے کے لیے مسلسل نگرانی۔

اس فریم ورک کے گورننس سٹرکچر میں بورڈ آف ڈائریکٹرز اور رسک کمیٹی بھی شامل ہیں۔ بورڈ آف ڈائریکٹرز اسے سٹرکچرل نگرانی فراہم کرتا ہے جبکہ رسک کمیٹی خطرات کی نشاندہی، تشخیص، اور انتظام کے لیے وقف ہے۔

آڈٹ کمیٹی اندرونی کنٹرولز اور مالی رپورٹنگ کی اثر پذیری کا جائزہ لیتی ہے۔ ایس آئی ایچ ایل کا انٹرنل کنٹرول سسٹم مالی رپورٹنگ کی درستگی، قواعد و ضوابط کی پابندی اور اثاثوں کے تحفظ کو یقینی بنانے کے لیے تیار کیا گیا ہے۔ اس سسٹم میں بہت اچھی طرح واضح کردہ پالیسیاں اور پروسیجرز، فرائض کی تفویض، اور باقاعدہ انٹرنل آڈٹ شامل ہیں۔ شفا انٹرنیشنل ہسپتال مسلسل جائزے اور اس میں بہتری لا کر اس کی اپنے کنٹرولز کی اثر پذیری کو یقینی بناتا ہے۔ رسک مینجمنٹ اور انٹرنل کنٹرول سے متعلق بہترین طریقوں کی پابندی کے لیے وہ ایک مضبوط اخلاقی کلچر تشکیل دیتا ہے۔ اسے ہر سطح کی قیادت اور انتظامیہ کی مکمل حمایت حاصل ہوتی ہے۔

### مالی سال 2023-24 کے توسیعی منصوبے

شفا انٹرنیشنل ہسپتال نے حال ہی میں کئی اہم تعمیراتی اور تزئین و آرائش کے منصوبے مکمل کیے ہیں۔ ان میں نیا لینڈوسکوپ ریگوری اور پروسیجر ایریا، ہتھملا لوجی کے لیے مائٹراؤ ٹی کی تزئین و آرائش، اور پلمونولوجی ڈیپارٹمنٹ کی آپ گریڈیشن شامل ہیں۔ اس اقدام کے نتیجے میں شعبہ بیرونی مریضوں میں آنے والوں کی تعداد میں اضافہ ہوا، مریضوں کی کثیر میں بہتری آئی، اور آپریشنل کارکردگی میں بھی اضافہ ہوا۔ اگلے مالی سال کے لیے تزئین و توسیع کے کچھ مزید منصوبے بھی تیار ہیں۔ ان میں سے کچھ اہم یہ ہیں:

#### لینڈوسکوپ ریگوری اور پروسیجر ایریا کی توسیع:

مریضوں کی نگہداشت اور آپریشنل کارکردگی کو بہتر بنانے کے لیے شفا انٹرنیشنل ہسپتال نے لینڈوسکوپ ریگوری ایریا 6 بستروں سے بڑھا کر 14 بستروں پر مشتمل کر دیا ہے۔ اس کا مقصد مریضوں کو پروسیجر کے بعد بحالی کے لیے زیادہ آرام دہ ماحول فراہم کرنا ہے۔ اگلے مرحلے میں پروسیجر ایریا کی تعداد بھی 4 سے بڑھا کر 6 کر دی جائے گی۔ اس سے زیادہ تعداد میں پروسیجرز ایک ساتھ کیے جا سکیں گے۔ مزید برآں اس سے مریضوں کے انتظار کا وقت کم ہوگا اور وسائل کا بہترین استعمال بھی ممکن ہو پائے گا۔ تمام توسیعی ایریا جوائنٹ کمیشن انٹرنیشنل (جے سی آئی) کے معیار اور حفاظتی اصولوں پر پورا اترتا ہے۔

#### ہتھملا لوجی کلینک کے مائٹراؤ ٹی کی تزئین و آرائش:

ہتھملا لوجی کے مائٹراؤ ٹی کی تزئین و آرائش کر کے مؤثر اور اعلیٰ معیار کی آئی کثیر کو یقینی بنایا گیا ہے۔ اس آپ گریڈیشن سے ابتدائی مرحلے پر علاج میں مدد ملتی ہے۔ اس سے آنکھوں کی بیماریوں کو بڑھنے سے روک کر بینائی کو محفوظ رکھا جا سکتا ہے۔ یہ پروسیجرز آڈٹ پیشینہ سیننگ میں مکمل ہونے کی سہولت سے انتظار کے وقت کو کم اور شیڈولنگ کو آسان بنایا گیا ہے۔ اس سے مجموعی طور پر مریضوں کے اطمینان میں اضافہ ہوا ہے۔

#### پلمونولوجی ڈیپارٹمنٹ کی آپ گریڈیشن:

شفا انٹرنیشنل ہسپتال نے پلمونولوجی ڈیپارٹمنٹ کو آپ گریڈ کیا ہے۔ اس کا مقصد سانس کی بیماریوں، ہتھملا لوجی کے فائبروسس، پلیورل بیماری، نیند کی خرابیوں، اور ہتھملا لوجی کے کینسر کی جامع تشخیص اور علاج فراہم کرنا ہے۔ اس آپ گریڈیشن میں ایک مخصوص پروسیجر روم اور پلمونری ٹیسٹ لیب شامل ہیں۔ اس سے تمام پلمونولوجی سروسز ایک جگہ جمع ہو گئی ہیں جس سے مریضوں کی دیکھ بھال بہتر ہوئی ہے۔

#### فلوروسکوپ مشین کی آپ گریڈیشن:

شفا انٹرنیشنل ہسپتال نے ریڈیولوجی کے شعبے میں فلوروسکوپ مشین کو آپ گریڈ کیا ہے۔ یہ مشین پہلے صرف ایکسرے کے لیے استعمال ہوتی تھی۔ اس آپ گریڈیشن سے درست تشخیص، آپریشنل کارکردگی، اور مریضوں کی حفاظت میں بہتری آئی ہے۔ اس کی وجہ یہ ہے کہ مشین حقیقی وقت میں بہتر امیجنگ کی استعداد رکھتی ہے۔

# ڈائریکٹرز رپورٹ

عملیوں میں بروقت تبدیلی اور کمیٹیٹل مارکیٹ تک رسائی برقرار رکھ سکیں۔		
ہیلتھ کیئر مارکیٹ میں مسابقت اس بات کا تقاضا کرتی ہے کہ ہم مارکیٹ کی صورت حال، ٹیکنالوجی میں ترقی، اور کاروباری حریفوں کی حکمت عملیوں کے ساتھ مسلسل ہم آہنگ رہیں۔	مارکیٹ اور مسابقت	
ٹیکنالوجی میں ترقی کے تناظر میں دوسروں پر مسابقت کے لیے ہم ریسرچ اینڈ ڈیولپمنٹ میں سرمایہ کاری کرتے ہیں۔ ہم مقابلے کے دباؤ کو سمجھنے اور اس کا مقابلہ کرنے کے لیے مارکیٹ کا باقاعدگی سے تجزیہ کرتے ہیں۔ ہم ہیلتھ کیئر سروسز کے حوالے سے مریضوں کا اطمینان بڑھاتے ہیں۔		
ہم نے نیو جنریشن فائر وال انسٹال کی ہے اور سکیورٹی کو بڑھانے کے لیے رسائی کنٹرول سخت کیا ہے۔ لاگ کی مسلسل نگرانی اور بیک آپ اور نیٹ ورک ڈیٹا کے لیے ڈیٹا کی انکریپشن کی گئی ہے۔ علاوہ ازیں ہم نے "انسیدنس رسپانس ٹیم" تشکیل دی ہے تاکہ سائبر سکیورٹی کے کسی بھی واقعے کے اثرات سے فوری طور پر نمٹا جاسکے۔	سائبر سکیورٹی خطرات	
ہم نے وبائی امراض سے نمٹنے کے منصوبے تیار کیے ہیں اور انہیں باقاعدگی سے اپ ڈیٹ کرتے ہیں۔ ہم ضروری میڈیکل سپلائیز اور ذاتی حفاظتی سامان کا مناسب ذخیرہ رکھتے ہیں۔ ہم نے وباؤں کے دوران مریضوں کی ہیلتھ کیئر میں تسلسل کو یقینی بنانے کے لیے ٹیلی میڈیسن سروسز کا بھی انتظام کیا ہے۔	وبائی امراض	کووڈ-19 جیسی کسی وبا سے آپریشنز میں شدید خلل، لاگت میں اضافہ، اور مریضوں کی تعداد پر اثر پڑ سکتا ہے۔

## ii- کمپنی کا ریسک مینجمنٹ فریم ورک اور انٹرئل کنٹرول سسٹم

شفا انٹرنیشنل ہسپتال لمیٹڈ (ایس آئی ایچ ایل) اپنی ساکھ اور استحکام کے حوالے سے بہت حساس ہے۔ اسے یقینی بنانے کے لیے وہ پائیدار ریسک مینجمنٹ فریم ورک اور انٹرئل کنٹرول سسٹم قائم رکھنے کے لیے پرعزم ہے۔ ہمارا ریسک مینجمنٹ فریم ورک تمام آپریشنل ایلیاز میں خطرات کی نشاندہی، تشخیص، انتظام اور نگرانی کا احاطہ کرتا ہے۔ یہ جامع فریم ورک خطرات کی باقاعدہ تشخیص، ان کے رجسٹر، اور ان سے نمٹنے کی حکمت عملیوں پر مشتمل ہے۔



## اہم خطرات اور غیر یقینی صورتحال

بورڈ آف ڈائریکٹرز کمپنی کو درپیش ہر طرح کے خطرات کی بروقت نشاندہی اور ان سے مؤثر طور پر نمٹنے کے لیے اقدامات کرنے کا ذمہ دار ہے۔ ذیل میں کچھ اہم خطرات اور غیر یقینی صورتوں کا ذکر کیا جا رہا ہے جو کمپنی کے کاروبار اور کارکردگی کو متاثر کر سکتی ہیں:

### i. کمپنی کو درپیش بنیادی خطرات اور غیر یقینی صورتحال کی تفصیل

خطرات کی کیٹگری	وضاحت	نپٹنے کی حکمت عملیاں
ریگولیری اور تعمیل کے خطرات	ہیلتھ کیئر انڈسٹری کو ریگولیٹ کرنے کے لیے جامع اور مسلسل تغیر پذیر قوانین۔ ان کی عدم تعمیل کے نتیجے میں قانونی سزا اور مالی نقصان کے علاوہ ادارے کی ساکھ کو بھی نقصان پہنچ سکتا ہے۔	ہر طرح کی ریگولیشنز کی مانیٹرنگ اور ان کی تعمیل کو یقینی بنانے کے لیے ہمارے پاس ایک ٹیم موجود ہے۔ ہم تعمیل کے عمل کا باقاعدہ آڈٹ کرتے اور اس کا جائزہ لیتے ہیں۔
آپریشنل خطرات	ان خطرات میں طبی غلطیاں، طبی آلات کا کام نہ کرنا اور سپلائی چین میں خلل آنا شامل ہیں۔ مریضوں کی حفاظت اور بہتر آپریشنل کارکردگی کو یقینی بنانے کے لیے ضروری ہے کہ ان خطرات سے نمٹنے کے لیے مؤثر انتظامی حکمت عملیاں تشکیل دی جائیں۔	ہم نے طبی غلطیوں کو کم سے کم کرنے کے لیے سخت پروٹوکول اور چیک لسٹوں کا اطلاق کیا ہے۔ ہم طبی آلات کی باقاعدہ دیکھ بھال اور ان کی آپ گریڈنگ کرتے ہیں۔ ہم سپلائرز کے ساتھ مضبوط تعلقات قائم کرتے ہیں اور سپلائی چین میں کسی ممکنہ خلل سے نمٹنے کے لیے ہنگامی منصوبے تیار رکھتے ہیں۔ ہم اہم مواد کی مستقل فراہمی کو یقینی بنانے کے لیے حکمت عملی کی بنیاد پر خریداری اور انویسٹری مینجمنٹ کے طریقے اختیار کرتے ہیں۔
مالیاتی خطرات	بڑھتی ہوئی آپریشنل لاگت، معاشی غیر یقینی صورتحال، انشورنس اور پینل کمپنیوں کی جانب سے ادائیگیوں میں تاخیر، سود کی شرحوں میں تبدیلی، مہنگائی، اور کیپیٹل مارکیٹ تک رسائی جیسے عوامل مجموعی منافع اور مالی استحکام پر اثر انداز ہو سکتے ہیں۔	ہم نے لاگت کنٹرول اور کارکردگی میں بہتری کے لیے اقدامات کیے ہیں۔ اقتصادی تبدیلیوں کے ساتھ ہم آہنگ ہونے کے لیے ہم باقاعدگی سے مالی منصوبہ بندی اور اس کا تجزیہ کرتے ہیں۔ ہم انشورنس اور پینل کمپنیوں کے ساتھ سازگار شرائط پر بات چیت کرتے ہیں تاکہ کیش کی فراہمی کو مستحکم رکھا جاسکے۔ ہم سود کی شرحوں اور مہنگائی کے رجحانات کی نگرانی بھی کرتے ہیں تاکہ اپنی مالی حکمت

# ڈائریکٹرز رپورٹ

شعبہ متعدی امراض کے کلینک کی نئی جگہ منتقلی سے مریضوں کے لیے مزید جگہ فراہم ہوئی ہے۔ پرانی جگہ کو "ایگریگٹو کلینکس" کے لیے استعمال کیا جائے گا۔ اس اقدام سے نہ صرف مریضوں کی کثیر بہتر ہوگی بلکہ جگہ کا بہتر استعمال بھی ممکن ہوئے گا۔ یوں متعدی امراض اور ایگریگٹو کلینک، دونوں شعبوں میں آنے والوں کو اعلیٰ معیار کی اور سپیشلائزڈ کثیر مل پائے گی۔

مختلف شعبہ جات میں نئے کنسلٹنٹس کی شمولیت سے مریضوں کی نگہداشت میں مزید بہتری آئی ہے۔ اس کے نتیجے میں شفا انٹرنیشنل آنے والے مریضوں کی تعداد میں بھی اضافہ ہوا ہے۔ نئے شعبہ جات مثلاً پیڈیاٹرک ریسپائریٹری اور الرجی، پیڈیاٹرک آنکولوجی، اور پیڈیاٹرک نیورولوجی بھی متعارف کرائے گئے ہیں۔

مذکورہ بالا تمام اقدامات آؤٹیشن، استعداد کے بہتر استعمال، اور مریضوں کو مرکزی مقام دینے کی پالیسی کو فروغ دینے سے متعلق ادارے کے عزم کا عملی اظہار ہیں۔ یہ ہسپتال کے آئندہ مالی سال کے لیے سٹریٹجک منصوبے کے اہم اجزاء بھی ہیں۔

شفا انٹرنیشنل کی آؤٹ ریج بڑھانے کے لیے مختلف اداروں کے اشتراک سے صحت سے متعلق آگاہی سیشنز اور سرگرمیوں کا انعقاد کیا گیا۔ ان کا مقصد لوگوں کو بیماریوں کی روک تھام اور علاج سے متعلق آگاہی فراہم کرنا تھا۔ اس دوران ہمارے میڈیکل سپیشلسٹس نے وائس آف امریکہ، بی بی سی، اور اہم قومی چینلز پر 100 سے زیادہ بار شرکت کی۔ ڈیجیٹل سوشل میڈیا پلیٹ فارمز کی بڑھتی ہوئی اہمیت کے پیش نظر ہم نے تمام پلیٹ فارمز پر 44 ملین سے زیادہ لوگوں تک صحت سے متعلق معلومات پہنچائیں۔ اس کے علاوہ 8900 سے زائد مریضوں کو "آؤٹ ریج کلینک پروگرام" کے ذریعے سہولت فراہم کی گئی۔ ان کا اہتمام ہمارے کنسلٹنٹس نے پشاور، کوئٹہ، جہلم، میرپور، اور لاہور جیسے شہروں میں کیا تھا۔

## آئندہ مالی سال کے لیے سٹریٹجک منصوبے

ہیلتھ کیئر انڈسٹری کو بڑھتی ہوئی کاروباری لاگت، بشمول سپلائی اور یونٹس کی بڑھتی ہوئی قیمتوں، اور عمومی سطح پر مہنگائی کے اثرات کا سامنا ہے۔ اس سے سروسز فراہم کرنے والے اور مریضوں، دونوں ہی متاثر ہوئے ہیں۔ ان چیلنجز سے نمٹنے کے لیے ہسپتال اپنی آپریشنل کارکردگی بڑھانے، پروسیسز کی آؤٹیشن اور سروسز کی استعداد میں زیادہ سے زیادہ اضافے کے لیے پرعزم ہے۔ اہم منصوبوں میں ہسپتال کے اندر لیب ٹیسٹنگ پوائنٹس کی توسیع کے علاوہ مریضوں کے لیے انتظار کے وقت میں کمی لانے اور داخل مریضوں کے ہسپتال سے ڈسچارج کے عمل کو زیادہ آسان بنانے کے لیے ان ہاؤس او پی ڈی فارمیسیز میں آؤٹیشن پروسیسز شامل ہیں۔

آئندہ سال کے منصوبوں میں مختلف سپیشلیٹیز میں نئے کنسلٹنٹس کی بھرتی، سروسز کی شام کے اوقات میں، اتوار کو اور تعطیلات کے دوران فراہمی، مریضوں کی آمد و رفت کو بہتر بنانے کے لیے او پی ڈی ایریا کی منتقلی، داخل مریضوں کے لیے بیڈز میں اضافہ، اور پی ای ٹی اسکینز، ای بی یو ایس، اور لینڈسکوپ سروسز کی توسیع شامل ہیں۔

ہوم ہیلتھ اور ڈیجیٹل ہیلتھ کیئر کی خدمات میں شراکت دار کے طور پر eShifa ہماری پہنچ کو دور دراز علاقوں کے مریضوں تک بڑھانے میں مددگار ثابت ہو رہا ہے۔ اس سے نگہداشت صحت کے تسلسل کو یقینی بنانے میں بھی مدد مل رہی ہے۔ ہماری توجہ انسانی وسائل، پروسیسز آؤٹیشن، آئی ٹی، کوالٹی اقدامات، اور مریضوں کے تجربے کو بہتر بنانے پر مرکوز ہے۔ اس کا مقصد ادارے کی نشوونما اور ترقی ہے۔

ہم اپنے او پی ڈی کلینکس کی رسائی ان بڑے شہروں تک بڑھانے کا ارادہ رکھتے ہیں جہاں سے مریض ہمارے پاس زیادہ آتے ہیں۔ اس کا مقصد انہیں گھر کے قریب ماہرانہ رائے حاصل کرنے کی سہولت فراہم کرنا ہے۔ اس سے بوقت ضرورت وہ ہسپتال کی طرف ریفر بھی ہوں گے۔ مزید برآں ہماری ٹیمیں ادارہ جاتی کلائنٹس کے لیے ٹیرف میں تبدیلی پر بھی کام کر رہی ہیں تاکہ مجموعی منافع میں بہتری لائی جاسکے۔

شفا انٹرنیشنل ہسپتال فیصل آباد میں آؤٹ پشٹنٹ اور ان پشٹنٹ سہولیات کو فعال کرنے کے پہلے مرحلے پر کام جاری ہے۔ یہ منصوبہ فیصل آباد اور اس کے گرد و نواح میں ہیلتھ کیئر سروسز کے نئے معیارات قائم کرے گا۔

نمبر شمار	مدات	('000' روپوں میں)
1	براہ راست ٹیکسز	827,215
2	بالواسطہ ٹیکسز	923,624
3	سپلائرز، ملازمین وغیرہ سے ٹیکس کوٹی	1,581,822
	ٹوٹل	3,332,661

### اہم سرگرمیاں، ترقی اور کارکردگی

کمپنی نے مریضوں کی بہتر نگہداشت اور آپریشنل کارکردگی میں اضافے کے لیے گزشتہ انیشی ایٹوز کو آگے بڑھاتے ہوئے متعدد اسٹریٹجک اقدامات کیے ہیں۔ مثال کے طور پر نیورو سائنسز دار الشفاء کی عمارت میں نیا خصوصی میڈیکیشن ایڈمنسٹریشن یونٹ قائم کیا گیا ہے۔ اس سے مریضوں کی براہ راست کیئر اور بحیثیت مجموعی سروسز کی فراہمی میں بہتری آئی ہے۔ اس کے علاوہ او پی ڈی میں بلڈ سیمپلز لینے کے لیے نئے "فلی بوڈمی پوائنٹس" قائم کیے گئے ہیں۔ ان تبدیلیوں کے نتیجے میں مریضوں کو اب کم انتظار کرنا پڑتا ہے، ان کی مشکلات میں کمی آئی ہے، ان کا شفاء کا تجربہ بہتر ہوا ہے، اور ان سب کے نتیجے میں آمدن میں اضافہ بھی ہوا ہے۔

گیسٹروانٹروولوجی کلینک کی نئی جگہ منتقلی سے پیشینہ سروسز کو بہتر بنانے میں مدد ملی ہے۔ لینڈسکوپ یونٹ کے پہلے فیز کی ایکسٹنشن اب مکمل طور پر روبہ عمل ہے۔ اس سے بہتر اور اعلیٰ درجے کی ہیلتھ کیئر کو یقینی بنانے میں مدد ملی ہے۔ اس توسیع میں مریضوں کی ریسٹنشن کے لیے وسیع جگہ بھی شامل ہے، جو ان کے تجربے کو مزید بہتر بناتی ہے۔ مستقبل میں ایک نئے ناور کی تعمیر اور ای بی یو ایس (لینڈبرو ٹیکسٹل ٹرانسپارٹ) سروسز شروع کرنے کے منصوبے ہیں جو تھورڈیک کیئر کی استعداد میں مزید اضافہ کریں گے۔

آپ گریڈ شدہ الیکٹرانک میڈیکل ریکارڈ (ای ایم آر) سسٹم میں جدید ٹولز شامل کیے گئے ہیں۔ ان سے مریضوں کا زیادہ درست اور تفصیلی ریکارڈ رکھنا آسان ہوا ہے۔ ایسی پیش رفتیں نگہداشت صحت میں تسلسل کا عمل بہتر بناتی ہیں۔ اس کا سبب یہ ہے کہ اس سے میڈیکل ریکارڈ تک رسائی آسان ہو جاتی ہے۔ یوں کلینکل فیصلوں میں کافی مدد ملتی ہے۔ یہ سسٹم آپریشنل کارکردگی کو بڑھاتا، غلطیوں کے امکانات گھٹاتا اور مریضوں کے اطمینان میں اضافہ کرتا ہے۔ یہ تمام پہلو شفا انٹرنیشنل کے ہیلتھ کیئر اور آپریشنل اہداف کے ساتھ مکمل طور پر ہم آہنگ ہیں۔

او پی ڈی میں ایوانٹمنٹ اور رجسٹریشن کے نظام کو انٹرنیٹ کے ساتھ منسلک کرنے سے ہسپتال کی سروسز کے پھیلاؤ میں نمایاں اضافہ ہوا ہے۔ اس تبدیلی سے وائس لپ چیت بوٹ کا انضمام بھی ممکن ہوا ہے جس سے مریضوں کے لیے بکنگ اور معلومات تک رسائی آسان ہو گئی ہے۔ نتیجتاً مریضوں کے اطمینان میں اضافہ ہوا ہے۔

وسائل کے محتاط استعمال اور مالی کارکردگی میں بہتری کے لیے بھی کئی اقدامات کیے گئے ہیں۔ ان میں سے ایک اہم منصوبہ "فلور سٹاک مانیٹرنگ" کا اطلاق ہے جس سے بحیثیت مجموعی پی ڈی میں سپلائی کی صورت حال بہتر ہوئی ہے۔ یہ مانیٹرنگ سپلائرز کو اچھے انداز سے منظم کرتا ہے، ضیاع کی شرح کم کرتا ہے، اور وسائل کی مؤثر انداز میں ٹریکنگ بھی کرتا ہے۔ اس کے نتیجے میں اخراجات میں نمایاں کمی آئی ہے۔

نیا متعارف شدہ پالیورل کلینک، پھیپھڑوں کی بیماریوں میں خصوصی سروسز فراہم کر رہا ہے۔ اس میں جدید تشخیصی اور علاجی طریقے دستیاب ہیں۔ "ای بی یو ایس" سروسز کی شمولیت سے پھیپھڑوں کے کینسر اور دیگر تھورڈیک کیفیات کی تشخیص اور علاج کی استعداد میں مزید بہتری آئی ہے۔ جدید سروسز سے نہ صرف نتائج بہتر ہوئے ہیں بلکہ مختلف النوع بیماریوں کے شکار لوگ زیادہ تعداد میں شفا انٹرنیشنل کی طرف راغب ہوتے ہیں۔ اس سے یقیناً ادارے کو پھلنے پھولنے میں مدد ملی ہے۔



# ڈائریکٹرز رپورٹ

آپ کی کمپنی کے ڈائریکٹرز 30 جون 2024 کو ختم ہونے والے مالی سال کے لیے کمپنی کی آڈٹ شدہ مالیاتی گوشواروں کے ساتھ سالانہ رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

## مالیاتی کارکردگی

ایک مختصر مالیاتی تجزیہ پیش خدمت ہے:

30 جون کو ختم ہونے والے سال کے مالیاتی نتائج			
	('000' روپوں میں)		
تبدیلی (فی صد)	2023	2024	کاروباری کارکردگی کے نتائج
19.5	19,721,425	23,563,840	خالص آمدن
(69.2)	617,015	190,123	دیگر آمدن
17.2	(17,872,504)	(20,944,954)	آپریٹنگ لاگت
15.9	1,946,201	2,256,177	منافع قبل از ٹیکس
15.3	1,181,406	1,362,074	رواں سال کا منافع
15.3	18.69	21.55	آمدن فی شیئر (روپوں میں)

آپ کی کمپنی کی خالص آمدن میں گزشتہ سال کے مقابلے میں 19.5 فیصد اضافہ ہوا۔ تاہم، آپریٹنگ لاگت صرف 17.2 فیصد بڑھی ہے۔ اس کی وجہ محتاط کاسٹ مینجمنٹ اور ہسٹریٹیشنل کارکردگی ہے۔ ملک کی بگڑتی ہوئی معاشی اور سیاسی صورتحال، زیادہ شرح سود، درآمدی پائندوں، سپلائی چین کے چیلنجز، منسگانی، دیگر آمدن میں نمایاں کمی، اور برائے راست اور بالواسطہ ٹیکسوں میں اضافے جیسے چیلنجز کے باوجود کمپنی کی فی شیئر آمدن میں اضافہ ہوا ہے۔ گزشتہ برس یہ 18.69 روپے تھی جو ہر ہر 21.55 ہو گئی ہے۔

## شیئر ہولڈرز کو منافع

بورڈ آف ڈائریکٹرز نے فی شیئر 2.5 (25%) کا حتمی نقد ڈیویڈنڈ تجویز کیا ہے، جو اس سال کے دوران پہلے سے اعلان کردہ اور ادا کیے گئے فی شیئر 1.5 روپے (15%) کے عبوری نقد ڈیویڈنڈ کے علاوہ ہے۔ اس طرح 30 جون 2024 کو ختم ہونے والے مالی سال کے لیے مجموعی ڈیویڈنڈ 4 روپے فی شیئر (40%) ہے۔

## قومی خزانے میں حصہ

موجودہ سال کے دوران کمپنی کا قومی خزانے میں کنٹری بیوشن درج ذیل ہے:





# NOTICE OF THE 38TH ANNUAL GENERAL MEETING

Notice is hereby given that the 38th Annual General Meeting (AGM) of the members of Shifa International Hospitals Limited (the "Company") will be held at the Company's registered office (C-0 Auditorium) situated at Sector H-8/4, Islamabad, which may also be attended through video-link (Zoom Application) on Monday, October 28, 2024 at 1100 hours to transact the following business:

## Ordinary Business

1. To confirm the minutes of the Extraordinary General Meeting of the Company held on June 15, 2024.
2. To receive, consider and adopt the Audited Financial Statements (consolidated and unconsolidated) of the Company for the year ended June 30, 2024 together with the Directors' and Auditors' Report thereon.
3. To consider, approve and authorise the payment of final cash dividend of 25% i.e. Rs. 2.5 per share of Rs. 10/- each, as recommended by the Board of Directors in addition to the interim dividend of 15% i.e. Rs. 1.5 per share already paid to the shareholders thus making a total of 40% i.e. Rs. 4 per share for the year ended June 30, 2024.
4. To appoint auditors for the year ending June 30, 2025 and to fix their remuneration.

By Order of the Board



**MUHAMMAD NAEEM**  
Company Secretary

**ISLAMABAD**  
October 02, 2024

## Notes

### i) Participation in the Annual General Meeting (AGM) through video link:

In order to attend the AGM through electronic facility, shareholders are requested to get themselves registered by providing the requisite details at their earliest but not later than 48 hours before the time of the AGM (i.e. by 1100 hours on October 26, 2024) through e-mail to be sent at [muhammd.naeem@shifa.com.pk](mailto:muhammd.naeem@shifa.com.pk)

Shareholders are advised to provide the following particulars, along with the scanned copy of their CNIC and that of their proxies, if so appointed. Moreover, in the case of a corporate member, the scanned copy of the resolution of the Board of Directors/Power of Attorney with a specimen signature of the nominee must also be provided.



# NOTICE OF THE 38TH ANNUAL GENERAL MEETING

Name of Shareholder*	CNIC No.	Folio No./ CDC Account No.	Mobile No.**	Email Address**

\*Where applicable please also give the above particulars of the proxy-holder or nominee of the shareholder

\*\*Shareholders are requested to provide their active mobile number and email address to ensure timely communication.

Members who are registered on or before October 26, 2024, after the necessary verification, will be provided a Zoom video-link by the Company via return email. The login facility will be opened on the date of AGM from 1055 hours till the end of the meeting.

## ii) Closure of Share Transfer Books:

The share transfer books of the Company will remain closed from October 19, 2024 to October 28, 2024 (both days inclusive). No transfer will be accepted for registration during this period. Transfers received in order at the share registrar's office of the Company i.e. M/s Corplink (Pvt.) Limited, Wings Arcade, 1-K, Commercial, Model Town, Lahore, by the close of business on October 18, 2024 will be considered as being in time for the purpose to attend and vote at the meeting.

## iii) Appointment of Proxy:

A member entitled to attend and vote at this meeting is entitled to appoint another member 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 at Sector H-8/4, Islamabad, not less than 48 hours before the time of holding the meeting. Proxy form is attached with the notice.

CDC Account holders will further have to follow the under mentioned guidelines as laid down in Circular 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.

### Guidelines for Central Depository Company of Pakistan ('CDC') Investor Account Holders

For appointing proxies

- In case of individuals, the account holders or sub account holders whose registration details are uploaded as per regulations, shall submit the proxy form as per the above requirements. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the proxy form. Copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- In case of corporate entities, the Board of Directors' resolution/ power of attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted (unless it has not been provided earlier) along with proxy form to the Company.

## iv) Payment of dividend through bank account of the shareholder:

Pursuant to the requirement of Section 242 of the Companies Act, 2017, shareholders are MANDATORILY required to provide their International Bank Account Number (IBAN) to receive their cash dividend directly in their bank accounts instead of dividend warrants. In this regard and in pursuance of the directives of the SECP vide Circular No. 18 of 2017 dated August 01, 2017, shareholders are requested to submit their written request (if not already provided) to the Company's registered address, giving particulars of

their bank account. In the absence of shareholder's valid bank account details by October 18, 2024, the Company will be constrained to withhold dividend of such members.

CDC account holders are requested to submit their mandate instruction to the relevant member stock exchange or to CDC if maintaining CDC investor account.

**v) Submission of computerized national identity card (CNIC) /National Tax Number (NTN) for payment of Final Cash Dividend:**

Pursuant to the directive of the Securities & Exchange Commission of Pakistan, CNIC numbers of members are mandatorily required for the payment of dividend. Members are, therefore, requested to submit a copy of their CNIC and/or NTN (if not already provided) to the Company to its registered address/ Share Registrar.

Shareholders maintaining their shareholdings under Central Depository System (CDS) are requested to submit the above information directly to relevant Participant/CDC Investor Account Service.

**vi) Confirmation of "Filer" Status for Income Tax Withholding on Cash Dividend:**

For cash dividend, the rates of deduction of income tax, under section 150 of the Income Tax Ordinance, 2001 are as follows:

a.	Rate of tax deduction for filer of income tax returns	15%
b.	Rate of tax deduction for non-filer of income tax returns	30%

The FBR vide its clarification letter No. I (54) Exp/2014-132872-R of 25 September, 2014 has clarified that holders of shares held in joint names or joint accounts will be treated individually as filers or non-filers and tax will be deducted according to the proportionate holding of each shareholder. Joint shareholders should intimate the proportion of their respective joint holding to the share registrar latest by October 18, 2024, in the following form:

CDC Account Number	Folio No.	Total Shares	Principle Shareholder		Joint Shareholder	
			Name & CNIC	Shareholding Proportion	Name & CNIC	Shareholding Proportion

If no notification is received, each joint holder shall be assumed to have an equal number of shares.

The CNIC number / NTN detail is now mandatory and is required for checking the tax status as per the Active Taxpayers List (ATL) issued by the Federal Board of Revenue (FBR) from time to time.

**vii) Exemption from deduction of Income Tax / Zakat:**

Members seeking exemption from deduction of income tax or are eligible for deduction at a reduced rate are requested to submit a valid tax withholding exemption certificate or necessary documentary evidence for this purpose. Members desiring non-deduction of zakat are also requested to submit a valid declaration for non-deduction of zakat.

CDC account holders are requested to submit their declaration for non-deduction of zakat to the relevant member stock exchange or to CDC if maintaining CDC investor account.

# NOTICE OF THE 38TH ANNUAL GENERAL MEETING

## viii) Unclaimed Dividend/ shares U/s 244 of the Companies Act, 2017:

As per the provisions of Section 244 of the Companies Act, 2017, any shares issued or dividend declared by the Company which have remained unclaimed/unpaid for a period of three years from the date on which it was due and payable, are required to be deposited with the SECP for the credit of Federal Government after issuance of notices to the shareholders to file their claim. Shareholders are requested to ensure that their claims for unclaimed dividend and shares are lodged promptly. In case no claim is lodged, the Company shall proceed to deposit the unclaimed/unpaid amount and shares with the Federal Government pursuant to the provision under Section 244(2) of the Companies Act, 2017 as and when notified by the SECP.

## ix) Transmission of Audited Financial Statements/Notices:

Members are hereby informed that Securities and Exchange Commission of Pakistan (SECP) vide SRO 389(I)/2023 dated March 21, 2023 has allowed Companies for transmission of the annual balance sheet, profit and loss account, auditor's report and directors' report, etc. (annual audited financial statements or the annual report) to the members/ shareholders through QR-enabled code and web-link, instead of transmitting the same through CD/ DVD/USB, the same was approved by the shareholders in Company's Annual General Meeting held on October 27, 2023.



The Annual Audited Financial Statements/Annual Report and the Notice of Annual General Meeting for the year ended June 30, 2024, have been placed on the Company's Website, which can be accessed/downloaded from the following link and QR code:

Website: <https://www.shifa.com.pk/annual-report/>

The Annual Audited Financial Statements / Annual Report along with the Notice of Annual General Meeting are being emailed to the members having opted to receive such communication in electronic format. Other members who wish to receive the Annual Report 2024 in electronic form are requested to fill the standard request form (available on the Company's website <https://www.shifa.com.pk/wp-content/uploads/2014/05/Request-Form-2018.pdf>) and send it to the Company's registered address.

For printed copy of the Annual Report of the Company any member can send request on a standard request form which is available at Company's website (<https://www.shifa.com.pk/wp-content/uploads/2019/12/Financial-Statements-Request-Form.pdf>) duly signed along with copy of CNIC/PoA to the Company's Share Registrar

Members are also requested to intimate any change in their registered email addresses in a timely manner, to ensure effective communication by the Company

## x) Change of Address:

Members are requested to notify any change in their registered addresses immediately.



#### **xi) Video Conference Facility**

In accordance with Section 132(2) of the Companies Act, 2017 if the Company receives consent from members holding in aggregate 10% or more shareholding residing in a geographical location, other than the registered office of the Company, to participate in the meeting through video conference at least 7 days prior to the date of AGM, the Company will arrange video conference facility in that city subject to availability of such facility in that city.

To avail this facility please submit such request to the Company Secretary at:  
Shifa International Hospitals Limited, Sector H-8/4, Islamabad

#### **xii) Statutory Code of Conduct at AGM**

Section 215 of the Companies Act, 2017 and Regulation 55 of the Companies Regulations 2024, state the Code of Conduct of Shareholders, as follows:

Shareholders are not permitted to exert influence or approach the management directly for decisions which may lead to creation of hurdles in the smooth functioning of management. The law states that Shareholders shall not bring material that may cause threat to participants or premises where the AGM is being held, confine themselves to the agenda items covered in the notice of AGM and shall not conduct themselves in a manner to disclose any political affiliation or offend religious susceptibility of other members. Additionally, the Company is not permitted to distribute gifts in any form to its shareholders in its meetings as per Section 185 of Companies Act, 2017.

#### **xiii) Deposit of Physical Shares into Central Depository**

Pursuant to Section 72 of the Companies Act, 2017 and directive issued by SECP vide its letter No. CSD/ED/Misc./2016-639-640 dated March 26, 2021, every existing listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the SECP, within a period not exceeding four years from the commencement of the Act i.e. May 30, 2017.

In view of the aforesaid requirement, the shareholders having physical shares are requested to open their CDC sub-account with any of the brokers or investors account directly with CDC to convert their physical shares into book entry form as soon as possible.

For any query/information, the shareholders may contact the Company and/or the Share Registrar at the following addresses/contact numbers:

##### **Company's Registered Office**

M/s Shifa International Hospitals Limited  
Sector H-8/4, Islamabad.

##### **Share Registrar's Office**

M/s Corplink (Pvt.) Limited  
Wings Arcade, 1-K, Commercial,  
Model Town, Lahore.

# STATEMENT OF COMPLIANCE WITH LISTED COMPANIES

## (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

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

1. The total number of directors are Eleven (11) (including CEO) as per the following:

- a. Male: Ten (10)
- b. Female: One (01)

2. The composition of the Board is as follows:

Category	Names
Independent Directors*	Dr. Mohammad Naseem Ansari Mr. Shah Naveed Saeed Dr. Mohammad Salim Khan
Non-Executive Directors	Dr. Habib Ur Rahman (Chairman) Dr. Manzoor H. Qazi Mr. Qasim Farooq Ahmad Dr. Samea Kauser Ahmad (Female Director) Syed Ilyas Ahmed Dr. Ioan Philippe Cleaton-Jones
Executive Directors	Dr. Zeeshan Bin Ishtiaque (Chief Executive Officer) Mr. Taimoor Shah

\* The total number of elected directors of the Company are ten (10) and one third of the same is equal to 3.33. As decimal digit is less than 0.50, therefore, the figure 3.33 has been rounded off to 3.

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

9. As at June 30, 2024 eight of the existing Board members (including the CEO) have completed the Director's Training Program (DTP). Out of the three remaining Directors, one could not take-up the DTP, during the year under review, as he resides in U.S.A. The other two directors are to acquire the directors' training program certification by October 28, 2024 and June 15, 2025 respectively. The Company also arranged DTP for a male and female executive, during the year.
10. The Board had approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, as and when made, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.
12. The Board has formed committees comprising of members given below:

**a) Audit Committee**

Shah Naveed Saeed  
Chairman  
Dr. Habib Ur Rahman  
Member  
Dr. Samea Kauser Ahmad  
Member  
Syed Ilyas Ahmed  
Member

**b) HR & Remuneration Committee**

Dr. Mohammad Naseem Ansari  
Chairman  
Dr. Habib Ur Rahman  
Member  
Dr. Zeeshan Bin Ishtiaque  
Member  
Dr. Manzoor H. Qazi  
Member  
Syed Ilyas Ahmed  
Member  
Mr. Qasim Farooq Ahmad  
Member

**c) Corporate Governance & Nominations Committee**

Dr. Manzoor H. Qazi  
Chairman  
Dr. Zeeshan Bin Ishtiaque  
Member  
Dr. Samea Kauser Ahmad  
Member  
Dr. Ioan P. Cleaton-Jones  
Member

**d) Risk Management Committee**

Mr. Qasim Farooq Ahmad  
Chairman  
Dr. Mohammad Naseem Ansari  
Member  
Mr. Taimoor Shah  
Member  
Dr. Mohammad Salim Khan  
Member



# STATEMENT OF COMPLIANCE WITH LISTED COMPANIES

(CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance.
14. The yearly frequency of meetings of the committees were as per following:
  - a. Audit Committee: 8
  - b. HR and Remuneration Committee: 1
  - c. Corporate Governance & Nominations Committee: 1
  - d. Risk Management Committee: 1
15. The Board has set up an effective internal audit function.
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and are registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.



**DR. ZEESHAN BIN ISHTIAQUE**

Chief Executive Officer

ISLAMABAD

September 14, 2024



**DR. MANZOOR H. QAZI**

Director



 **Shifa**  
International  
شفہ انٹرنیشنل ہسپتال

CYCLE  
PARKING

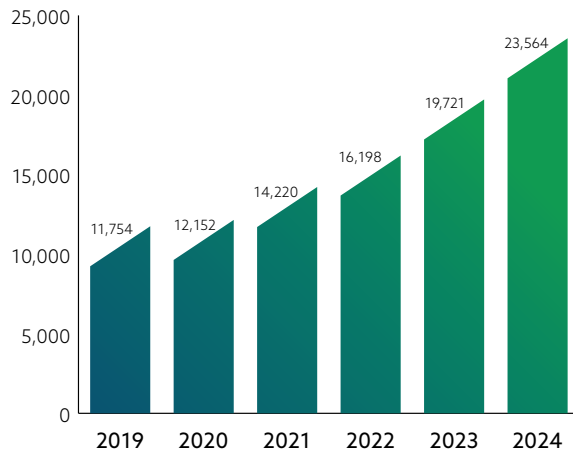
# SIX YEARS AT A GLANCE

		2024	2023	2022	2021	2020	2019
<b>PROFITABILITY</b>							
Operating profit margin	%	11.4	12.2	12.2	9.3	10.5	9.9
Net profit margin	%	5.8	6.0	7.2	4.9	4.2	6.6
Return on equity	%	12.0	11.5	12.8	8.6	7.5	14.4
Return on assets	%	14.7	13.0	11.5	7.9	8.4	9.8
Asset turnover	Times	1.3	1.1	0.9	0.9	0.8	1.0
<b>INVESTMENT</b>							
Market value per share (year end)	Rs.	146.61	122.49	179.14	219.15	233.36	219.80
Breakup value per share	Rs.	188.50	171.16	152.66	136.97	125.33	103.54
Earnings per share	Rs.	21.55	18.69	18.39	11.07	8.18	14.25
Dividend - Cash (per share)	Rs.	4.00	1.50	3.00	-	-	2.55
Dividend - Bonus Shares	%	-	-	-	2.00	-	-
Dividend yield/effective dividend rate	%	2.7	1.2	1.7	-	-	1.2
Market price to breakup value	Times	0.8	0.7	1.2	1.6	1.9	2.1
Price earning ratio	Times	6.8	6.6	9.7	19.8	28.5	15.4
Interest cover	Times	6.1	5.2	5.2	3.7	2.7	12.3
Debt : equity	Ratio	14:86	19:81	27:73	35:65	34:66	31:69
<b>LIQUIDITY</b>							
Current ratio	Ratio	1.1	1.0	1.1	1.2	1.3	0.8
Quick ratio	Ratio	0.9	0.8	0.9	1.1	1.1	0.6
<b>HISTORICAL TRENDS</b>							
<b>UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION</b>		Rupees in '000'					
Authorized share capital		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Issued, subscribed and paid up capital		632,144	632,144	632,144	619,749	619,749	545,379
Share premium		2,738,888	2,738,888	2,738,888	2,751,283	2,751,283	1,046,025
Surplus on revaluation of property, plant and equipment		920,827	936,615	867,283	792,396	760,346	772,019
Unappropriated profits		7,624,157	6,511,963	5,411,656	4,325,259	3,636,170	3,283,636
<b>Shareholders' equity</b>		<b>11,916,016</b>	<b>10,819,610</b>	<b>9,649,971</b>	<b>8,488,687</b>	<b>7,767,548</b>	<b>5,647,059</b>
Non-current liabilities		1,496,057	1,750,801	2,310,214	3,317,760	3,962,551	2,717,345
Current liabilities		4,874,579	5,892,382	5,251,868	4,886,521	3,529,154	3,573,255
<b>Total equity and liabilities</b>		<b>18,286,652</b>	<b>18,462,793</b>	<b>17,212,053</b>	<b>16,692,968</b>	<b>15,259,253</b>	<b>11,937,659</b>
Property, plant and equipment		6,837,904	7,017,740	7,134,172	6,791,843	6,991,936	6,845,816
Intangible assets		40,780	41,834	53,365	31,343	57,414	83,711
Investment property - at cost		720,292	748,450	-	-	-	1,642,085
Long term investments - at cost		5,060,970	4,714,217	3,918,618	3,178,758	2,933,524	79,833
Long term deposits		113,937	91,616	85,324	96,260	111,740	87,211
<b>Non-current assets</b>		<b>12,773,883</b>	<b>12,613,857</b>	<b>11,191,479</b>	<b>10,098,204</b>	<b>10,094,614</b>	<b>8,738,656</b>
Current assets		5,512,769	5,848,936	5,699,621	5,996,707	4,669,661	2,891,682
Non-current assets held for sale		-	-	320,953	598,057	494,978	307,321
<b>Total assets</b>		<b>18,286,652</b>	<b>18,462,793</b>	<b>17,212,053</b>	<b>16,692,968</b>	<b>15,259,253</b>	<b>11,937,659</b>
<b>UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS</b>		Rupees in '000'					
Revenue - net		23,563,840	19,721,425	16,197,551	14,219,718	12,151,762	11,754,393
Other income		190,123	617,015	637,429	107,479	637,219	44,290
Operating costs		(20,944,954)	(17,872,504)	(14,791,977)	(12,899,400)	(11,480,652)	(10,642,312)
Expected credit (losses)/reversal		(111,778)	(57,105)	(69,069)	(103,529)	(32,278)	11,853
<b>Operating profit</b>		<b>2,697,231</b>	<b>2,408,831</b>	<b>1,973,934</b>	<b>1,324,268</b>	<b>1,276,051</b>	<b>1,168,224</b>
Finance costs		(441,054)	(462,630)	(382,432)	(360,375)	(478,598)	(95,087)
Income tax expense / levies		(894,103)	(764,795)	(428,953)	(263,969)	(292,262)	(295,803)
<b>Profit for the year</b>		<b>1,362,074</b>	<b>1,181,406</b>	<b>1,162,549</b>	<b>699,924</b>	<b>505,191</b>	<b>777,334</b>
<b>UNCONSOLIDATED STATEMENT OF CASH FLOWS</b>		Rupees in '000'					
Net cash generated from operating activities		1,899,249	2,409,213	1,601,920	1,549,681	321,405	1,725,551
Net cash used in investing activities		(794,676)	(1,625,200)	(992,875)	(1,117,057)	(1,180,120)	(1,996,448)
Net cash (used in) / generated from financing activities		(1,165,160)	(1,260,718)	(1,517,527)	98,357	2,348,331	592,927
<b>Changes in cash &amp; cash equivalent (C&amp;CE)</b>		<b>(60,587)</b>	<b>(476,705)</b>	<b>(908,482)</b>	<b>530,981</b>	<b>1,489,616</b>	<b>322,030</b>
Cash & cash equivalents at beginning of the year		2,219,433	2,320,432	2,812,697	2,398,052	794,696	473,479
Effect of exchange rate change on C&CE		(26,469)	375,706	416,217	(116,336)	113,740	(813)
<b>Cash &amp; cash equivalents at end of year</b>		<b>2,132,377</b>	<b>2,219,433</b>	<b>2,320,432</b>	<b>2,812,697</b>	<b>2,398,052</b>	<b>794,696</b>

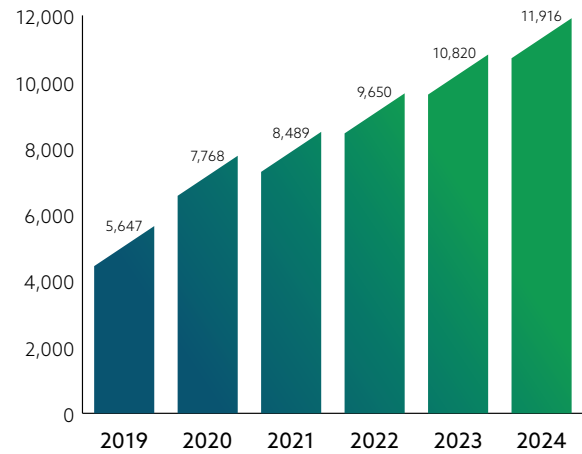


# SIX YEARS AT A GLANCE

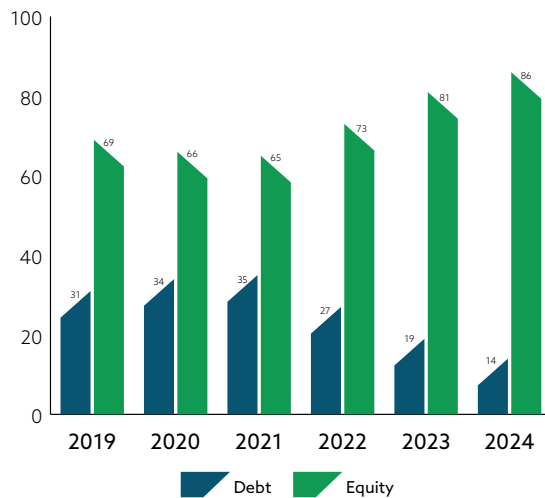
**Revenue - net**  
(Rupees in Million)



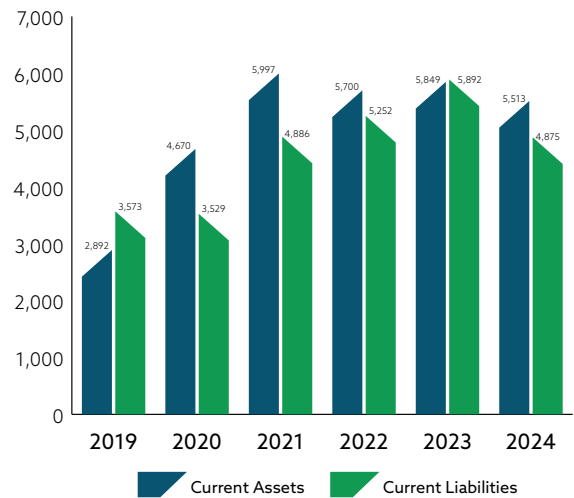
**Shareholders' equity**  
(Rupees in Million)



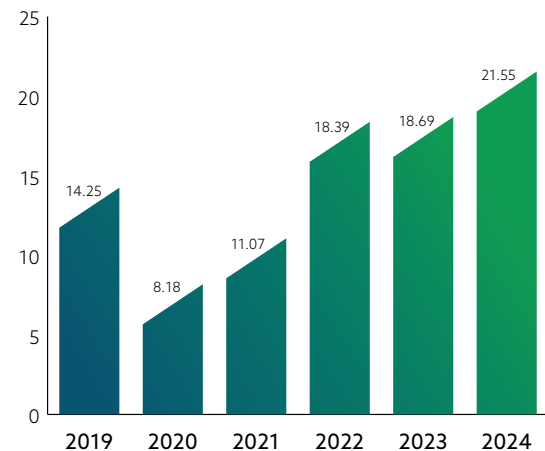
**Debt equity ratio**  
(%)



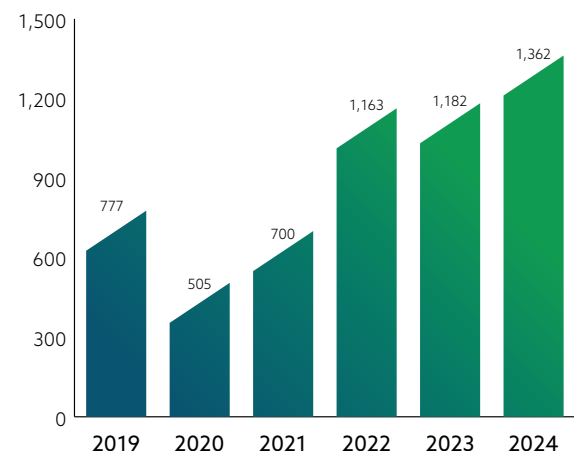
**Current assets & current liabilities**  
(Rupees in Million)



**Earnings per share**  
(Rupees)



**Profit for the year**  
(Rupees in Million)

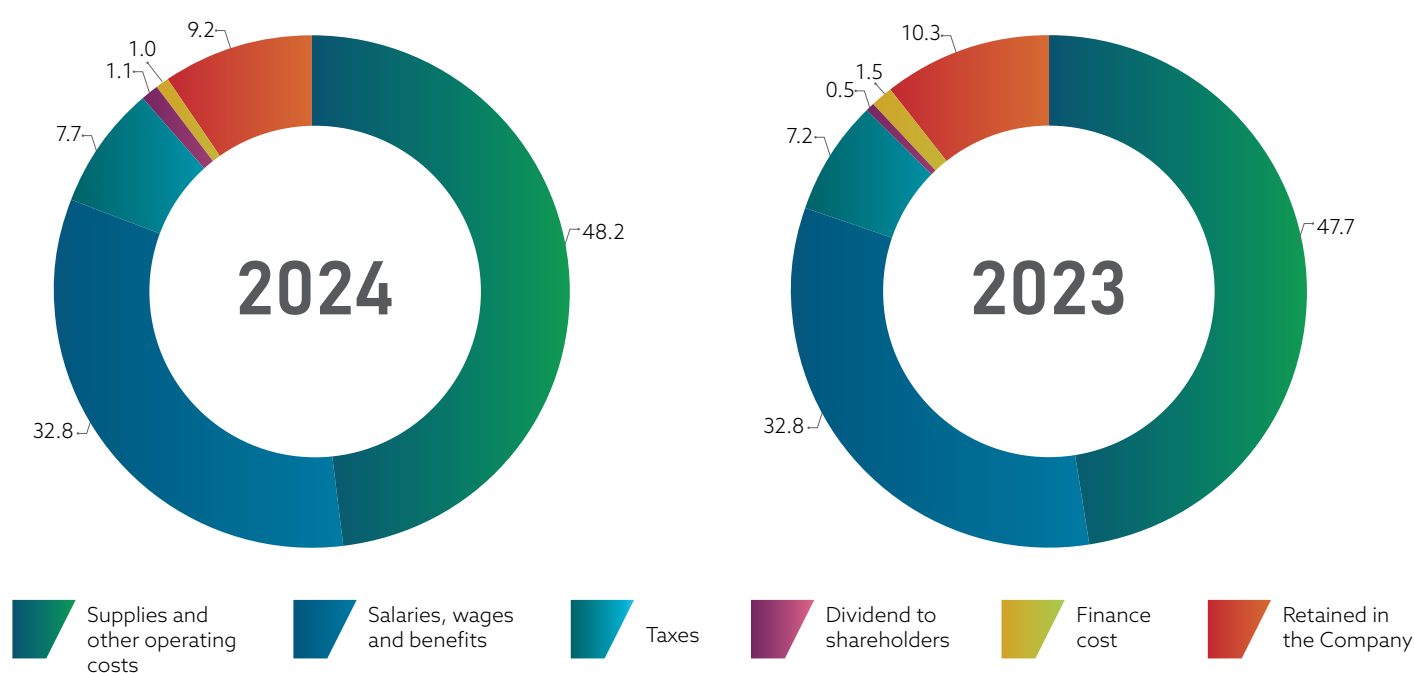


# HORIZONTAL & VERTICAL ANALYSIS

	2024	2023	2022	2021	2020	2019
<b>HORIZONTAL ANALYSIS</b>						
<b>UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION</b>						
	%					
Non-current assets	1.3	12.7	10.8	-	15.5	15.9
Current assets	(5.7)	2.6	(5.0)	28.4	61.5	11.1
Non-current asset held for sale	-	(100)	(46.3)	20.8	61.1	100
<b>Total Assets</b>	<b>(1.0)</b>	<b>7.3</b>	<b>3.1</b>	<b>9.4</b>	<b>27.8</b>	<b>17.7</b>
Share capital and reserves	10.1	12.1	13.7	9.3	37.6	10.2
Non-current liabilities	(14.6)	(24.2)	(30.4)	(16.3)	45.8	44.4
Current liabilities	(17.3)	12.2	7.5	38.5	(1.2)	13.9
<b>Total Equity and Liabilities</b>	<b>(1.0)</b>	<b>7.3</b>	<b>3.1</b>	<b>9.4</b>	<b>27.8</b>	<b>17.7</b>
<b>UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS</b>						
	%					
Revenue - net	19.5	21.8	13.9	17.0	3.4	14.4
Other income	(69.2)	(3.2)	493.1	(83.1)	1,338.7	(29.8)
Operating costs	17.2	20.8	14.7	12.4	7.9	11.9
Finance costs	(4.7)	21.0	6.1	(24.7)	403.3	66.0
Expected credit (losses) / reversal	95.7	(17.3)	(33.3)	220.7	(372.3)	100
<b>Profit before levies and income tax</b>	<b>15.9</b>	<b>22.3</b>	<b>65.1</b>	<b>20.9</b>	<b>(25.7)</b>	<b>39.7</b>
Income tax expense / levies	16.9	78.3	62.5	(9.7)	(1.2)	39.8
<b>Profit for the year</b>	<b>15.3</b>	<b>1.6</b>	<b>66.1</b>	<b>38.5</b>	<b>(35.0)</b>	<b>39.6</b>
<b>VERTICAL ANALYSIS</b>						
<b>UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION</b>						
	%					
Non-current assets	69.9	68.3	65.0	60.5	66.2	73.2
Current assets	30.1	31.7	33.1	35.9	30.6	24.2
Non-current asset held for sale	-	-	1.9	3.6	3.2	2.6
<b>Total Assets</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
Share capital and reserves	65.1	58.6	56.1	50.8	50.9	47.3
Non-current liabilities	8.2	9.5	13.4	19.9	26.0	22.8
Current liabilities	26.7	31.9	30.5	29.3	23.1	29.9
<b>Total Equity and Liabilities</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS</b>						
	%					
Revenue - net	100	100	100	100	100	100
Other income	0.8	3.1	3.9	0.8	5.2	0.4
Operating costs	(88.8)	(90.6)	(91.3)	(90.8)	(94.4)	(90.6)
Finance costs	(1.9)	(2.3)	(2.4)	(2.5)	(3.9)	(0.8)
Expected credit (losses) / reversal	(0.5)	(0.3)	(0.4)	(0.7)	(0.3)	0.1
<b>Profit before levies and income tax</b>	<b>9.6</b>	<b>9.9</b>	<b>9.8</b>	<b>6.8</b>	<b>6.6</b>	<b>9.1</b>
Income tax expense / levies	(3.8)	(3.9)	(2.6)	(1.9)	(2.4)	(2.5)
<b>Profit for the year</b>	<b>5.8</b>	<b>6.0</b>	<b>7.2</b>	<b>4.9</b>	<b>4.2</b>	<b>6.6</b>

# STATEMENT OF VALUE ADDITION

	2024		2023	
	(Rupees in '000')	%	(Rupees in '000')	%
<b>Wealth Generated</b>				
Revenue - net	23,563,840	99.2	19,721,425	97.0
Other income	190,123	0.8	617,015	3.0
	23,753,963	100	20,338,440	100
<b>Wealth Distributed</b>				
Supplies and other operating costs	11,443,657	48.2	9,708,108	47.7
<b>To Employees</b>				
Salaries, wages and benefits	7,800,352	32.8	6,670,502	32.8
<b>To Government</b>				
Taxes	1,817,727	7.7	1,465,574	7.2
<b>To Providers of Capital</b>				
Dividend to shareholders	252,858	1.1	94,822	0.5
Finance costs	249,397	1.0	309,304	1.5
	502,255	2.1	404,126	2.0
<b>Retained in the Business</b>				
Depreciation, amortization and retained profits	2,189,972	9.2	2,090,130	10.3
	23,753,963	100	20,338,440	100







# UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

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

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **SHIFA INTERNATIONAL HOSPITALS LIMITED** for the year ended June 30, 2024 in accordance with the requirements of regulation 36 of the Regulations.

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

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

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with 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 any 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 June 30, 2024.

ISLAMABAD

DATED: 19 SEP 2024

UDIN : CR202410060YcJoGMC7v



CHARTERED ACCOUNTANTS

Engagement Partner: Atif Riaz

BDO Ebrahim & Co. Chartered Accountants

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## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHIFA INTERNATIONAL HOSPITALS LIMITED

### Report on the Audit of the Unconsolidated Financial Statements

#### Opinion

We have audited the annexed unconsolidated financial statements of **SHIFA INTERNATIONAL HOSPITALS LIMITED** (the Company), which comprise the unconsolidated statement of financial position as at June 30, 2024, and the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows for the year then ended, and notes to the unconsolidated financial statements, including a summary of material 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 unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows, together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2024 and of the profit and comprehensive income, the changes in equity and its cash flows for the year then ended.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the unconsolidated 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 Judgement, were of most significance in our audit of unconsolidated financial statements of the current period. These matters are addressed in the context of our audit of the unconsolidated financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### BDO Ebrahim & Co. Chartered Accountants

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Following are the key audit matters:

Sr. No.	Key audit matters	How the matter was addressed in our audit
1.	<p><b>Revenue Recognition</b></p> <p>(Refer note 27 to the financial statement)</p> <p>Revenue consists of inpatient revenue, outpatient revenue, pharmacy, cafeteria, rent of building and other services.</p> <p>During the year ended June 30, 2024, the Company recognised aggregate revenue of Rs. 23,563.840 million from rendering of services to inpatients, outpatients, external pharmacy outlets, cafeteria sales, operating leases to related parties/ other parties and corporate services to subsidiaries/ associate respectively.</p> <p>We identified recognition of revenue as an area of higher risk as it includes large number of revenue transactions with a large number of customers in various geographical locations and revenue being one of the key performance indicators of the Company. Accordingly, it was considered as a key audit matter.</p>	<p>Our procedures in relation to revenue recognition, amongst others, included:</p> <ul style="list-style-type: none"> <li>• Understood and evaluated management controls over revenue and checked their validations;</li> <li>• Performed test of controls and evaluation of Information Technology General Controls (ITGC) with the assistance of our IT expert to assess the operating effectiveness of controls related to the automation of revenue recognition;</li> <li>• Checked that revenue has been recognised in accordance with the Company's accounting policy and the applicable reporting framework;</li> <li>• Performed verification of sample of revenue transactions with underlying documentation including invoices, agreements, charge-sheets and other relevant underlying documents;</li> <li>• Checked cash receipts from customers on sample basis against the revenue booked during the year;</li> <li>• Performed cut-off procedures on sample basis to ensure revenue has been recognised in the correct period;</li> <li>• Tested journal entries relating to revenue recognised during the year based on identified risk criteria; and</li> <li>• Assessed the appropriateness of disclosures made in the financial statements related to revenue as required under the applicable reporting framework.</li> </ul>

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Sr. No.	Key audit matters	How the matter was addressed in our audit
2.	<p><b>Expected credit loss allowance on trade debts</b> (Refer note 21 to the financial statement)</p> <p>The Company has recognised balance of an expected credit loss allowance of Rs. 241.147 million on gross amount of trade debts of Rs. 1,587.336 million as at June 30, 2024.</p> <p>Under IFRS 9, the Company is required to recognise expected credit loss allowance for financial assets using Expected Credit Loss (ECL) model. Determination of ECL provision for trade debts requires significant judgment and assumptions including consideration of factors such as historical credit loss experience, time value of money and forward-looking macroeconomic information etc. We have considered the expected credit loss assessment as a key audit matter due to the significance of estimates and judgments involved.</p>	<p>Our audit procedures in relation to expected credit loss assessment of trade debts, amongst others, included the following:</p> <ul style="list-style-type: none"> <li>• Understood the management's process for estimating the ECL in relation to trade debts. Assessed and evaluated the assumptions used by the management in determining impairment loss under the ECL model;</li> <li>• Checked appropriateness of ageing, on sample basis, by comparing individual balances with underlying documentation;</li> <li>• Reviewed the appropriateness of assumptions used for ECL computation from relevant external and internal sources;</li> <li>• Circularized balance confirmation for trade debtors on sample basis and evaluated responses received;</li> <li>• Checked subsequent clearance of balances due as of June 30, 2024 on sample basis; and</li> <li>• Assessed the appropriateness of disclosures related to impairment assessment of trade debts as required under the applicable reporting framework.</li> </ul>

#### Information Other than the Unconsolidated Financial Statements and Auditors' Report Thereon

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

Our opinion on the unconsolidated 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 unconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated 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 Unconsolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the unconsolidated 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 unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated 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 is responsible for overseeing the Company's financial reporting process.

## **Auditors' Responsibilities for the Audit of the Unconsolidated Financial Statements**

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

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opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' 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 unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

#### **Report on Other Legal and Regulatory Requirements**

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

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

The engagement partner on the audit resulting in this independent auditors' report is Atif Riaz.

**ISLAMABAD**

**DATED: 19 SEP 2024**

**UDIN : AR202410060LDvHastSg**



**BDO EBRAHIM & CO**  
**CHARTERED ACCOUNTANTS**

#### **BDO Ebrahim & Co. Chartered Accountants**

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# UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised share capital 100,000,000 (2023: 100,000,000) ordinary shares of Rs. 10 each		1,000,000	1,000,000
Issued, subscribed and paid up capital	5	632,144	632,144
<b>Capital reserves</b>			
Share premium	6	2,738,888	2,738,888
Surplus on revaluation of property, plant and equipment	7	920,827	936,615
<b>Revenue reserves</b>			
Unappropriated profits		7,624,157	6,511,963
		11,916,016	10,819,610
<b>NON - CURRENT LIABILITIES</b>			
Long term financing - secured	8	579,756	868,611
Deferred liabilities	9	389,394	423,143
Lease liabilities	10	526,907	459,047
		1,496,057	1,750,801
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	4,044,057	4,644,160
Unclaimed dividend		44,730	36,955
Markup accrued	12	23,858	70,874
Current portion of long term financing - secured	8	495,195	871,798
Current portion of lease liabilities	10	266,739	268,595
		4,874,579	5,892,382
		18,286,652	18,462,793

## CONTINGENCIES AND COMMITMENTS

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The annexed notes from 1 to 48 form an integral part of these unconsolidated financial statements.

  
CHAIRMAN

  
CHIEF EXECUTIVE



		2024	2023
	Note	(Rupees in '000')	
<b>NON - CURRENT ASSETS</b>			
Property, plant and equipment	14	6,837,904	7,017,740
Intangible assets	15	40,780	41,834
Investment property - at cost	16	720,292	748,450
Long term investments - at cost	17	5,060,970	4,714,217
Long term deposits	18	113,937	91,616
		12,773,883	12,613,857
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools	19	220,034	251,698
Stock in trade	20	1,041,866	982,498
Trade debts	21	1,346,189	1,366,122
Loans and advances	22	157,457	145,230
Deposits, prepayments and other receivables	23	185,398	289,284
Markup accrued		4,102	2,077
Other financial assets	24	202,566	307,919
Tax refunds due from the government (net of provision)	25	225,780	287,675
Cash and bank balances	26	2,129,377	2,216,433
		5,512,769	5,848,936
		18,286,652	18,462,793



CHIEF FINANCIAL OFFICER

# UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
Revenue - net	27	23,563,840	19,721,425
Other income	28	190,123	617,015
Operating costs	29	(20,944,954)	(17,872,504)
Finance costs	30	(441,054)	(462,630)
Expected credit losses	23.3 & 41.1.3	(111,778)	(57,105)
Profit before levies and income tax		2,256,177	1,946,201
Levies	31.2	(7,288)	(9,096)
Profit before income tax		2,248,889	1,937,105
Income tax expense	31	(886,815)	(755,699)
Profit for the year		1,362,074	1,181,406
Earnings per share - basic and diluted (Rupees)	32	21.55	18.69

The annexed notes from 1 to 48 form an integral part of these unconsolidated financial statements.

  
CHAIRMAN

  
CHIEF EXECUTIVE

  
CHIEF FINANCIAL OFFICER

# UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
Profit for the year		1,362,074	1,181,406
<b>Other comprehensive income:</b>			
<b>Items that will not be subsequently reclassified to the unconsolidated statement of profit or loss:</b>			
Loss on remeasurement of staff gratuity fund benefit plan (net of tax)	11.5.4	(76,024)	(16,399)
Surplus on revaluation of land		-	99,454
		(76,024)	83,055
Total comprehensive income for the year		1,286,050	1,264,461

The annexed notes from 1 to 48 form an integral part of these unconsolidated financial statements.

  
CHAIRMAN

  
CHIEF EXECUTIVE

  
CHIEF FINANCIAL OFFICER



# UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2024

	Share capital	Share premium	Surplus on revaluation of property, plant and equipment	Un-appropriated profits	Total
(Rupees in '000')					
<b>Balance as at July 01, 2022</b>	632,144	2,738,888	867,283	5,411,656	9,649,971
<b>Total comprehensive income</b>					
Profit for the year	-	-	-	1,181,406	1,181,406
Other comprehensive income / (loss) - net of tax	-	-	99,454	(16,399)	83,055
	-	-	99,454	1,165,007	1,264,461
Realisation of revaluation surplus on disposal of assets	-	-	(19,463)	19,463	-
Transfer of revaluation surplus on property, plant and equipment in respect of incremental depreciation / amortisation	-	-	(10,659)	10,659	-
<b>Distribution to owners</b>					
Dividend - Final 2022 @ Rs. 1.5 per share	-	-	-	(94,822)	(94,822)
<b>Balance as at June 30, 2023</b>	632,144	2,738,888	936,615	6,511,963	10,819,610
<b>Total comprehensive income</b>					
Profit for the year	-	-	-	1,362,074	1,362,074
Other comprehensive loss - net of tax	-	-	-	(76,024)	(76,024)
	-	-	-	1,286,050	1,286,050
Realisation of revaluation surplus on disposal of assets	-	-	(4,284)	4,284	-
Transfer of revaluation surplus on property, plant and equipment in respect of incremental depreciation / amortisation	-	-	(11,504)	11,504	-
<b>Distribution to owners</b>					
Dividend - Final 2023 @ Rs. 1.5 per share	-	-	-	(94,822)	(94,822)
Dividend - Interim 2024 @ Rs. 1.5 per share	-	-	-	(94,822)	(94,822)
<b>Balance as at June 30, 2024</b>	632,144	2,738,888	920,827	7,624,157	11,916,016

The annexed notes from 1 to 48 form an integral part of these unconsolidated financial statements.

  
CHAIRMAN

  
CHIEF EXECUTIVE

  
CHIEF FINANCIAL OFFICER

# UNCONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before levies and income tax		2,256,177	1,946,201
Adjustment of non-cash income and expense	40	2,070,835	1,361,397
Operating cash flows before changes in working capital		4,327,012	3,307,598
<b>Changes in working capital:</b>			
<b>(Increase) / decrease in current assets:</b>			
Stores, spare parts and loose tools		33,556	(39,452)
Stock-in-trade		(59,368)	(270,530)
Trade debts		(73,340)	(458,458)
Loans and advances		(12,227)	90,584
Deposits, prepayments and other receivables		85,381	(9,322)
<b>(Decrease) / increase in current liabilities:</b>			
Trade and other payables		(779,810)	959,281
		(805,808)	272,103
Cash generated from operations		3,521,204	3,579,701
Finance costs paid		(395,644)	(334,925)
Income tax paid		(827,215)	(538,198)
Payment to SIHL Employees' Gratuity Fund Trust		(242,112)	(141,271)
Compensated absences paid		(72,684)	(58,095)
Payment to defined contribution plan		(84,300)	(97,999)
Net cash generated from operating activities		1,899,249	2,409,213
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Addition to property, plant and equipment (PPE)		(616,043)	(1,264,001)
Outlay against long term investments		(425,000)	(795,599)
Encashment of other financial assets - net		155,377	269,492
Proceeds from disposal of PPE		4,662	97,663
Proceeds on derecognition of investment		2,265	-
Proceeds from disposal of investment property		26,000	-
Markup received		64,889	44,578
Dividend received		16,975	28,858
Increase in long term deposits		(23,801)	(6,191)
Net cash used in investing activities		(794,676)	(1,625,200)

# UNCONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Long term financing - repayments		(881,581)	(1,353,678)
Proceeds from long term financing		216,122	470,534
Deferred grant received		-	15,918
Payment of lease liabilities		(317,832)	(294,847)
Dividend paid		(181,869)	(98,645)
Net cash used in financing activities		(1,165,160)	(1,260,718)
Net decrease in cash and cash equivalents		(60,587)	(476,705)
<b>Cash and cash equivalents at beginning of the year</b>		2,219,433	2,320,432
Effect of exchange rate changes on cash and cash equivalents		(26,469)	375,706
<b>Cash and cash equivalents at end of the year</b>	38	2,132,377	2,219,433

The annexed notes from 1 to 48 form an integral part of these unconsolidated financial statements.

  
CHAIRMAN

  
CHIEF EXECUTIVE

  
CHIEF FINANCIAL OFFICER



# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 1 STATUS AND NATURE OF BUSINESS

Shifa International Hospitals Limited (the Company/SIHL) was incorporated in Pakistan on September 29, 1987 as a private limited company under the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017 on May 30, 2017) and converted into a public limited company on October 12, 1989. The shares of the Company are quoted on Pakistan Stock Exchange Limited. The registered office of the Company is situated at Sector H-8/4, Islamabad.

The principal activity of the Company is to establish and run medical centers and hospitals in Pakistan. The Company has established its first hospital in 1993 in H-8/4 Islamabad, second hospital in 2011 in Faisalabad and another in 2014 in G-10/4 Islamabad. The Company is also running medical centers, lab collection points and pharmacies in different cities of Pakistan.

Geographical locations of business units of the Company are as follows:

H-8 Hospital, Pitras Bukhari Road, Sector H-8/4, Islamabad

G-10 Hospital, G-10 Markaz, Islamabad

Shifa Medical Center, Gulberg Greens, Islamabad

Faisalabad Hospital, Main Jaranwala Road, Faisalabad

Shifa Medical Center, Iskandarabad, Mianwali

Shifa Pharmacy, Telephone Industries of Pakistan, Haripur

Shifa Pharmacy, Ring Road, Peshawar

	2024	2023
Percentage share of total revenue given in note 27.		
Islamabad	97%	97%
Faisalabad	3%	3%
	100%	100%

## 2 BASIS OF PREPARATION

### 2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and Islamic Financial Accounting Standards (IFASs) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

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

## 2.2 Basis of measurement

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

In these unconsolidated financial statements, being the separate financial statements of the Company, investment in subsidiaries and associates are stated at cost rather than on the basis of reporting results of the investee. Consolidated financial statements are prepared separately.

## 2.3 Functional and presentation currency

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

## 2.4 Use of estimates and judgments

The preparation of unconsolidated financial statements in conformity with accounting and reporting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgment about carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The areas where various assumptions and estimates are significant to the Company's unconsolidated financial statements or where judgment was exercised in application of accounting policies are as follows:

- i) Estimate of fair value of financial liabilities at initial recognition - notes 4.3, 4.4, 4.17.4 and 8.
- ii) Provision for taxation - notes 4.5, 4.6, 9 and 31
- iii) Right of use asset and corresponding lease liability - notes 4.7, 10 and 14
- iv) Employee benefits - notes 4.9, 11.4 and 11.5
- v) Provisions and contingencies - notes 4.10, 4.11 and 13
- vi) Estimate of useful life of property, plant and equipment - notes 4.12 and 14
- vii) Estimate of useful life of intangible assets - notes 4.13 and 15

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

- viii) Impairment of non-financial assets - note 4.15
- ix) Estimate of recoverable amount of investment in subsidiaries and associated companies - notes 4.16 and 17
- x) Expected credit loss allowance - notes 4.17.2, 23.3 and 41.1.3
- xi) Provision for slow moving stores, spares and loose tools - notes 4.18, 4.19 and 19

## 3 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

### **New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2024**

The following standards, amendments and interpretations are effective for the year ended June 30, 2024. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2 Making Materiality Judgements- Disclosure of Accounting Policies	January 01, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes	January 01, 2023

The Company adopted the narrow-scope amendments to the International Accounting Standard (IAS) 1, Presentation of Financial Statements which have been effective for annual reporting periods beginning on or after January 01, 2023. Although the amendments did not result in any changes to accounting policy themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting the Company to provide useful entity-specific accounting policy information that users need to understand other information in the financial statements.



# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Management reviewed the accounting policies and updates to the information disclosed in note 4 Material accounting policies (2023: Significant accounting policies) in certain instances in line with the amendments and concluded that all its accounting policies are material for disclosure.

## **New accounting standards, amendments and interpretations that are not yet effective**

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

	<b>Effective date (annual periods beginning on or after)</b>
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of Accounting Policies	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025
IFRS 17 Insurance Contracts	January 01, 2026

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 18 'Presentation and Disclosures in Financial Statements' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP.

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP.

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2026.

The Company expects that the adoption of the above standards will have no material effect on the Company's financial statements, in the period of initial application.

## 4 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies set out below have been applied consistently to all periods presented in these unconsolidated financial statements, except for changes as are disclosed in relevant notes.

### 4.1 Change in accounting policy

During the year, the Institute of Chartered Accountants of Pakistan (ICAP) have withdrawn the Technical Release 27 "IAS 12, Income Taxes (Revised 2012)" and issued guidance - "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes". The said guidance requires certain amounts of tax paid under minimum tax (which is not adjustable against future income tax liability) and final tax regime to be shown separately as a levy instead of showing it in current tax.

The management believes that the new policy provides reliable and more relevant information to the users of the financial statements. Accordingly, the impact has been incorporated in these financial statements retrospectively in accordance with the requirement of International Accounting Standard (IAS 8) 'Accounting Policies, Change in Accounting Estimates and Errors'. There has been no effect on the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and Earnings Per Share as a result of this change.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Effect on unconsolidated statement of profit or loss	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating changes in accounting policy
(Rupees in '000')			
<b>June 30, 2024:</b>			
Levies	-	7,288	7,288
Profit before levies and income tax	2,256,177	(7,288)	2,248,889
Income tax expense	894,103	(7,288)	886,815
<b>June 30, 2023:</b>			
Levies	-	9,096	9,096
Profit before levies and income tax	1,946,201	(9,096)	1,937,105
Income tax expense	764,795	(9,096)	755,699

## 4.2 Share capital and dividend

Dividend is recognised as a liability in the period in which it is declared. Movement in reserves is recognised in the year in which it is approved.

## 4.3 Financing and finance cost

Financing is recognised initially at fair value, less attributable transaction costs. Subsequent to initial recognition, financing is stated at amortised cost with any difference between cost and redemption value being recognised in the unconsolidated statement of profit or loss over the period of the financing on an effective interest basis. Finance cost is recognized as an expense in the period in which it is incurred.

## 4.4 Government grants

Government grants are transfer of resources to an entity by a government entity in return for compliance with certain past or future conditions related to the entity's operating activities - e.g. a government subsidy.

Government grants are recognised at fair value, as deferred income, when there is reasonable assurance that the grants will be received and the Company will be able to comply with the conditions associated with the grants.

Grants that compensate the Company for expenses incurred, are recognised on a systematic basis in the income for the year in which the finance cost is recognised and reported net of grant in note 30.

A loan is initially recognised and subsequently measured in accordance with IFRS 9. IFRS 9 requires loans at below-market rates to be initially measured at their fair value - e.g. the present value of the expected future cash flows discounted at a market-related interest rate. The benefit that is the government grant is measured as the difference between the fair value of the loan on initial recognition and the amount received, which is accounted for according to the nature of the grant.



# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 4.5 Taxation

Taxation for the year comprises current and deferred tax. Taxation is recognised in the unconsolidated statement of profit or loss except to the extent that it relates to items recognised directly in equity or in comprehensive income.

### Current

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

### Deferred

Deferred tax is accounted for using balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the unconsolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that is no longer probable that the related tax benefit will be realised.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on tax rates that have been enacted. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity or on different tax entities but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

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

## 4.6 Levies

Minimum tax, final tax and super-tax not based on taxable profits are recognised as a levy in the unconsolidated statement of profit or loss. The amount calculated on taxable income using the notified tax rate is recognized as current income tax expense for the year in statement of profit or loss under the scope of IAS 12. Any excess of expected income tax paid or payable for the year under the Income Tax Ordinance, 2001 over the amount designated as current income tax for the year, is then recognised as a levy falling under the scope of IFRIC 21 / IAS 37.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 4.7 Leases

### 4.7.1 Right of use assets (ROUs)

The Company recognizes right of use assets and a lease liability at the lease commencement date. The right of use assets is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of use assets is subsequently depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of the right of use assets or the end of the lease term. The estimated useful lives of right of use assets are determined as those of similar assets or the lease term as specified in contract. In addition, the right of use assets is periodically reduced by impairment loss, if any, and adjusted for certain remeasurements of the lease liability.

The Company has not elected to recognise right of use assets and lease liabilities for short-term leases of properties that have a lease term of 12 months or less and leases of low value assets. The Company recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

### 4.7.2 Lease liability

The lease liability is initially measured at the present value of the future lease payments discounted using the Company's incremental borrowing rate. Lease payments in the measurement of the lease liability comprise the following:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payment that are based on an index or a rate;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use assets, or is recorded in unconsolidated statement of profit or loss if the carrying amount of the right of use asset has been reduced to zero.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 4.8 Trade and other payable

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

## 4.9 Employee benefits

### Defined benefit plan

The Company operates approved funded gratuity scheme for all its non management employees who have completed the minimum qualifying period of service as defined in the scheme. Provision is made annually to cover obligations under the scheme on the basis of actuarial valuation and is charged to the unconsolidated statement of profit or loss. The actuarial gain or loss at each evaluation date is charged to unconsolidated statement of comprehensive income.

The amount recognised in the unconsolidated statement of financial position represents the present value of defined benefit obligations as reduced by the fair value of plan assets.

Calculation of gratuity asset requires assumptions to be made of future outcomes which mainly include increase in remuneration, expected long term return on plan assets and the discount rate used to convert future cash flows to current values. Calculations are sensitive to changes in the underlying assumptions and determined by actuary.

### Defined contribution plan

A defined contribution plan is a post-employment benefit plan where monthly contribution equal to 1/12th of eligible salary is made by the Company in employees' pension fund account maintained with designated asset management company and recognised as expense in the unconsolidated statement of profit or loss as and when they become due. Employees will be eligible for pension fund on the completion of minimum qualifying period. On fulfilment of criteria accumulated contribution against qualifying period of services from the date of joining classified as deferred liability and will be transferred to employees' pension fund account.

### Compensated absences

The Company provides for compensated absences of its employees on un-availed balance of leaves in the period in which the leave is earned. Accrual to cover the obligations is made using the current salary levels of the employees.

## 4.10 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. However, provisions are reviewed at each reporting date and adjusted prospectively to reflect the current best estimates.



# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 4.11 Contingencies

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, 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 the Company has a present legal or constructive 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.

The Company discloses significant contingent liabilities for the pending litigations and claims against the Company based on its judgment and the advice of the legal advisors for the estimated financial outcome. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognised at the reporting date. However, based on the best judgment of the Company and its legal advisors, the likely outcome of these litigations and claims is remote and there is no need to recognise any liability at the reporting date.

## 4.12 Property, plant and equipment

Property, plant and equipment except freehold and leasehold lands and capital work in progress are stated at cost less accumulated depreciation and impairment in value, if any. Leasehold land is stated at revalued amount being the fair value at the date of revaluation, less any subsequent accumulated amortisation and impairment loss while freehold land is stated at revalued amount being the fair value at the date of revaluation, less subsequent impairment loss, if any.

Any revaluation increase arising on the revaluation of land is recognised in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property, plant and equipment", except to the extent that it reverses a revaluation decrease for the same asset previously recognised in the unconsolidated statement of profit or loss, in which case the increase is credited to the unconsolidated statement of profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of land is charged to the unconsolidated statement of profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset. The surplus on leasehold land to the extent of incremental depreciation charged is transferred to unappropriated profit.

Capital work in progress and stores held for capital expenditure are stated at cost less impairment loss recognised, if any. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work in progress. These are transferred to specific items of property, plant and equipment when available for intended use.

Subsequent costs are included in the asset's carrying amount or recognised 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.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

All other repair and maintenance costs that do not meet the recognition criteria are charged to the unconsolidated statement of profit or loss as and when incurred.

Depreciation / amortisation is charged to the unconsolidated statement of profit or loss commencing when the asset is ready for its intended use, applying the straight line method over the estimated useful life.

In respect of additions and disposals during the year, depreciation / amortisation is charged when the asset is available for use and up to the month preceding the asset's classified as held for sale or derecognised, whichever is earlier.

Assets are derecognised when disposed off or when no future economic benefits are expected to flow from its use. Gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and is recognised on net basis in the unconsolidated statement of profit or loss.

The Company reviews the useful lives of property, plant and equipment on a regular basis. Similarly revaluation of lands are made with sufficient regularity. 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 / amortisation charge and impairment.

## **4.13 Intangible assets**

Intangible assets are stated at cost less accumulated amortisation and impairment loss, if any. Subsequent cost on intangible assets is capitalised only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditure is expensed as incurred.

Amortisation is charged to the unconsolidated statement of profit or loss on a straight line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Amortisation on additions to intangible assets is charged from the month in which an item is acquired or capitalised while no amortisation is charged for the month in which the item is disposed off.

The Company reviews the useful lives of intangible assets on a regular basis. Any change in estimates in future years might affect the carrying amounts of the respective items of intangibles with the corresponding effect on the amortisation charge and impairment.

## **4.14 Investment property - at cost**

Investment property, principally comprising of land, is held for long term capital appreciation and is valued using the cost method i.e. at cost less impairment loss, if any.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs, if any.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

The gain or loss on disposal of investment property, represented by the difference between the sale proceeds and the carrying amount of the asset is recognised as income or expense in the unconsolidated statement of profit or loss.

## **4.15 Impairment of non - financial assets**

The Company assesses at each reporting date whether there is any indication that assets except deferred tax assets and inventory 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 amounts. Where carrying values exceed the respective recoverable amounts, assets are written down to their recoverable amounts and the resulting impairment loss is recognised in the unconsolidated statement of profit or loss except for the impairment loss on revalued assets, which is adjusted against the related revaluation surplus to the extent that the impairment loss does not exceed the surplus on revaluation of that asset. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

Where impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised recoverable amount but limited to the extent of the carrying amount that would have been determined (net of depreciation / amortisation) had no impairment loss been recognised for the asset in prior years. Reversal of impairment loss is recognised in the unconsolidated statement of profit or loss.

## **4.16 Investments**

All purchases and sales of investments are recognised using settlement date accounting. Settlement date is the date on which that investments are delivered to or by the Company. All investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

### **4.16.1 Investment in subsidiary**

Investment in subsidiary is initially recognised at cost. At subsequent reporting date, recoverable amounts are estimated to determine the extent of impairment loss, if any, and carrying amount of investment is adjusted accordingly. Impairment loss is recognised as expense in the unconsolidated statement of profit or loss. Where impairment loss is subsequently reversed, the carrying amount of investment are increased to its revised recoverable amount, limited to the extent of initial cost of investment. Reversal of impairment loss is recognised in the unconsolidated statement of profit or loss.

The profit or loss of subsidiaries is carried forward in their financial statements and is not dealt within these unconsolidated financial statements except to the extent of dividend declared by the subsidiaries. Gain or loss on disposal of investment is included in unconsolidated statement of profit or loss. When the disposal of investment in subsidiary results in loss of control such that it becomes an associate, the retained investment is carried at cost.



# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 4.16.2 Investment in associate

Investment in associate is initially recognised at cost. At subsequent reporting date, the recoverable amounts are estimated to determine the extent of impairment loss, if any, and carrying amount of investments is adjusted accordingly. Impairment loss is recognised as expense in the unconsolidated statement of profit or loss. Where impairment loss is subsequently reversed, the carrying amount of investment is increased to the revised recoverable amounts but limited to the extent of initial cost of investments. A reversal of impairment loss is recognised in the unconsolidated statement of profit or loss. The profit or loss of associate is carried forward in their financial statements and is not dealt within these unconsolidated financial statements except to the extent of dividend declared by the associate. Gain or loss on disposal of investments is included in the unconsolidated statement of profit or loss.

## 4.17 Financial assets

### Initial measurement

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

The Company classifies its financial assets into following three categories:

- fair value through other comprehensive income (FVOCI);
- fair value through profit or loss (FVTPL); and
- amortised cost.

### Subsequent measurement

#### i) Debt instrument at FVOCI

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gain or loss and impairment are recognised in the unconsolidated statement of profit or loss. Other net gain or loss is recognised in the unconsolidated statement of comprehensive income. On derecognition, gain or loss accumulated in the unconsolidated statement of comprehensive income is reclassified to the unconsolidated statement of profit or loss.

#### ii) Equity instrument at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in the unconsolidated statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gain or loss is recognised in the unconsolidated statement of comprehensive income and is never reclassified to the unconsolidated statement of profit or loss.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## iii) **Financial assets at FVTPL**

These assets are subsequently measured at fair value. Net gain or loss, including any interest / markup and dividend income, is recognised in the unconsolidated statement of profit or loss.

## iv) **Financial assets at amortised cost**

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment loss. Interest / markup income, foreign exchange gain or loss and impairment are recognised in the unconsolidated statement of profit or loss.

### 4.17.1 **Other financial assets**

Investment in Units of Mutual Funds is classified at fair value through profit or loss and is initially measured at fair value and subsequently is measured at fair value determined using the net assets value of the funds at each reporting date. Net gain or loss is recognised in the unconsolidated statement of profit or loss.

Investments in term deposit receipts is classified as amortised cost and is initially measured at fair value. Transaction costs directly attributable to the acquisition are included in the carrying amount. Subsequently, these investments are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment loss, if any. Interest / markup income, loss and impairment are recognised in the unconsolidated statement of profit or loss.

### 4.17.2 **Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Company applies the simplified approach for trade debts which requires expected life time losses to be recognised from initial recognition of the receivables.

The Company recognises life time ECL for trade debts, using the simplified approach. The ECL on trade debts is estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date. Life time ECL against other receivables is also recognised due to significant increase in credit risk since initial recognition.

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date reduced by security deposit held. For other financial assets, the ECL is based on the 12-month ECL. The 12-month ECL is the portion of life time ECLs that

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

The Company recognises an impairment loss in the unconsolidated statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

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

The Company writes off financial assets that are still subject to enforcement activities. Subsequent recoveries of amounts previously written off will result in impairment gain.

#### **4.17.3 Derecognition**

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

#### **4.17.4 Financial liabilities**

Financial liabilities are classified as measured at amortised cost or at fair value through profit or loss (FVTPL). A financial liability is classified at FVTPL if it is held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gain or loss, including any interest expense, are recognised in the unconsolidated statement of profit or loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gain or loss is recognised in the unconsolidated statement of profit or loss. Any gain or loss on derecognition is also recognised in the unconsolidated statement of profit or loss.

Financial liabilities are derecognised when the contractual obligations are discharged or cancelled or have expired or when the financial liabilities cash flows have been substantially modified.

#### **4.17.5 Off-setting financial assets and financial liabilities**

Financial assets and liabilities are offset and the net amount is reported in the unconsolidated statement of financial position, if the Company has a legally enforceable right to set off the recognised amounts, and the Company either intends to settle on a net basis, or realise the asset and settle the liability simultaneously. Legally enforceable right must not be contingent on future events and must be enforceable in normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counter party.



# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## **4.18 Stores, spare parts and loose tools**

These are valued at cost, determined on moving average cost basis or net realisable value, whichever is lower. For items which are slow moving or identified as surplus to the Company's requirement, a provision is made for excess of book value over estimated net realisable value.

The Company reviews the carrying amount of stores, spare parts and loose tools on a regular basis. Any change in the estimates in future years might affect the carrying amount of the respective items of stores and spares with a corresponding affect on the provision.

## **4.19 Stock in trade**

Stock in trade is valued at lower of cost, determined on moving average basis or net realisable value. The cost includes expenditure incurred in acquiring the stock items and other cost incurred in bringing them to their present location and condition.

The Company reviews the carrying amount of stock in trade on a regular basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of stores and spares with a corresponding affect on the provision.

## **4.20 Trade debts, loans, deposits, interest accrued and other receivables**

These are classified at amortised cost and are initially recognised when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery. Past years experience of credit loss is used to base the calculation of credit loss.

## **4.21 Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand, cheques in hand, balances with banks and highly liquid short term investments that are readily convertible to known amount of cash and which are subject to insignificant risk of change in value with maturity of three months or less from the date of acquisition.

## **4.22 Foreign currencies**

Transactions in currencies other than Pak Rupees are recorded at the rates of exchange prevailing on the dates of transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rate prevailing on the reporting date. Gain or loss arising on retranslation is included in the unconsolidated statement of profit or loss.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 4.23 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors that makes strategic decisions. The management has determined that the Company has a single reportable segment as the board of directors view the Company's operations as one reportable segment.

## 4.24 Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer. Revenue from operations of the Company is recognised when the services are provided, and thereby the performance obligations are satisfied.

Revenue consists of inpatient revenue, outpatient revenue, pharmacy, cafeteria, rent of building and other services. Company's contract performance obligations are fulfilled at point in time when the services are provided to customer in case of inpatient, outpatient and other services and goods are delivered to customer in case of pharmacy and cafeteria revenue. Revenue is recognised at that point in time, as the control has been transferred to the customers.

Receivable is recognised when the services are provided and goods are delivered to customers as this is the point in time that the consideration is unconditional because only passage of time is required before the payment is due. The Company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as 'advances from customers' in the unconsolidated statement of financial position.

Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Rental income is recognised on a straight line basis over the term of the rent agreement.

Scrap sales and miscellaneous receipts are recognised on realised amounts.

## 4.25 Earnings per share

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

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 4.26 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market is accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

All assets and liabilities for which fair value is measured or disclosed in the unconsolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level of input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - Valuation techniques for which the lowest level of input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the unconsolidated financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level of input that is significant to the fair value measurement as a whole) at the end of each reporting period.



# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 5 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

	2024	2023		2024	2023
	Number			(Rupees in '000')	
	61,974,886	61,974,886	Ordinary shares of Rs.10 each issued for cash	619,749	619,749
	1,239,497	1,239,497	Ordinary shares of Rs.10 each issued as fully paid bonus shares	12,395	12,395
	63,214,383	63,214,383		632,144	632,144

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

5.2 7,585,725 ordinary shares representing 12% shareholding in the Company are owned by International Finance Corporation (IFC). IFC has the right to nominate one director at the board of directors of the Company as long as IFC holds ordinary shares representing 5% of total issued share capital of the Company. Further, the Company if intends to amend or repeal the memorandum and articles, effects the rights of IFC on its shares issuance of preference shares ranking seniors to the equity securities held by IFC, incur any financial debt to any shareholder, change the nature of the business of the Company etc. shall seek consent of IFC.

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

### 5.4 Capital management

The Company's objectives when managing capital are to ensure the Company's ability not only to continue as a going concern but also to meet its requirements for expansion and enhancement of its business, maximise return of shareholders and optimise benefits for other stakeholders to maintain an optimal capital structure and to reduce the cost of capital. There were no changes to the Company's approach to capital management during the year.

	2024	2023
Equity (Rupees in '000')	11,916,016	10,819,610
Debt including impact of lease liabilities (Rupees in '000')	1,868,597	2,468,051
Debt to equity ratio	0.14	0.19

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

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In order to achieve the above objectives, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares through bonus or right issue or sell assets to reduce debts or raise debts, if required.

## 6 SHARE PREMIUM

This comprises of share premium of Rs. 5, Rs. 250 and Rs. 229.29 per share received on issue of 8,000,000, 4,024,100 and 7,436,986 ordinary shares of Rs. 10 each in the years 1994, 2016 and 2020, respectively. Out of the above, the Company during the year ended June 30, 2022 has issued bonus shares at the rate of 2 % (total 1,239,497 bonus shares having face value of Rs. 10 each) as approved in Annual General Meeting held on October 28, 2021. The balance reserve cannot be utilised except for the purposes mentioned in section 81 of the Companies Act, 2017.

		2024	2023
		(Rupees in '000')	
<b>7</b>	<b>SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT</b>		
	Balance at beginning of the year	936,615	867,283
	Revaluation surplus during the year	-	99,454
	Realisation of revaluation surplus on disposal of assets	(4,284)	(19,463)
	Transferred to unappropriated profits in respect of incremental depreciation / amortisation charged during the year	(11,504)	(10,659)
	Balance at end of the year	920,827	936,615

- 7.1 Surplus on revaluation of property, plant and equipment in respect of leasehold and freehold lands is not available for distribution of dividend to the shareholders of the Company in accordance with section 241 of the Companies Act, 2017.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
<b>8</b>	<b>LONG TERM FINANCING - SECURED</b>		
	<b>From banking companies and non banking financial institution:</b>		
Syndicated Islamic Finance Facility	8.1	142,857	713,818
Diminishing Musharakah Facility-1	8.2	78,250	72,176
Diminishing Musharakah Facility-2	8.3	83,333	250,000
Diminishing Musharakah Facility-3	8.4	577,390	407,196
Refinance Facility to Combat COVID-19 (RFCC)	8.5	78,486	111,419
Deferred income - Government grant		13,329	27,830
		91,815	139,249
Islamic Refinance Facility to Combat COVID -19 (IRFCC)	8.6	69,647	107,798
Deferred income - Government grant		5,341	13,313
		74,988	121,111
Islamic Refinance Facility to Combat COVID-19 (IRFCC)	8.7	22,245	29,412
Deferred income - Government grant		4,073	7,447
		26,318	36,859
		1,074,951	1,740,409
Less: current portion		495,195	871,798
		579,756	868,611

8.1 This represents syndicated Islamic finance facility, arranged and lead by Meezan Bank Limited, obtained on profit rate basis at 3 months KIBOR plus 0.85% (2023: 3 months KIBOR plus 0.85%) per annum, repayable in 14 equal quarterly instalments. The Company has availed the loan facility up to the total sanctioned limit of Rs. 2,000 million repayable by August 22, 2024. The financing is secured by pari passu charge of Rs. 2,667 million on all present and future Company's movable fixed assets and land/building located at H-8/4, Islamabad. Meezan Bank Limited has the custody of original ownership documents of the Company's land located at H-8/4 Islamabad.

8.2 This includes outstanding balance of Rs. 1.6 million (2023: Rs. 19.6 million) against the long term Islamic finance facility obtained from Al Baraka Bank (Pakistan) Limited of Rs. 449.5 million (2023: Rs. 449.5 million). Principal amount is repayable in 36 equal monthly instalments carrying profit rate at 3 months KIBOR plus 0.80% (2023: 3 months KIBOR plus 0.80%) per annum. The financing is secured by first exclusive charge of Rs. 781.3



# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

million against equipment/machinery. The unavailed limit of this facility is nil (2023: Rs. 20.7 million). This also includes an outstanding balance of Rs. 76.6 million (2023: Rs. 52.6 million) against long term Islamic finance facility obtained under Diminishing Musharakah basis from First Habib Modaraba of Rs. 119.1 million (2023: Rs. 83.2 million). Principal amount is repayable in 60 equal monthly instalments carrying profit rate at 3 months KIBOR plus 0.70% (2023: 3 months KIBOR plus 0.70%) per annum. The unavailed limit of this facility is nil (2023: nil).

- 8.3 This represents outstanding balance of long term Islamic finance facility obtained from Meezan Bank Limited of Rs. 500 million (2023: Rs. 500 million). Principal amount shall be repaid by October 01, 2024 in 12 equal quarterly instalments carrying profit rate at 3 months KIBOR plus 0.85% (2023: 3 months KIBOR plus 0.85%) per annum. The financing is secured by first pari passu charge of Rs. 667 million on all present and future fixed assets of the Company.
- 8.4 This represents long term Islamic finance facility obtained from Bank Alfalah Limited of Rs. 577.4 million (2023: Rs. 407.2 million). Principal amount is repayable in 12 equal quarterly instalments carrying profit rate at 3 months KIBOR plus 0.70% (2023: 3 months KIBOR plus 0.70%) per annum. The financing is initially secured by ranking charge of Rs. 800 million, then followed by a first exclusive charge of Rs. 451.3 million against the plant and machinery being financed under DM facility to be installed / placed at hospital located at H-8/4, Islamabad. Additionally, the remaining charge of Rs. 348.7 million against the plant and machinery being financed under the DM facility will be upgraded to the first exclusive charge in order to vacate the ranking charge. The unavailed limit of this facility is nil (2023: Rs. 179.9 million).
- 8.5 This represents the outstanding balance of long term finance facility obtained from United Bank Limited of Rs. 185.2 million (2023: Rs. 185.2 million). Principal amount shall be repaid by September 14, 2026 in 18 equal quarterly instalments carrying profit at 1% per annum. The financing is secured by first pari passu charge of Rs. 267 million over fixed assets (excluding land and building) of the Company. The unavailed limit of this facility is nil (2023: nil). Since the financing under SBP refinance scheme carries the markup rate below the market rate, the loan has been recognised at present value using the Company's effective profit rate along with the recognition of government grant.

	2024	2023
	(Rupees in '000')	
Balance at beginning of the year	27,830	29,483
Received during the year	-	12,013
Amortisation during the year	(14,501)	(13,666)
Balance at end of the year	13,329	27,830

- 8.6 This represents the outstanding balance of long term Islamic finance facility obtained from Meezan Bank Limited of Rs. 200 million (2023: Rs. 200 million) for the purpose of import / purchase of medical equipment/machinery to combat COVID-19 under State

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Bank of Pakistan IRFCC scheme. Principal amount shall be repaid by December 29, 2025 in 18 equal quarterly instalments with no profit rate. The financing is secured by first pari passu hypothecation charge of Rs. 267 million on all present and future fixed assets of the Company (excluding land and building). The unavailed limit of this facility is nil (2023: nil). Since the financing under SBP refinance scheme carries no profit rate, the loan has been recognised at present value using the Company's effective profit rate along with the recognition of government grant.

	2024	2023
	(Rupees in '000')	
Balance at beginning of the year	13,313	20,014
Received during the year	-	3,905
Amortisation during the year	(7,972)	(10,606)
Balance at end of the year	5,341	13,313

- 8.7 This represents the outstanding balance of long term Islamic finance facility obtained from Al Baraka Bank (Pakistan) Limited of Rs. 45.9 million (2023: Rs. 45.9 million) for the purpose of import/purchase of medical equipment/machinery to combat COVID-19 under State Bank of Pakistan IRFCC scheme. Principal amount shall be repaid in 9 equal half yearly instalments with profit rate of 1% per annum. The facility is secured by exclusive charge of Rs. 55 million over equipment/machinery against DM IRFCC. Since the financing under SBP refinance scheme carries the profit rate below the market rate, the loan has been recognised at present value using the Company's effective profit rate along with the recognition of government grant.

		2024	2023
	Note	(Rupees in '000')	
Balance at beginning of the year		7,447	11,775
Amortisation during the year		(3,374)	(4,328)
Balance at end of the year		4,073	7,447
<b>9 DEFERRED LIABILITIES</b>			
Deferred taxation	9.1	354,960	398,573
Defined contribution plan		34,434	24,570
		389,394	423,143
9.1 Deferred tax liability	9.1.1	604,045	642,947
Deferred tax asset	9.1.2	(249,085)	(244,374)
Net deferred tax liability		354,960	398,573

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
		(Rupees in '000')	
<b>9.1.1</b>	<b>Deferred tax liability on taxable temporary differences:</b>		
	Accelerated depreciation / amortisation allowance	604,045	642,947
<b>9.1.2</b>	<b>Deferred tax asset on deductible temporary differences:</b>		
	Right of use assets net of lease liabilities	(66,580)	(59,669)
	Specific provisions	(130,739)	(118,572)
	Retirement benefit obligation	(51,766)	(66,133)
		(249,085)	(244,374)

**9.1.3 Breakup and movement of deferred tax balances is as follows:**

Deferred tax liabilities / (assets)	Opening balance	Statement of profit or loss	Other comprehensive income	Closing balance
	(Rupees in '000')			
<b>2024</b>				
<b>Effect of taxable temporary differences</b>				
Accelerated depreciation / amortisation allowance	642,947	(38,902)	-	604,045
<b>Effect of deductible temporary differences</b>				
Right of use assets net of lease liabilities	(59,669)	(6,911)	-	(66,580)
Specific provisions	(118,572)	(12,167)	-	(130,739)
Retirement benefit obligation	(66,133)	62,972	(48,605)	(51,766)
	398,573	4,992	(48,605)	354,960
<b>2023</b>				
<b>Effect of taxable temporary differences</b>				
Accelerated depreciation / amortisation allowance	525,157	117,790	-	642,947
<b>Effect of deductible temporary differences</b>				
Right of use assets net of lease liabilities	(34,728)	(24,941)	-	(59,669)
Specific provisions	(83,762)	(34,810)	-	(118,572)
Retirement benefit obligation	(63,839)	8,191	(10,485)	(66,133)
	342,828	66,230	(10,485)	398,573

**9.1.4** Deferred tax assets and liabilities on temporary differences are measured at the rate of 39% (2023: 39%).



# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
<b>10</b>	<b>LEASE LIABILITIES</b>		
Balance at beginning of the year		727,642	947,737
Addition during the year		291,807	59,045
Interest expense during the year	30	92,428	92,489
Termination / modification during the year		(399)	(76,782)
Payment during the year		(317,832)	(294,847)
Balance at end of the year	10.1	793,646	727,642
Less: current portion		266,739	268,595
		526,907	459,047

## 10.1 Lease liabilities are payable as follows:

	Minimum lease payments	Interest	Present value of minimum lease payments
	(Rupees in '000')		
<b>2024</b>			
Less than one year	303,062	36,323	266,739
Between one and five years	585,023	189,059	395,964
More than five years	250,177	119,234	130,943
	1,138,262	344,616	793,646
<b>2023</b>			
Less than one year	300,974	32,379	268,595
Between one and five years	463,071	150,791	312,280
More than five years	250,177	103,410	146,767
	1,014,222	286,580	727,642

		2024	2023
	Note	(Rupees in '000')	
<b>10.2</b>	<b>Amounts recognised in the unconsolidated statement of profit or loss</b>		
Interest expense on lease liabilities	30	92,428	92,489
Expense relating to short term lease / low value lease	29	15,754	15,235
		108,182	107,724

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

- 10.3 The year-end balance of lease liabilities includes a balance of Rs. 163.4 million (2023: Rs. 268.6 million) in respect of building obtained under a lease arrangement from Shifa Neuro Sciences Institute Islamabad (Private) Limited for period of six years. Related amounts include interest expense of Rs. 20.1 million (2023: Rs. 28.5 million) and lease payments of Rs. 117.4 million (2023: Rs. 106.7 million).

		2024	2023	
		Note	(Rupees in '000')	
11	TRADE AND OTHER PAYABLES			
	Creditors	11.1	2,097,474	2,555,090
	Accrued liabilities		616,962	707,198
	Advances from customers - contract liability	11.2	384,383	276,239
	Medical consultants' charges		476,006	651,675
	Security deposits	11.3	132,451	124,847
	Compensated absences	11.4	175,903	145,524
	Defined contribution plan		16,185	1,322
	Retention money		11,959	12,692
	Shifa International Hospitals Limited (SIHL) Employees' Gratuity Fund Trust (the Fund)	11.5	132,734	169,573
			4,044,057	4,644,160
11.1	This includes payable to related parties (unsecured) as detailed below:			
	Tameer - e - Millat Foundation (TMF)		7,285	12,803
	Shifa Tameer - e - Millat University (STMU)		31,566	12,009
			38,851	24,812
11.2	Advances from customers - contract liability			
	Balance at beginning of the year		276,239	293,743
	Revenue recognised during the year		(88,650)	(279,795)
	Advance received during the year		196,794	262,291
			384,383	276,239

- 11.3 This includes security deposits retained from employees of Rs. 47,530 thousand (2023: Rs. 41,380 thousand) held in separate bank account and balances obtained from customers of Rs. 84,921 thousand (2023: Rs. 83,467 thousand) that are utilisable for the purpose of the business in accordance with agreement with customers.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
<b>11.4</b>	<b>Compensated absences</b>		
	Balance at beginning of the year	145,524	131,211
	Provision made for the year	103,063	72,408
		248,587	203,619
	Payments made during the year	(72,684)	(58,095)
	Balance at end of the year	11.4.1 175,903	145,524

11.4.1 Actuarial valuation of un-availed leaves has not been carried out since management believes that the effect of actuarial valuation would not be material.

		2024	2023
	Note	(Rupees in '000')	
<b>11.5</b>	<b>The amount recognised in the unconsolidated statement of financial position:</b>		
	Present value of defined benefit obligation	11.5.1 556,506	387,539
	Fair value of plan assets	11.5.2 (423,772)	(217,966)
		132,734	169,573
<b>11.5.1</b>	<b>Movement in the present value of defined benefit obligation:</b>		
	Balance at beginning of the year	387,539	398,711
	Interest cost	56,442	43,315
	Current service cost	72,974	74,387
	Benefits paid	(78,839)	(142,049)
	Benefits payable	(2,635)	(2,304)
	Remeasurement loss on defined benefit obligation	121,025	15,479
	Balance at end of the year	556,506	387,539
<b>11.5.2</b>	<b>Movement in the fair value of plan assets:</b>		
	Balance at beginning of the year	217,966	205,258
	Expected return on plan assets	48,772	27,195
	Contributions	242,112	141,271
	Benefits paid	(78,839)	(142,049)
	Benefits payable	(2,635)	(2,304)
	Remeasurement loss on plan assets	(3,604)	(11,405)
	Balance at end of the year	423,772	217,966

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
<b>11.5.3</b>	<b>Charge for the year:</b>		
	Current service cost	72,974	74,387
	Interest cost	56,442	43,315
	Expected return on plan assets	(48,772)	(27,195)
		80,644	90,507
<b>11.5.4</b>	<b>Remeasurements recognised in the unconsolidated statement of comprehensive income (OCI):</b>		
	Remeasurement loss on defined benefit obligation	121,025	15,479
	Remeasurement loss on plan assets	3,604	11,405
	Remeasurement loss recognised in OCI	124,629	26,884
	Deferred tax relating to remeasurement of staff gratuity fund benefit plan	(48,605)	(10,485)
		76,024	16,399
<b>11.5.5</b>	<b>Movement in liability recognised in unconsolidated statement of financial position:</b>		
	Balance at beginning of the year	169,573	193,453
	Charge for the year	80,644	90,507
	Remeasurement recognised in OCI during the year	124,629	26,884
	Contributions during the year	(242,112)	(141,271)
	Balance at end of the year	132,734	169,573
<b>11.5.6</b>	<b>Plan assets comprise of:</b>		
	Term Deposit Receipts	306,190	133,162
	Ordinary shares of SIHL	11,503	9,611
	Cash and bank balances	122,328	88,806
	Payable to outgoing members	(16,249)	(13,613)
		423,772	217,966

11.5.6.1 Number of ordinary shares held by the Fund at year end were 78,461 shares (2023: 78,461 shares) with market value of Rs. 146.61 (2023: Rs. 122.49) per share.

11.5.7 Latest actuarial valuation was carried out by an independent actuary on June 30, 2024 using the Projected Unit Credit Method.



# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
<b>11.5.8 Principal actuarial assumptions used in the actuarial valuation:</b>		
Discount rate used for interest cost in profit or loss	16.25%	13.25%
Discount rate used for year end obligation	14.75%	16.25%
Expected rate of salary growth		
- Salary increase FY 2024	N/A	9.25%
- Salary increase FY 2025-2026	13.75%	14.25%
- Salary increase FY 2027 onward	13.75%	-
Mortality rate	SLIC 2001-2005 set back 1 year	SLIC 2001-2005 set back 1 year
Withdrawal rates	Age based	Age based
Retirement assumption	Age 60	Age 60

## 11.5.9 Sensitivity analysis

The calculation of the defined benefit obligation is sensitive to assumptions set out above. The following table summarises how the impact on the defined benefit obligation at the end of the reporting period would have increased / decreased as a result of a change in respective assumptions by one percent.

	2024		2023	
	Defined benefit obligation		Defined benefit obligation	
	Effect of 1% increase	Effect of 1% decrease	Effect of 1% increase	Effect of 1% decrease
	(Rupees in '000')			
Discount rate	519,684	598,872	363,941	414,544
Future salary increase	598,872	519,075	415,076	363,112

11.5.10 The average duration of the defined benefit obligation as at June 30, 2024 is 7 years (2023: 7 years).

11.5.11 The expected expense for the next year is amounting to Rs. 106,301 thousand.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 11.5.12 Risks associated with the scheme

### Final salary risk

The risk that the final salary at the time of cessation of service is greater than what we assumed. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increases.

### Demographic risks

#### a) Mortality risk

The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

#### b) Withdrawal risk

The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

#### c) Investment risk

The risk of the investment under performing and being not sufficient to meet the liabilities.

		2024	2023
		(Rupees in '000')	
<b>12</b>	<b>MARKUP ACCRUED</b>		
	Long term financing	23,858	70,874
<b>13</b>	<b>CONTINGENCIES AND COMMITMENTS</b>		
<b>13.1</b>	<b>Contingencies</b>		
13.1.1	The guarantees issued by bank in favour of Sui Northern Gas Pipelines Limited (SNGPL) of aggregate sum of Rs. 33.1 million (2023: Rs. 33.1 million) on behalf of the Company in its ordinary course of business.		
13.1.2	The Company is facing claims and penalties totalling Rs. 22.25 million. Out of these the Company has paid penalties of Rs. 1.4 million under protest. The Company has also issued bank guarantees of Rs. 1.5 million as per the direction of Islamabad High Court. These claims and penalties arose from legal actions and complaints and are being		

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

contested before the MoNHSRC Islamabad, the Peshawar, Islamabad, and Lahore High Courts as well as the Supreme Court of Pakistan. The Company's management, as per advice of the legal counsel, is confident that a favourable outcome will be achieved.

- 13.1.3 On June 06, 2012, the Competition Commission of Pakistan (CCP) imposed a penalty of Rs. 20 million against each Gulf Cooperation Council's (GCC) Approved Medical Center (GAMC), including SIHL. This penalty was imposed due to allegations of engaging in non-competitive practices involving territorial division and equal allocation of customers among GAMCs. The Company's management, in conjunction with other GAMCs, is collaboratively contesting this issue which is presently pending before the Supreme Court of Pakistan. The Company's management, as per advice of the legal counsel, is confident that a favourable outcome for the GAMCs, including SIHL, will be achieved.

## **13.1.4 Contingencies related to income tax and sales tax are as follows:**

- 13.1.4.1 The tax authorities have amended the assessments for the tax years 2012, 2013, 2014, 2015, 2016, and 2019 under section 122(5A)/124 of the Income Tax Ordinance, 2001 (the Ordinance). They have raised tax demands of Rs. 1.3 million, Rs. 67 million, Rs. 85.5 million, Rs. 26.1 million, Rs. 79.77 million, and Rs. 37 million respectively. The Company, feeling aggrieved, appealed these assessments before the Commissioner Inland Revenue (Appeals) [CIR(A)]. The CIR(A) partly confirmed the assessments and partly provided relief to the Company. However, the assessment for the tax year 2015 was confirmed. The Company, still aggrieved, filed appeals against the appellate orders before the Appellate Tribunal Inland Revenue [ATIR] on various dates from September 2018 to November 2021, and these appeals are currently pending adjudication.
- 13.1.4.2 The tax authorities imposed taxes of Rs. 109.6 million, Rs. 178.4 million, Rs. 27.4 million, and Rs. 29.2 million under section 161/205 of the Ordinance for the tax years 2016, 2014, 2013, and 2012 respectively, based on alleged non-deduction of tax on payments. The Company, feeling aggrieved, appealed these assessments before the CIR(A). Regarding the tax year 2012, the CIR(A) deleted the assessment, while for the tax years 2013 and 2016, the assessment was set aside, and for the tax year 2014, the assessment was confirmed. The Company, still aggrieved, filed appeals for the tax years 2013, 2014, and 2016 before the ATIR. The appeals for the tax years 2013 and 2016 were filed on November 26, 2019, and June 06, 2023 respectively, and they are currently pending adjudication. Additionally, the ATIR has set aside the assessment for the tax year 2014 for denovo consideration.
- 13.1.4.3 The tax authorities amended the assessments for the tax years 2012, 2013, and from 2015 to 2017 under section 122(5) of the Ordinance. They raised an aggregate tax demand of Rs. 1,350.9 million. Feeling aggrieved, the Company appealed these assessments before the CIR(A). The CIR(A) annulled all the assessment orders, resulting in the deletion of the tax demand. Dissatisfied with the CIR(A)'s decision, the tax department filed an appeal before the ATIR on November 15, 2018, and these appeals are currently pending adjudication.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

- 13.1.4.4 The tax authorities amended the assessments for the tax years 2014 and 2015 under section 221 of the Ordinance, resulting in an aggregate tax demand of Rs. 11.8 million. The Company, feeling aggrieved, filed appeals before the CIR (A). The CIR (A) remanded the assessments back to the ACIR. Both the Company and the tax department filed cross-appeals before the ATIR in January 2018, and these appeals are currently pending adjudication.
- 13.1.4.5 The tax authorities amended the assessment for the tax year 2014 and 2018 under section 177 of the Ordinance, resulting in a tax demand of Rs. 1,143.8 million and 42.36 million. Feeling aggrieved, for the Tax Year 2014 the Company appealed the assessment before the CIR (A). The CIR (A) annulled the assessment order, resulting in the deletion of the tax demand. The tax department filed an appeal before the ATIR on November 27, 2019, against the decision of the CIR (A), which is currently pending adjudication. For the Tax Year 2018, the Company appealed the assessment before the ATIR on 24 July 2024.
- 13.1.4.6 The tax authorities imposed sales tax demands of Rs. 44.4 million, Rs. 56.2 million, Rs. 57.4 million, Rs. 55.9 million, and Rs. 11.3 million under section 11 of the Sales Tax Act, 1990. These demands were based on alleged non-payment of sales tax on sales of scrap, fixed assets, and cafeteria for the tax years 2016 to 2020 respectively. Regarding the Company's appeals for the tax years 2016, 2018, and 2020, the ATIR deleted the sales tax charged on cafeteria and fixed assets, while confirming the sales tax on scrap. Furthermore, for the tax years 2017 and 2019, the CIR(A) deleted the sales tax on cafeteria sales, while confirming the sales tax on sales of scrap and fixed assets. The Company has filed appeals before the ATIR against the confirmation of sales tax on scrap and fixed assets, and these appeals are currently pending adjudication.

Management is confident that the above disallowances and levies do not hold merit and the related amounts have been lawfully claimed in the income and sales tax returns as per the applicable tax laws and these matters will ultimately be decided in favour of the Company. Accordingly, no provision has been made in respect of above in these unconsolidated financial statements.

		2024	2023
		(Rupees in '000')	
<b>13.2</b>	<b>Commitments</b>		
13.2.1	Capital expenditure contracted	294,233	104,711
13.2.2	Letter of credit	521,187	-



# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 14 PROPERTY, PLANT AND EQUIPMENT

Particulars	Owned assets								Right of use assets							
	Freehold land	Leasehold land	Building on freehold land	Building on leasehold land	Leasehold improvements	Biomedical equipment	Air conditioning equipment and machinery	Electrical and other equipment	Furniture and fittings	Construction equipment	Computer installations	Vehicles	Capital work in progress (note 14.7)	Office premises	Electrical equipment	Total
(Rupees in '000')																
<b>Cost/Revalued amount</b>																
Balance as at July 01, 2022	421,278	1,009,761	58,898	2,616,071	84,196	4,621,170	508,118	768,759	232,982	3,011	631,568	141,571	743,435	1,451,913	57,000	13,349,731
Additions	1,931	-	-	-	-	425,851	61,011	105,344	20,737	152	63,343	29,000	556,632	75,384	-	1,339,385
Reclassified as investment property	(382,553)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(382,553)
Disposals	-	-	-	-	-	-	-	-	-	-	(1,575)	(3,381)	-	-	-	(4,956)
Termination / modification of lease	-	-	-	-	-	(142,083)	(854)	(2,208)	(188)	-	(2,205)	-	-	(164,620)	-	(164,620)
Write offs	-	-	-	62,492	313,085	285,709	-	-	2,030	-	-	-	-	-	-	(147,538)
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	(663,316)	-	-	-
Balance as at June 30, 2023	40,656	1,009,761	58,898	2,678,563	397,281	5,190,647	568,275	871,895	255,561	3,163	691,131	167,190	636,751	1,362,677	57,000	13,989,449
<b>Balance as at July 01, 2023</b>																
Balance as at July 01, 2023	40,656	1,009,761	58,898	2,678,563	397,281	5,190,647	568,275	871,895	255,561	3,163	691,131	167,190	636,751	1,362,677	57,000	13,989,449
Additions	-	-	-	-	-	252,903	3,623	68,274	16,845	607	161,665	66,369	45,757	293,287	-	909,330
Disposals	-	-	-	-	-	-	-	-	-	-	(1,303)	(7,421)	-	-	-	(8,724)
Termination / modification of lease	-	-	-	-	-	-	-	-	-	-	-	-	-	(324)	-	(324)
Write offs	-	-	-	41,844	120,026	(58,243)	(2,048)	(10,025)	(456)	(122)	(5,260)	-	(345,919)	-	-	(76,154)
Transfers	-	-	-	-	-	125,162	-	-	-	-	58,887	-	-	-	-	-
Balance as at June 30, 2024	40,656	1,009,761	58,898	2,720,407	517,307	5,510,469	569,850	930,144	271,950	3,648	905,120	226,138	336,589	1,655,640	57,000	14,813,577
<b>Depreciation/amortisation</b>																
Balance as at July 01, 2022	-	113,793	6,871	861,754	52,805	2,818,624	351,779	573,853	159,304	2,161	504,741	103,463	-	617,327	49,084	6,215,559
Charge for the year	-	14,323	2,945	75,282	44,178	369,671	52,221	64,410	16,969	278	66,092	14,482	-	263,248	7,916	992,015
On disposals	-	-	-	-	-	-	-	-	-	-	(1,256)	(2,751)	-	-	-	(4,007)
Termination / modification of lease	-	-	-	-	-	-	-	-	-	-	-	-	-	(92,542)	-	(92,542)
On write offs	-	-	-	-	-	(134,328)	(854)	(1,815)	(125)	-	(2,194)	-	-	-	-	(139,316)
Balance as at June 30, 2023	-	128,116	9,816	937,036	96,983	3,053,967	403,146	636,448	176,148	2,439	567,383	115,194	-	788,033	57,000	6,971,709
<b>Balance as at July 01, 2023</b>																
Balance as at July 01, 2023	-	128,116	9,816	937,036	96,983	3,053,967	403,146	636,448	176,148	2,439	567,383	115,194	-	788,033	57,000	6,971,709
Charge for the year	-	14,254	2,945	75,818	86,488	405,567	54,266	69,163	16,795	337	84,761	24,605	-	244,703	-	1,079,702
On disposals	-	-	-	-	-	-	-	-	-	-	(1,176)	(5,551)	-	-	-	(6,726)
Termination / modification of lease	-	-	-	-	-	-	-	-	-	-	-	(25)	-	(25)	-	(25)
On write offs	-	-	-	-	-	(52,427)	(2,048)	(8,800)	(395)	(122)	(5,194)	-	-	-	-	(68,986)
Balance as at June 30, 2024	-	142,370	12,761	1,012,854	183,471	3,407,107	455,364	696,811	192,548	2,654	645,774	134,248	-	1,032,711	57,000	7,975,673
Carrying value as at June 30, 2023																
Carrying value as at June 30, 2023	40,656	881,645	49,082	1,741,527	300,298	2,136,680	165,129	235,447	79,413	724	123,748	51,996	636,751	574,644	-	7,017,740
<b>Carrying value as at June 30, 2024</b>																
Carrying value as at June 30, 2024	40,656	867,391	46,137	1,707,553	333,836	2,103,362	114,486	233,333	79,402	994	259,346	91,890	336,589	622,929	-	6,837,904
Annual rate of depreciation (%)	-	1.01-3.03	5	2.5-10	20	10	10-15	10-20	10	10-20	25	20	-	6.15-33	33.3	-

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

14.1 The Company had its leasehold land revalued in 1999, 2004, 2009, 2014, 2018, 2019, 2020, 2021 and 2022 while freehold lands in 2009, 2014, 2018, 2019, 2020, 2021, 2022 and 2023 by independent valuer, using fair market value basis. Total unamortised surplus against the revaluation of freehold and leasehold land as at June 30, 2024 stood at Rs. 1,083,147 thousand (2023: Rs. 1,087,431 thousand).

14.2 Had there been no revaluation the carrying value would have been as under:

	Cost	Accumulated amortisation	Carrying value
	(Rupees in '000')		
<b>Freehold land</b>			
<b>June 30, 2024</b>	14,483	-	14,483
June 30, 2023	14,483	-	14,483
<b>Leasehold land</b>			
<b>June 30, 2024</b>	197,646	13,805	183,841
June 30, 2023	197,646	10,936	186,710

14.3 Particulars of Company's freehold and leasehold land are as follow:

		2024	2023
Location	Nature	Area	
Shifa Cooperative Housing Society, Islamabad Expressway - Sq. Yds	Freehold land	1003	1003
H-8/4, Islamabad - Kanal	Leasehold land*	87.8	87.8

\*The covered area include multi-storey buildings.

14.4 Property, plant and equipment include items with aggregate cost of Rs. 3,165,681 thousand (2023: Rs. 2,635,621 thousand) representing fully depreciated assets that are still in use of the Company.

14.5 Property, plant and equipment of the Company are encumbered under an aggregate charge of Rs. 8,116.8 million (2023: Rs. 7,665.6 million) in favor of lenders under various financing arrangements as disclosed in note 8.

14.6 The forced sale value (FSV) of the revalued leasehold and freehold land have been assessed at Rs. 716,774 thousand and Rs. 32,525 thousand respectively.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
<b>14.7</b>	<b>Capital work in progress</b>		
	Construction work in progress	243,714	347,130
	Installation of equipment in progress	92,875	289,621
		336,589	636,751

14.7.1 This includes Rs. 235,228 thousand (2023: Rs. 235,228 thousand) paid to Shifa Development Services (Private) Limited on account of design and building work under two separate agreements with the Company.

		2024	2023
	Note	(Rupees in '000')	
<b>15</b>	<b>INTANGIBLE ASSETS</b>		
	Softwares in use	1,405	2,459
	Software under development	39,375	39,375
		40,780	41,834
<b>15.1</b>	<b>Softwares in use</b>		
	<b>Cost</b>		
	Balance at beginning of the year	109,400	109,400
	Addition during the year	-	-
	Balance at end of the year	109,400	109,400
	<b>Accumulated amortisation</b>		
	Balance at beginning of the year	106,941	95,410
	Charged during the year	1,054	11,531
	Balance at end of the year	107,995	106,941
	<b>Carrying value</b>	1,405	2,459

15.2 This represented the amount paid to Shifa CARE (Private) Limited for provision of Hospital Supply Chain Management system (HSCM). Out of total scope, integration and testing with existing Hospital Information Management System (HIMS) and Oracle EBS alongwith user acceptance testing is in progress.

15.3 Amortisation of softwares in use has been recorded at rate of 25 % (2023: 25%) per annum.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
<b>16</b>	<b>INVESTMENT PROPERTY - AT COST</b>		
	Balance at beginning of the year	748,450	-
	Reclassified during the year	-	748,450
	Disposed off during the year	(28,158)	-
	Balance at end of the year	720,292	748,450

- 16.1 This represents freehold land comprising of 11 plots at Shifa Cooperative Housing Society, Islamabad Expressway (SCHS), 48K-3M-182 Sqft at Chak No. 4, near Sargodha Road, Faisalabad of which 20K-14M-181 Sqft are subject to possession proceedings and 141.72 kanals at Motorway, Mouza Noon, Islamabad. The fair value and forced sale value of the land located at SCHS, Sargodha Road Faisalabad and Motorway, Mouza Noon, Islamabad are Rs. 360,120 thousand, Rs. 136,888 thousand, Rs. 425,018 thousand, Rs. 288,096 thousand, Rs. 109,510 thousand, Rs. 340,015 thousand respectively.

During the current year, the Company was informed by its former property dealer about the sale of 49 kanals of land located at Mouza Noon, Islamabad; however, the Company was provided with the sale proceeds of only 10.83 kanals. The Company had implemented measures to prevent any further transfer of its land holdings to third parties by writing an application to land revenue authorities. Further, the Company commissioned an independent verification of its land title against the official record, which confirmed that the Company is the registered owner of 118.6 kanals as certified by the land revenue authorities, out of which 6.5 kanals are currently under review. The Company, based on the verification findings, is pursuing the matter with the concerned land authorities regarding the way forward.

		2024	2023
	Note	(Rupees in '000')	
<b>17</b>	<b>LONG TERM INVESTMENTS - AT COST</b>		
	<b>In subsidiary companies (unquoted):</b>		
	Shifa Development Services (Private) Limited (SDSPL)	17.2	9,966
	Shifa Neuro Sciences Institute Islamabad (Private) Limited (SNS Islamabad)	17.3	1,697,521
	Shifa National Hospital Faisalabad (Private) Limited (SNH Faisalabad)	17.4	1,582,279
	Shifa Medical Centre Islamabad (Private) Limited (SMC Islamabad)	17.5	1,356,170
	Shifa International DWC-LLC (SIDL)	17.6	-



# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
<b>In associated companies (unquoted):</b>			
Shifa CARE (Private) Limited (SCPL)	17.7	45,001	45,001
SIHT (Private) Limited (SIHT)	17.8	425,000	-
		5,115,937	4,714,217
<b>Less: Impairment loss</b>			
Shifa Development Services (Private) Limited (SDSPL)		9,966	-
Shifa CARE (Private) Limited (SCPL)		45,001	-
		54,967	-
		5,060,970	4,714,217

17.1 Per share breakup values of these investments are given below:

	2024	2023
	(Rupees)	
Shifa Development Services (Private) Limited (SDSPL)	(9.90)	20.86
Shifa Neuro Sciences Institute Islamabad (Private) Limited (SNS Islamabad)	10.54	10.28
Shifa National Hospital Faisalabad (Private) Limited (SNH Faisalabad)	11.06	11.06
Shifa Medical Centre Islamabad (Private) Limited (SMC Islamabad)	12.90	12.86
Shifa International DWC-LLC (SIDL)	-	(0.37)
Shifa CARE (Private) Limited (SCPL)	9.23	10.02
SIHT (Private) Limited	54.34	-

17.2 This represents investment in 1,650,000 (2023: 1,650,000) fully paid ordinary shares of Rs. 10 each of SDSPL. The above investment in ordinary shares represents 55% (2023: 55%) shareholding in SDSPL held by the Company. During the year, impairment loss of Rs. 9,966 thousand has been recorded in view of on going financial difficulties faced by SDSPL due to which it may not be able to continue its business.

17.3 This represents investment in 169,752,100 (2023: 169,752,100) fully paid ordinary shares of Rs. 10 each of SNS Islamabad. The above investment in ordinary shares represents 100% (2023: 100%) shareholding in SNS Islamabad held by the Company.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

- 17.4 This represents investment in 158,227,912 (2023: 158,227,912) fully paid ordinary shares of Rs. 10 each of SNH Faisalabad. The above investment in ordinary shares represents 61% (2023: 61%) shareholding in SNH Faisalabad held by the Company. During the year, the board of directors of the Company decided to invest an additional Rs. 1.606 billion in the paid-up capital of SNH Faisalabad. This decision was approved at the Extraordinary General Meeting held on June 15, 2024.

Subsequent to year end, both the sponsors of SNH Faisalabad have injected the further equity investment amounting to Rs. 940,838 thousand, based on their respective ownership stake in the project.

- 17.5 This represents investment in 135,617,001 (2023: 135,617,001) fully paid ordinary shares of Rs. 10 each of SMC Islamabad. The above investment in ordinary shares represents 56% (2023: 56%) shareholding in SMC Islamabad held by the Company. The board of directors of the Company had previously decided to divest the Company's entire shareholding in its subsidiary, "SMC Islamabad." However, due to the significant downturn in the real estate market caused by current economic conditions, the sale has become less viable. As a result, in a meeting held on August 07, 2024, the board of directors of "SMC Islamabad" instructed its management to explore various feasible options other than the sale.

- 17.6 The decision to wind up SIDL was approved in both the board meetings of SIHL and its wholly owned subsidiary SIDL, through respective board resolutions. Subsequent to that the management of the SIDL has initiated the process of winding up its affairs and distributing its assets to stakeholders. Further, on February 07, 2024, SIDL received a deregistration certificate from Dubai Aviation City Corporation. Resultantly, the SIHL recognized a loss of Rs. 21,015 thousand in operating costs on derecognition of investment.

- 17.7 This represents investment in 4,500,050 (2023: 4,500,050) fully paid ordinary shares of Rs. 10 each of SCPL. The above investment in ordinary shares represents 50% (2023: 50%) shareholding in SCPL held by the Company. During the year, impairment loss of Rs. 45,001 thousand has been recorded in view of on going financial difficulties faced by SCPL due to which it may not be able to continue its business.

Summary of results of SCPL are as under:

	2024	2023
	(Rupees in '000')	
<b>Summarised statement of financial position</b>		
Non-current assets	86,072	75,191
Current assets	720	35,362
Current liabilities	(3,737)	(20,396)
Net assets	83,055	90,157

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	(Rupees in '000')	
<b>Reconciliation to carrying amounts:</b>		
Opening net assets	90,157	65,724
Total comprehensive (loss) / income for the year	(7,102)	24,433
Closing net assets	83,055	90,157
Company's share in carrying value of net assets	41,528	45,079
Company's share in total comprehensive (loss) / income	(3,551)	12,217
<b>Summarised statement of profit or loss and comprehensive income</b>		
Revenue for the year – gross	-	39,375
Depreciation and amortisation	(4,008)	(4,085)
Finance cost	(256)	(741)
Provision for taxation	-	(5,004)
(Loss) / profit for the year	(7,102)	24,433
Total comprehensive (loss) / income for the year	(7,102)	24,433

17.7.1 The above information is based on initialed financial statements of SCPL.

17.8 In line with the decision of board of directors of the Company in its meeting held on April 12, 2023, on September 23, 2023, the Company entered into a tripartite Shares Purchase Agreement (SPA) with Shifa Foundation and its wholly owned subsidiary SIHT (Private) Limited (SIHT) for acquiring 50% shareholding in SIHT from Shifa Foundation.

The SPA provides that the paid up share capital of SIHT shall be increased from Rs. 100,100,000 to Rs. 500,100,000 representing 5,001,000 ordinary shares of Rs. 100 each over the arrangement period. The SPA further provides that the referred acquisition of equity interest in SIHT to be made in nine quarterly instalments shall be completed by September 30, 2025. Accordingly, by the end of the current year a sum of Rs. 425,000 thousand has been paid to Shifa Foundation to acquire 1,328,397 shares, representing 29.5% percent shareholding.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Summary of results of SIHT are as under:

	2024	2023
	(Rupees in '000')	
<b>Summarised statement of financial position</b>		
Non-current assets	179,734	239,066
Current assets	287,166	44,537
Non-current liabilities	(100,482)	(133,742)
Current liabilities	(121,844)	(234,304)
Net assets	244,574	(84,443)
<b>Reconciliation to carrying amounts:</b>		
Opening net assets	(84,443)	12,487
Total comprehensive loss for the year	(20,983)	(96,930)
Equity	350,000	-
Closing net assets	244,574	(84,443)
Company's share in carrying value of net assets	42,073	-
Company's share in total comprehensive loss	(955)	-
<b>Summarised statement of profit or loss and comprehensive income</b>		
Revenue for the year – gross	597,996	411,974
Depreciation and amortisation	(45,827)	(47,989)
Finance cost	(17,398)	(17,715)
Provision for taxation	(10,065)	(5,015)
Loss for the year	(20,983)	(96,930)
Total comprehensive loss for the year	(20,983)	(96,930)

17.8.1 The above information is based on initialed financial statements of SIHT.



# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 18 LONG TERM DEPOSITS

This represents security deposits given to various institutions / persons and are refundable on termination of relevant services / arrangements. These are unsecured and considered good.

		2024	2023
	Note	(Rupees in '000')	
<b>19</b>	<b>STORES, SPARE PARTS AND LOOSE TOOLS</b>		
Stores		228,613	256,038
Spare parts		7,806	7,430
Loose tools		1,380	7,887
		237,799	271,355
Less: provision for slow moving items	19.1	17,765	19,657
		220,034	251,698
<b>19.1</b>	<b>Movement of provision for slow moving items</b>		
Balance at beginning of the year		19,657	26,555
Reversal during the year		(1,892)	(6,898)
Balance at end of the year		17,765	19,657

## 20 STOCK IN TRADE

This represents medicines being carried at moving average cost.

		2024	2023
	Note	(Rupees in '000')	
<b>21</b>	<b>TRADE DEBTS</b>		
Unsecured - considered good			
Related party - Shifa Foundation	21.1	7,137	15,686
Others		1,580,199	1,576,999
		1,587,336	1,592,685
Less: allowance for expected credit losses (ECL)	41.1.3	241,147	226,563
		1,346,189	1,366,122

21.1 Maximum amount due from Shifa Foundation at the end of any month during the year was Rs. 15,802 thousand (2023: Rs. 15,686 thousand).

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
<b>22</b>	<b>LOANS AND ADVANCES</b>		
Secured - considered good			
Executives		10,641	9,328
Other employees		23,239	15,887
	22.1	33,880	25,215
Unsecured - consultants		13,870	4,792
Unsecured - Suppliers / contractors		109,707	115,223
		123,577	120,015
		157,457	145,230

22.1 These advances are secured against employee terminal benefits.

		2024	2023
	Note	(Rupees in '000')	
<b>23</b>	<b>DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES</b>		
Unsecured - considered good			
Short term prepayments		48,561	33,674
Security deposit	23.1	20,278	20,278
Other receivables	23.2	192,876	293,144
		261,715	347,096
Less: allowance for expected credit losses against other receivables	23.3	76,317	57,812
		185,398	289,284

23.1 This represents security deposit given to SNS Islamabad in accordance with the terms of lease arrangement of the property.

23.2 This includes Rs. 30,329 thousand (2023: Rs. 87,473 thousand) due from SIHT (Private) Limited. Maximum amount due from SIHT (Private) Limited at the end of any month during the year was Rs. 133,797 thousand (2023: Rs. 113,524 thousand).

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
<b>23.3</b>	<b>Allowance for expected credit losses against other receivables (unrelated parties)</b>		
	Balance at beginning of the year	57,812	57,812
	Charged during the year	23.3.1 18,505	-
	Balance at end of the year	76,317	57,812

23.3.1 This represents an amount whose recovery is considered doubtful. However, the Company is actively pursuing for its recovery.

		2024	2023
	Note	(Rupees in '000')	
<b>24</b>	<b>OTHER FINANCIAL ASSETS</b>		
	Investment in Term Deposit Receipt - at amortised cost	24.1 3,000	3,000
	Investment in Mutual Fund - at fair value through profit or loss	24.2 199,566	304,919
		202,566	307,919

24.1 This represents term deposit receipt (TDR) having face value of Rs. 3 million (2023: 3 million) with three months maturity. Profit payable on monthly basis at the weighted average rate of 18.98% (2023: 15.06%).

24.2 This represents investment in 1,973,327 (2023: 3,020,724) units of UBL Al-Ameen Islamic Cash Fund. Fair value of the investment was determined using quoted repurchase price at year end.

		2024	2023
	Note	(Rupees in '000')	
<b>25</b>	<b>TAX REFUNDS DUE FROM THE GOVERNMENT (NET OF PROVISION)</b>		
	Balance at beginning of the year	287,675	448,042
	Income tax paid / deducted at source during the year	827,215	538,198
		1,114,890	986,240
	Income tax expense / levies	31 (889,110)	(698,565)
	Balance at end of the year	225,780	287,675

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
<b>26</b>	<b>CASH AND BANK BALANCES</b>		
Cash at bank in:			
Current accounts:			
Local currency		396,855	245,338
Foreign currency		913,410	939,799
		1,310,265	1,185,137
Saving accounts:			
Local currency		792,779	999,149
Foreign currency		278	286
	26.1	793,057	999,435
	26.2	2,103,322	2,184,572
Cash in hand		26,055	31,861
		2,129,377	2,216,433

26.1 Balances with saving accounts earned profit / mark-up at weighted average rate of 16.52% per annum (2023: 14.20% per annum).

26.2 Balances with banks includes Rs. 132,451 thousand (2023: Rs. 124,847 thousand) in respect of security deposits (note 11.3).

		2024	2023
	Note	(Rupees in '000')	
<b>27</b>	<b>REVENUE - NET</b>		
Inpatients		14,796,234	11,803,983
Outpatients		8,221,503	6,770,623
Other services	27.1	773,422	1,376,032
		23,791,159	19,950,638
Less: discount		144,094	156,745
Less: sales tax		83,225	72,468
		227,319	229,213
		23,563,840	19,721,425



# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

- 27.1 This represents revenue from external pharmacy outlets, cafeteria sales, operating leases to related parties / other parties and corporate services to subsidiaries / associate.
- 27.2 The revenue-net is excluding of physician share of Rs. 1,930,070 thousand (2023: Rs. 1,802,988 thousand).

		2024	2023
	Note	(Rupees in '000')	
<b>28</b>	<b>OTHER INCOME</b>		
	<b>Income from financial assets:</b>		
	Profit on bank deposits	66,914	44,526
	Dividend income from mutual fund - investments at fair value through profit or loss	35,844	43,282
	Un-realised gain on investments at fair value through profit or loss	14,180	20,894
	Dividend income from subsidiary 28.1	16,975	28,858
		133,913	137,560
	<b>Income from other than financial assets:</b>		
	Gain on disposal of tangible assets	2,664	42,202
	Exchange gain on foreign currency translation	-	375,706
	Sale of scrap - net of sales tax	23,222	19,026
	Miscellaneous	30,324	42,521
		56,210	479,455
		190,123	617,015

- 28.1 This represents the dividend at the rate of Re. 0.10 (2023: Re. 0.12 and Re. 0.05) per share received from SNS Islamabad.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023	
	Note	(Rupees in '000')		
29	OPERATING COSTS			
	Salaries, wages and benefits	29.1	7,800,352	6,670,502
	Medicines consumed		6,083,422	5,373,920
	Supplies consumed		2,429,431	2,025,240
	Utilities		1,327,372	1,070,951
	Depreciation / amortisation on tangible assets	14	1,079,702	992,015
	Repairs and maintenance		1,123,554	851,493
	Printing and stationery		223,406	219,471
	Cleaning and washing		271,911	190,434
	Fee, subscription and membership		141,466	108,270
	Advertising and sales promotion		50,956	84,722
	Communication		70,189	50,720
	Travelling and conveyance		47,785	37,481
	Legal and professional		32,400	19,658
	Rent		15,754	15,235
	Rates and taxes		23,832	19,395
	Insurance		20,704	14,702
	Amortisation on intangible assets	15	1,054	11,531
	Property, plant and equipment written off		7,168	8,222
	Auditors' remuneration	29.2	4,218	5,350
	Reversal of provision for slow moving stores		(1,892)	(5,923)
	Loss on disposal of investment property		2,708	-
	Impairment loss on long term investments- at cost		54,967	-
	Loss on derecognition of investment		21,015	-
	Loss on disposal of slow moving stores		-	3,866
	Exchange loss on foreign currency translation		26,469	-
	Miscellaneous		87,011	105,249
			20,944,954	17,872,504

29.1 This includes charge for employee gratuity of Rs. 80,644 thousand (2023: Rs. 90,507 thousand), defined contribution plan (pension) of Rs. 109,027 thousand (2023: Rs. 94,703 thousand), compensated absences of Rs. 103,063 thousand (2023: Rs. 72,408 thousand) and bonus of Rs. 170,730 thousand (2023: Rs. 134,864 thousand).

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
<b>29.2</b>	<b>Auditors' remuneration</b>		
	Annual audit fee	1,710	1,710
	Half yearly review fee	900	900
	Statutory certifications	850	1,750
	Out of pocket expenses	239	140
		3,699	4,500
	Sales tax	519	850
		4,218	5,350
<b>30</b>	<b>FINANCE COSTS</b>		
	Markup on long term loans - secured	249,397	309,304
	Interest on lease liabilities 10	92,428	92,489
	Credit card payment collection and bank charges	99,229	60,837
		441,054	462,630
<b>31</b>	<b>INCOME TAX EXPENSE / LEVIES</b>		
	Current:		
	- for the year 31.1	889,110	689,578
	- prior year adjustment	-	8,987
		889,110	698,565
	Deferred	4,993	66,230
		894,103	764,795

31.1 Reconciliation between current tax charged under the Ordinance with current tax recognised in the unconsolidated statement of profit or loss, is as follows:

		2024	2023
	Note	(Rupees in '000')	
	Current tax liability for the year as per the Ordinance		
	Portion of current tax liability as per tax law, representing income tax under IAS 12	881,822	680,482
	Portion of current tax liability as per tax law, representing levy in term of requirement of IFRIC 21/IAS 37 31.2	7,288	9,096
		889,110	689,578

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

The provision of current tax liability for the year contains final tax at different rates.

31.2 This represents portion of final tax paid as per Income Tax Ordinance ("the Ordinance"), representing levy in terms of requirements of IFRIC 21/IAS 37.

	2024	2023
<b>31.3 Reconciliation of tax charge for the year:</b>		
Profit before levies and income tax (Rupees in '000')	2,256,177	1,946,201
Income tax expense / levies (Rupees in '000')	894,103	764,795
Effective tax rate (percentage)	39.63%	39.30%
<b>Reconciliation of effective tax rate</b>		
Applicable tax rate	29.00%	29.00%
Add: super tax	10.00%	10.00%
Add: net tax effects of amounts that are inadmissible for tax purposes/others	27.16%	30.65%
Less: net tax effect of amounts that are deductible for tax purposes/others	26.53%	30.35%
Average effective tax rate charged on income	39.63%	39.30%
<b>32 EARNINGS PER SHARE - BASIC AND DILUTED</b>		
Profit for the year (Rupees in '000')	1,362,074	1,181,406
Weighted average number of ordinary shares outstanding during the year (Number in '000')	63,214	63,214
Earnings per share - basic and diluted (Rupees)	21.55	18.69

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

## 33 CAPACITY UTILISATION

The actual inpatient available bed days, occupied bed days and room occupancy ratio of the Company are given below:

	2024	2023	2024	2023	2024	2023
	Available bed days		Occupied bed days		Occupancy ratio	
H-8 Hospital Islamabad	183,301	180,611	113,642	114,424	62.00%	63.35%
Faisalabad Hospital	20,630	19,618	7,583	7,142	36.76%	36.41%

33.1 Reported utilisation is a result of pattern of patient turnover under different specialties.



# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
		(Rupees in '000')	
<b>34</b>	<b>UNAVAILED CREDIT FACILITIES</b>		
	Unavailed credit facilities at year end other than those disclosed in note 8 of the unconsolidated financial statements are as under:		
	- Letter of credit	200,000	100,000
	- Diminishing musharakah	240,561	-
	- Ijarah financing	51,709	51,709
	- Running musharakah	500,000	500,000
	- Letter of guarantee	32,416	23,916
		1,024,686	675,625
		<b>2024</b>	<b>2023</b>
		<b>Number</b>	
<b>35</b>	<b>NUMBER OF EMPLOYEES</b>		
	Number of employees	5,329	5,220
	Average number of employees	5,296	5,191

## 36 RELATED PARTIES TRANSACTIONS

The related parties comprise of subsidiaries, associates, directors, major shareholders, key management personnel, SIHL Employees' Gratuity Fund Trust and the entities over which directors are able to exercise influence.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company considers its chief executive officer, chief financial officer, company secretary, directors and departmental heads to be its key management personnel. There are no transactions with key management personnel other than their terms of employment / entitlement.

The amounts due from and due to these undertakings are shown under trade debts, loans and advances, other receivables and trade and other payables. Related party transactions are on arms's length basis. Transactions and balances with the related parties are given below:

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
<b>Shifa Foundation:</b>			
<b>Transactions:</b>			
Revenue from medical services earned by the Company		13,997	19,634
Rent expense paid by and reimbursed to the Company		1,215	741
Acquisition of shares of SIHT (Private) Limited		425,000	-
<b>Balance:</b>			
Receivable - unsecured at the year end		7,137	15,686
<b>Tameer-e-Millat Foundation:</b>			
<b>Transactions:</b>			
Supplies provided to the Company		102,662	112,176
Other services provided to the Company	36.1	35,904	43,153
Rental services received / earned by the Company		6,353	6,649
<b>Balance:</b>			
Payable - unsecured at the year end		7,285	12,803
<b>Shifa Tameer-e-Millat University:</b>			
<b>Transactions:</b>			
Revenue from medical services earned by the Company		28,402	21,554
Revenue from rent earned by the Company		3,869	3,517
Other services provided to the Company	36.1	113,015	99,170
Expenses paid by and reimbursed to the Company		21,160	21,940
<b>Balance:</b>			
Payable - unsecured at the year end		31,566	12,009
<b>SIHT (Private) Limited:</b>			
<b>Transactions:</b>			
Revenue from medical services earned by the Company		568,496	412,250
Expenses paid by and reimbursed to the Company		5,724	5,816
Other services provided to the Company	36.1	26,267	25,016
<b>Balance:</b>			
Receivable - unsecured at the year end		30,329	87,473

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		2024	2023
	Note	(Rupees in '000')	
<b>Shifa Development Services (Private) Limited:</b>			
<b>Transactions:</b>			
Revenue from rent earned by the Company		1,096	1,836
Pre-construction services provided to the Company		-	50,986
<b>Balance:</b>			
Receivable / (payable) - unsecured at the year end		-	-
<b>Shifa Cooperative Housing Society Limited:</b>			
<b>Transactions:</b>			
Plot maintenance charges paid by the Company		3,112	1,434
<b>Balance:</b>			
Receivable / (payable) - unsecured at the year end		-	-
<b>Shifa Medical Centre Islamabad (Private) Limited:</b>			
<b>Transactions:</b>			
Investment made by the Company in nil (2023: 18,488,189) ordinary shares		-	184,882
Corporate shared services provided by the Company	36.2	5,131	10,132
Expenses paid by and reimbursed to the Company		-	1,166
<b>Balance:</b>			
Receivable / (payable) - unsecured at the year end		-	-
<b>Shifa National Hospital Faisalabad (Private) Limited:</b>			
<b>Transactions:</b>			
Investment made by the Company in nil (2023: 61,071,712) ordinary shares		-	610,717
Corporate shared services provided by the Company	36.2	5,131	10,132
<b>Balance:</b>			
Receivable / (payable) - unsecured at the year end		-	-

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FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
<b>Shifa Neuro Sciences Institute Islamabad (Private) Limited:</b>			
<b>Transactions:</b>			
Rent paid by the Company		117,390	106,719
Dividend income received by the Company		16,975	28,858
<b>Balance:</b>			
Receivable - unsecured at the year end		20,278	20,278
<b>Shifa International DWC - LLC:</b>			
<b>Transactions:</b>			
Patient referral services provided to the Company		14,677	17,198
<b>Balance:</b>			
Receivable / (payable) - unsecured at the year end		-	46,485
<b>Shifa CARE (Private) Limited:</b>			
<b>Transactions</b>			
Corporate shared services provided by the Company	36.2	1,924	2,437
<b>Balance:</b>			
Receivable / (payable) - unsecured at the year end		-	-
<b>International Finance Corporation:</b>			
<b>Transactions</b>			
Dividend paid by the Company		22,757	11,379
<b>Balance:</b>			
Receivable / (payable) - unsecured at the year end		-	-
<b>SIHL Employees' Gratuity Fund Trust:</b>			
<b>Transactions</b>			
Payments made by the Company		242,112	141,271
Dividend paid by the Company		235	118
<b>Balance:</b>			
Payable - unsecured at the year end		132,734	169,573
<b>Remuneration including benefits and perquisites of key management personnel</b>	36.3	389,359	406,420



# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

- 36.1 This represents services of nursing education, employees' children education and media services.
- 36.2 Corporate shared services agreement with Shifa National Hospital Faisalabad (Private) Limited and Shifa Medical Centre Islamabad (Private) Limited was concluded on December 31, 2023 while shared services agreement with Shifa CARE (Private) Limited was concluded on March 31, 2024.
- 36.3 This includes employee retirement benefits (pension / gratuity) amounting to Rs. 13,692 thousand (2023: Rs. 11,016 thousand).
- 36.4 Following is the list of related parties and their shareholding for the year ended June 30, 2024.

Sr #	Name of related party (RP)	Basis of relationship	Percentage of	
			Company's shareholding in RP	RP's shareholding in the Company
1	Shifa Foundation	Common Directorship	N/A*	5.30%
2	Tameer-e-Millat Foundation	Common Directorship	N/A	12.44%
3	SIHL Employees' Gratuity Fund Trust	Benefit Plan	N/A	0.12%
4	Shifa Tameer-e-Millat University	Common Directorship	N/A	0.27%
5	Shifa Development Services (Private) Limited	Subsidiary & Common Directorship	55%	Nil
6	Shifa Cooperative Housing Society Limited	Common Directorship	N/A	Nil
7	Shifa Neuro Sciences Institute Islamabad (Private) Limited	Subsidiary & Common Directorship	100%	Nil
8	Shifa National Hospital Faisalabad (Private) Limited	Subsidiary & Common Directorship	61%	Nil
9	Shifa Medical Centre Islamabad (Private) Limited	Subsidiary & Common Directorship	56%	Nil
10	Shifa CARE (Private) Limited	Associate & Common Directorship	50%	Nil
11	SIHT (Private) Limited	Associate & Common Directorship	29.5%	Nil
12	International Finance Corporation (IFC)	Associate	Nil	12.00%
13	Ahmed E.H. Jaffer Foundation	Common Directorship	N/A	Nil

\*N/A stands for not applicable.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 37 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in these unconsolidated financial statements in respect of remuneration and benefits, to the chief executive, directors and executives of the Company are given below:

	Chief Executive		Executive Director		Non Executive Directors		Executives	
	2024	2023	2024	2023	2024	2023	2024	2023
	(Rupees in '000')							
Managerial remuneration	40,816	56,976	6,324	36,976	12,500	12,396	474,811	326,787
Annual bonus	1,815	2,365	-	1,430	260	237	14,090	9,195
Defined contribution plan	2,368	305	-	-	-	-	23,661	14,080
Medical insurance	120	153	146	146	394	519	4,553	3,840
Leave encashment	-	-	-	-	-	-	11,136	8,846
	45,119	59,799	6,470	38,552	13,154	13,152	528,251	362,748
Number of persons	1	1	1	1	11	10	91	46

37.1 In addition to above, the chief executive is provided with a Company maintained car, while one other director and twenty three executives availed car facility.

37.2 Managerial remuneration includes Rs. 5,022 thousand (2023: Rs. 5,445 thousand) paid to directors in respect of meeting attending fee.

37.3 Executive means an employee, other than the Chief executive and directors, whose basic salary exceeds Rs. 1,200 thousand (2023: Rs. 1,200 thousand) during the year.

37.4 Travelling and other expenses of Rs. 26,499 thousand (2023: Rs. 8,307 thousand) for official purposes are reimbursed by the Company to directors.

38 CASH AND CASH EQUIVALENTS	Note		2024	2023
	(Rupees in '000')			
Investment in Term Deposit Receipt - at amortised cost	24		3,000	3,000
Cash and bank balances	26		2,129,377	2,216,433
			2,132,377	2,219,433

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 39 RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

2024	(Rupees in '000')						
Balance at the beginning of the year	1,691,820	48,590	727,642	632,144	2,738,888	6,511,963	12,351,048
Changes from financing cash flows							
Proceeds from long term financing	216,122	-	-	-	-	-	216,122
Repayments of long term financing	(881,581)	-	-	-	-	-	(881,581)
Payment of lease liabilities	-	-	(317,832)	-	-	-	(317,832)
Dividend paid	-	-	-	-	-	(181,869)	(181,869)
Grant received	-	-	-	-	-	-	-
Total changes from financing cash flows	(665,459)	-	(317,832)	-	-	(181,869)	(1,165,160)
Other changes							
Liability related	25,847	-	383,836	-	-	-	409,683
Amortisation of government grant	-	(25,847)	-	-	-	-	(25,847)
Equity related							
Total comprehensive changes	-	-	-	-	-	1,286,050	1,286,050
Other changes	-	-	-	-	-	15,787	15,787
Changes in unclaimed dividend	-	-	-	-	-	(7,775)	(7,775)
Total of equity related changes	-	-	-	-	-	1,294,062	1,294,062
Balance at the end of the year	1,052,208	22,743	793,646	632,144	2,738,888	7,624,157	12,889,633

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	Liabilities		Equity			Total
	Long term financing	Government grant	Lease liabilities	Share capital	Share premium	Un-appropriated profits
2023	(Rupees in '000')					
<b>Balance at the beginning of the year</b>	2,540,125	67,511	947,737	632,144	2,738,888	5,411,656
<b>Changes from financing cash flows</b>						
Proceeds from long term financing	470,534	-	-	-	-	470,534
Repayments of long term financing	(1,353,678)	-	-	-	-	(1,353,678)
Payment of lease liabilities	-	-	(294,847)	-	-	(294,847)
Dividend paid	-	-	-	-	-	(98,645)
Grant received	-	15,918	-	-	-	15,918
Total changes from financing cash flows	(883,144)	15,918	(294,847)	-	-	(98,645)
<b>Other changes</b>						
Liability related	34,839	-	74,752	-	-	109,591
Amortisation of government grant	-	(34,839)	-	-	-	(34,839)
Equity related						
Total comprehensive changes	-	-	-	-	-	1,165,007
Other changes	-	-	-	-	-	30,122
Changes in unclaimed dividend	-	-	-	-	-	3,823
Total of equity related changes	-	-	-	-	-	1,198,952
<b>Balance at the end of the year</b>	1,691,820	48,590	727,642	632,144	2,738,888	6,511,963
						12,351,048



# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	(Rupees in '000')	
<b>40</b>	<b>ADJUSTMENT OF NON-CASH INCOME AND EXPENSE</b>	
Depreciation / amortisation on tangible assets	1,079,702	992,015
Amortisation on intangible assets	1,054	11,531
Expected credit losses	111,778	57,105
Property, plant and equipment written off	7,168	8,222
Gain on disposal of tangible assets	(2,664)	(42,202)
Loss on disposal of investment property	2,708	-
Gain on termination of right of use assets	(75)	(5,063)
Provision for compensated absences	103,063	72,408
Provision for defined contribution plan	109,027	94,703
Provision for bonus for employees	170,730	134,864
Provision for gratuity	80,644	90,507
Reversal of provision for slow moving stores	(1,892)	(5,923)
Loss on disposal of slow moving stores	-	3,866
Gain on investments and bank deposits	(133,913)	(137,560)
Impairment loss on long term investment	54,967	-
Impairment loss on derecognition of investment	21,015	-
Loss / (gain) on foreign currency translation	26,469	(375,706)
Finance costs	441,054	462,630
	2,070,835	1,361,397

## 41 FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

### Risk management framework

The Board meets frequently throughout the year for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

## 41.1 Credit risk

Credit risk represents the financial loss that would be recognised at the reporting date if counter-parties failed completely to perform as contracted. The Company does not have significant exposure to any individual counter-party. To reduce exposure to credit risk the Company has developed a formal approval process whereby credit limits are applied to its customers. The management also regularly monitors the credit exposure towards the customers and makes allowance for ECLs for those credit exposure. Furthermore, the Company has credit control in place to ensure that services are rendered to customers with an appropriate credit history.

### 41.1.1 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2024	2023
	(Rupees in '000')	
Long term deposits	113,937	91,616
Trade debts	1,346,189	1,366,122
Deposits and other receivables	136,837	255,610
Markup accrued	4,102	2,077
Other financial assets	202,566	307,919
Bank balances	2,103,322	2,184,572
	3,906,953	4,207,916

The Company is exposed to credit risk from its operating and short term investing activities. The Company's credit risk exposures are categorized under the following headings:

### 41.1.2 Counterparties

The Company conducts transactions with the following major types of counterparties:

#### Trade debts

Trade debts are essentially due from government companies / institutions, private companies (panel companies) and individuals to whom the Company is providing medical services. Normally the services are rendered to the panel companies on agreed rates and limits from whom the Company does not expect any inability to meet their obligations. The Company manages credit risk in trade debts by limiting significant exposure to the

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

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customers not having good credit history. Furthermore, the Company has credit control in place to ensure that services are rendered to customers with an appropriate credit history and makes allowance for ECLs against those balances considered doubtful of recovery.

## Bank balances and investments

The Company limits its exposure to credit risk by investing in liquid securities and maintaining bank accounts only with counterparties that have a high credit ratings and therefore management does not expect any counterparty to fail to meet its obligations.

The maximum exposure to credit risk for trade debts at the reporting date by type of customer was:

	2024	2023
	(Rupees in '000')	
Government companies	845,715	788,526
Private companies	444,325	523,248
Individuals	290,159	265,225
Related parties	7,137	15,686
	1,587,336	1,592,685

### 41.1.3 Impairment losses

The ageing of trade debts at the reporting date was:

	2024		2023	
	Gross debts	Allowance for ECL	Gross debts	Allowance for ECL
	(Rupees in '000')			
Not past due	498,244	3,178	342,965	2,613
1 - 2 months	357,017	12,967	475,313	13,186
3 - 4 months	218,635	30,316	210,188	13,229
5 - 7 months	148,772	24,285	183,465	22,988
8 - 12 months	98,670	31,039	138,388	39,325
Above 12 months	265,998	139,362	242,366	135,222
	1,587,336	241,147	1,592,685	226,563

The movement in the allowance for impairment in respect of trade debts during the year was as follows:

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

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		2024	2023
	Note	(Rupees in '000')	
Balance at beginning of the year		226,563	169,458
Expected credit losses		93,273	57,105
Bad debts written off		(78,689)	-
Balance at end of the year	21	241,147	226,563

41.1.4 The Company believes that no impairment allowance is necessary in respect of markup accrued, deposits, bank balances and investments as the recovery of such amounts is possible.

The ageing of Shifa Foundation (SF) and SIHT (Private) Limited at the reporting date was:

		2024	2023
	Note	Gross debts / Other receivables	Allowance for ECL
		(Rupees in '000')	
<b>Shifa Foundation</b>			
1 - 6 months	21	7,137	-
<b>SIHT (Private) Limited</b>			
1 - 3 months	23.2	30,329	-

41.1.5 Cash and investments are held only with reputable banks and their mutual funds with high quality external credit rating assessed by external rating agencies. Following are the credit ratings of banks with which balances are held or credit lines available:

Bank	Rating Agency	Rating	Rating
		Short term	Long term
Habib Bank Limited	JCR - VIS	A1+	AAA
Meezan Bank Limited	JCR - VIS	A1+	AAA
Al - Baraka Bank (Pakistan) Limited	JCR - VIS	A1	A+
United Bank Limited (UBL)	JCR - VIS	A1+	AAA
MCB Bank Limited	PACRA	A1+	AAA
Dubai Islamic Bank	JCR - VIS	A1+	AA
The Bank of Punjab	PACRA	A1+	AA+
Askari Bank Limited	PACRA	A1+	AA+
Faysal Bank Limited	JCR - VIS	A1+	AA
Bank Alfalah Limited	PACRA	A1+	AAA
Bank Al Habib Limited	PACRA	A1+	AAA
Silk Bank Limited	JCR - VIS	A2	A-
National Bank of Pakistan	JCR - VIS	A1+	AAA
Habib Metropolitan Bank Limited	PACRA	A1+	AA+
UBL - Al Ameen Islamic Cash Fund	JCR - VIS	-	AA+(f)



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## 41.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to manage liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. For this purpose the Company has credit facilities as mentioned in notes 8 and 34 to the financial statements. Further liquidity position of the Company is monitored by the board through budgets, cash flow projections and comparison with actual results.

Following is the maturity analysis of financial liabilities:

	Carring amount	Six months or less	Six to twelve months	One to two years	Two to five years	Above five years
(Rupees in '000')						
<b>2024</b>						
Long term financing - secured	1,074,951	361,803	133,392	243,370	336,386	-
Deferred liabilities	34,434	-	-	34,434	-	-
Trade and other payables	3,516,285	3,516,285	-	-	-	-
Unclaimed dividend	44,730	44,730	-	-	-	-
Mark up accrued	23,858	23,858	-	-	-	-
	4,694,258	3,946,676	133,392	277,804	336,386	-
<b>2023</b>						
Long term financing-secured	1,740,409	443,595	428,203	755,874	112,737	-
Deferred liabilities	24,570	-	-	24,570	-	-
Trade and other payables	4,124,565	4,124,565	-	-	-	-
Unclaimed dividend	36,955	36,955	-	-	-	-
Mark up accrued	70,874	70,874	-	-	-	-
	5,997,373	4,675,989	428,203	780,444	112,737	-

Maturity analysis of lease liabilities is given in note 10.

## 41.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, markup rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk. The Company is exposed to currency, mark up rate and market price risk.

### 41.3.1 Foreign currency risk

#### Exposure to foreign currency risk

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

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

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	2024			2023		
	(Amount in '000')					
	Euro	USD	AED	Euro	USD	AED
Bank balances	-	3,285	-	-	3,285	-
Receivables	-	-	-	-	-	597
Letter of credit	(555)	(1,460)	-	-	-	-
	(555)	1,825	-	-	3,285	597

	2024			2023		
	(Rupees in '000')					
Bank balances	-	913,689	-	-	940,085	-
Receivables	-	-	-	-	-	46,485
Letter of credit	(165,397)	(406,837)	-	-	-	-
	(165,397)	506,852	-	-	940,085	46,485

Following are significant exchange rates applied during the year:

	Average rate		Closing rate	
	2024	2023	2024	2023
	(Rupees)			
USD 1 - Buying	283.02	247.69	278.15	286.18
USD 1 - Selling	283.45	248.11	278.59	286.60
AED 1 - Buying	-	67.49	-	77.92
AED 1 - Selling	-	67.59	-	78.02
Euro 1 - Buying	306.25	260.15	297.45	312.85
Euro 1 - Selling	306.72	260.58	297.92	313.30

## Foreign currency sensitivity analysis

A 10 percent variation of PKR against USD and EURO at June 30 would have effected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular markup rates, remains constant.

	Change in Foreign Exchange Rates	Effect on Profit	Effect on Equity
	%	(Rupees in '000')	
<b>2024</b>			
Foreign currencies	+10%	20,829	20,829
Foreign currencies	-10%	(20,829)	(20,829)
<b>2023</b>			
Foreign currencies	+10%	60,181	60,181
Foreign currencies	-10%	(60,181)	(60,181)

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## 41.3.2 Markup rate risk

The markup rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from long term financing, short term investments and deposits with banks which are variable rate financial instruments. At the reporting date the markup rate profile of the Company's markup-bearing financial instruments are:

		2024	2023
	Note	(Rupees in '000')	
<b>Financial assets</b>			
Investment - at amortised cost	24.1	3,000	3,000
Bank balances	26	793,057	999,435
		796,057	1,002,435
<b>Financial liabilities</b>			
Financing - secured	8	(1,074,951)	(1,740,409)
		(278,894)	(737,974)

The effective markup rates for the financial assets and liabilities are mentioned in respective notes to the financial statements.

### Markup rate sensitivity analysis

If markup rates had been 50 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended June 30, 2024 would decrease/increase by Rs. 1,113 thousand (2023: decrease / increase by Rs. 1,615 thousand). This is mainly attributable to the Company's exposure to markup rates on its variable rate borrowings.

## 41.3.3 Price risk

The Company's price risk arises from investments in units as disclosed in - note 24.2 which are designated at fair value through profit or loss, however, in accordance with the investment strategy the performance of units is actively monitored and they are managed on a fair value basis.

### Price risk sensitivity analysis

A change of Rs. 1 in the value of investments at fair value through profit or loss would have increased or decreased profit or loss by Rs. 2,407 thousand (2023: Rs. 3,685 thousand).

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

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## 41.4 Financial instrument by category

	Amortised cost	Fair value through profit or loss	Total
2024	(Rupees in '000')		
<b>Financial assets</b>			
<b>Maturity upto one year</b>			
Trade debts	1,346,189	-	1,346,189
Deposits and other receivables	136,837	-	136,837
Markup accrued	4,102	-	4,102
Other financial assets	3,000	199,566	202,566
Cash and bank balances	2,129,377	-	2,129,377
<b>Maturity after one year</b>			
Long term deposits	113,937	-	113,937
	3,733,442	199,566	3,933,008
<b>Financial liabilities</b>			
<b>Maturity upto one year</b>			
Trade and other payables	3,516,285	-	3,516,285
Unclaimed dividend	44,730	-	44,730
Markup accrued	23,858	-	23,858
Current portion of long term financing - secured	495,195	-	495,195
Current portion of lease liabilities	266,739	-	266,739
<b>Maturity after one year</b>			
Long term financing - secured	579,756	-	579,756
Deferred liabilities	34,434	-	34,434
Lease liabilities	526,907	-	526,907
	5,487,904	-	5,487,904



# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	Amortised cost	Fair value through profit or loss	Total
2023		(Rupees in '000')	
<b>Financial assets</b>			
<b>Maturity upto one year</b>			
Trade debts	1,366,122	-	1,366,122
Deposits and other receivables	255,610	-	255,610
Markup accrued	2,077	-	2,077
Other financial assets	3,000	304,919	307,919
Cash and bank balances	2,216,433	-	2,216,433
Long term deposits	91,616	-	91,616
	3,934,858	304,919	4,239,777
<b>Financial liabilities</b>			
<b>Maturity upto one year</b>			
Trade and other payables	4,124,565	-	4,124,565
Unclaimed dividend	36,955	-	36,955
Markup accrued	70,874	-	70,874
Current portion of long term financing - secured	871,798	-	871,798
Current portion of lease liabilities	268,595	-	268,595
<b>Maturity after one year</b>			
Long term financing - secured	868,611	-	868,611
Deferred liabilities	24,570	-	24,570
Lease liabilities	459,047	-	459,047
	6,725,015	-	6,725,015

## 41.5 Fair value

### Fair value versus carrying amounts

The fair value of financial assets and liabilities, together with the carrying amounts shown in the unconsolidated statement of financial position are as follows:

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	2024		2023	
	Carrying value	Fair value	Carrying value	Fair value
Rupees in '000'				
<b>Assets carried at amortised cost</b>				
Long term deposits	113,937	113,937	91,616	91,616
Trade debts	1,346,189	1,346,189	1,366,122	1,366,122
Deposits and other receivables	136,837	136,837	255,610	255,610
Markup accrued	4,102	4,102	2,077	2,077
Other financial assets	3,000	3,000	3,000	3,000
Cash and bank balances	2,129,377	2,129,377	2,216,433	2,216,433
	3,733,442	3,733,442	3,934,858	3,934,858
<b>Assets carried at fair value</b>				
Other financial assets	199,566	199,566	304,919	304,919
<b>Liabilities carried at amortised cost</b>				
Long term financing - secured	579,756	579,756	868,611	868,611
Deferred Liabilities	34,434	34,434	24,570	24,570
Lease liabilities	526,907	526,907	459,047	459,047
Trade and other payables	3,516,285	3,516,285	4,124,565	4,124,565
Unclaimed dividend	44,730	44,730	36,955	36,955
Markup accrued	23,858	23,858	70,874	70,874
Current portion of long term financing - secured	495,195	495,195	871,798	871,798
Current portion of lease liabilities	266,739	266,739	268,595	268,595
	5,487,904	5,487,904	6,725,015	6,725,015

The basis for determining fair values is as follows:

The interest rates used to discount estimated cash flows, when applicable, are based on the government yield curve at the reporting date plus an adequate credit spread. For instruments carried at amortised cost, since the majority of the interest bearing investments are variable rate based instruments, there is no difference in carrying amount and the fair value. Further, for fixed rate instruments, since there is no significant difference in market rate and the rate of instrument and therefore most of the fixed rate instruments are short term in nature, fair value significantly approximates to carrying value.

## 42 FAIR VALUE HIERARCHY

### Other financial assets

Fair value of investment in mutual funds (note 24.2) has been determined using quoted repurchase price at reporting date and categorised under level 1 of fair value hierarchy.

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## Fair value of land

Lands owned by the Company are valued by independent valuer to determine the fair values of lands as at reporting date. The fair value of lands subject to revaluation model fall under level 2 of fair value hierarchy.

There were no transfer amongst the levels during the year. Further, there were no changes in the valuation techniques during the year.

## 43 DISCLOSURE REQUIREMENTS FOR ALL SHARES ISLAMIC INDEX

		2024	2023
Description	Explanation	(Rupees in '000')	
Bank balances	Placed under interest	185,245	245,855
	Placed under sharia permissible arrangement	607,812	753,580
		793,057	999,435
Return on bank deposit for the year	Placed under interest	25,954	7,750
	Placed under sharia permissible arrangement	40,389	34,413
		66,343	42,163
Interest and dividend income on investment for the year	Placed under interest	571	441
	Placed under sharia permissible arrangement	66,999	94,955
		67,570	95,396
Segment revenue	Disclosed in note 27		
Exchange (loss) / gain earned	Disclosed in note 28 & 29		
Loans obtained as per islamic mode		213,224	410,647
Mark up paid on islamic mode of financing		295,195	305,023
Interest paid on any conventional loan		1,218	1,896

## Relationship with sharia compliant banks

The Company has obtained long term loans and has maintained bank balances and term deposits with sharia compliant banks as given below:

- Al-Baraka Bank (Pakistan) Limited
- Meezan Bank Limited
- Dubai Islamic Bank
- Faysal Bank Limited
- Bank Alfalah Limited
- Bank of Punjab
- Askari Bank Limited

# NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 44 OPERATING SEGMENTS

These unconsolidated financial statements have been prepared on the basis of single reportable segment. All revenue of the Company is earned in Pakistan. All non-current assets of the Company at June 30, 2024 are located in Pakistan. There is no segment with more than 10% of total revenue of the Company for the year.

## 45 NON-ADJUSTING EVENT AFTER THE STATEMENT OF FINANCIAL POSITION DATE

The board of directors of the Company in its meeting held on September 14, 2024 has proposed a final cash dividend for the year ended June 30, 2024 @ Rs. 2.5/- per share, amounting to Rs.158,036 thousand for approval of the members in the Annual General Meeting to be held on October 28, 2024. This dividend is in addition to interim dividend of Rs. 1.5/- per share paid during the current year. The unconsolidated financial statements for the year ended June 30, 2024 does not include the effect of the final dividend which will be accounted for in the year in which it is approved.

## 46 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever considered necessary, for better presentation. However, following reclassification has been made during the year.

Description	Note	Reclassified		2023 (Rs. in '000')
		from	to	
Reclassification from income tax expense to levies	31	Income tax expense	Levies	9,096

## 47 DATE OF AUTHORISATION FOR ISSUE

These unconsolidated financial statements were approved and authorised for issue by the board of directors of the Company on September 14, 2024.

## 48 GENERAL

Figures have been rounded off to the nearest one thousand Pak Rupees unless otherwise stated.

  
CHAIRMAN

  
CHIEF EXECUTIVE

  
CHIEF FINANCIAL OFFICER



# CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

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## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHIFA INTERNATIONAL HOSPITALS LIMITED

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the annexed consolidated financial statements of **Shifa International Hospitals Limited** and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at June 30, 2024, and the consolidated statement of profit or loss, the consolidated statement comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies information and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at June 30, 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

#### 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 Auditors' Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Group 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 Judgement, were of most significance in our audit of consolidated financial statements of the current period. These matters are addressed in the context of our audit of the consolidated financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### BDO Ebrahim & Co. Chartered Accountants

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the International BDO network of independent member firms.

Following are the key audit matters:

Sr. No.	Key audit matters	How the matter was addressed in our audit
1.	<p><b>Revenue Recognition</b></p> <p>(Refer note 28 to the financial statement)</p> <p>The Group's revenue consists of inpatient revenue, outpatient revenue, pharmacy, cafeteria, rent of building and other services.</p> <p>During the year ended June 30, 2024, the Group recognised aggregate revenue of Rs. 23,553.578 million from rendering of services to inpatients, outpatients, external pharmacy outlets, cafeteria sales, operating leases to related parties/ other parties and corporate services to associate.</p> <p>We identified recognition of revenue as an area of higher risk as it includes large number of revenue transactions with a large number of customers in various geographical locations and revenue being one of the key performance indicator of the Group. Accordingly, it was considered as a key audit matter.</p>	<p>Our procedures in relation to revenue recognition, amongst others, included:</p> <ul style="list-style-type: none"> <li>• Understood and evaluated management controls over revenue and checked their validations;</li> <li>• Performed test of controls and evaluation of Information Technology General Controls (ITGC) with the assistance of our IT expert to assess the operating effectiveness of controls related to the automation of revenue recognition;</li> <li>• Checked that revenue has been recognised in accordance with the Group's accounting policy and the applicable reporting framework;</li> <li>• Performed verification of sample of revenue transactions with underlying documentation including invoices, agreements, charge-sheets and other relevant underlying documents;</li> <li>• Checked cash receipts from customers on sample basis against the revenue booked during the year;</li> <li>• Performed cut-off procedures on sample basis to ensure revenue has been recognised in the correct period;</li> <li>• Tested journal entries relating to revenue recognised during the year based on identified risk criteria; and</li> <li>• Assessed the appropriateness of disclosures made in the financial statements related to revenue as required under the applicable reporting framework.</li> </ul>

**BDO Ebrahim & Co. Chartered Accountants**

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the International BDO network of independent member firms.



Sr. No.	Key audit matters	How the matter was addressed in our audit
2.	<p><b>Expected credit loss allowance on trade debts</b> (Refer note 22 to the financial statement)</p> <p>The Group has recognised balance of an expected credit loss allowance of Rs. 242.946 million on gross amount of trade debts of Rs. 1,589.135 million as at June 30, 2024.</p> <p>Under IFRS 9, the Group is required to recognise expected credit loss allowance for financial assets using Expected Credit Loss (ECL) model. Determination of ECL provision for trade debts requires significant judgment and assumptions including consideration of factors such as historical credit loss experience, time value of money and forward-looking macroeconomic information etc. We have considered the expected credit loss assessment as a key audit matter due to the significance of estimates and judgments involved.</p>	<p>Our audit procedures in relation to expected credit loss assessment of trade debts, amongst others, included the following:</p> <ul style="list-style-type: none"> <li>• Understood the management's process for estimating the ECL in relation to trade debts. Assessed and evaluated the assumptions used by the management in determining impairment loss under the ECL model;</li> <li>• Checked appropriateness of ageing, on sample basis, by comparing individual balances with underlying documentation;</li> <li>• Reviewed the appropriateness of assumptions used for ECL computation from relevant external and internal sources;</li> <li>• Circularized balance confirmation for trade debtors on sample basis and evaluated responses received;</li> <li>• Checked subsequent clearance of balances due as of June 30, 2024 on sample basis; and</li> <li>• Assessed the appropriateness of disclosures related to impairment assessment of trade debts as required under the applicable reporting framework.</li> </ul>

### Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

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

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

### BDO Ebrahim & Co. Chartered Accountants

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the International BDO network of independent member firms.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Board of directors is responsible for overseeing the Group's financial reporting process.

### **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

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

#### **BDO Ebrahim & Co. Chartered Accountants**

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the International BDO network of independent member firms.

- 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

The engagement partner on the audit resulting in this independent auditors' report is Atif Riaz.

ISLAMABAD

DATED: 19 SEP 2024

UDIN : AR202410060PAB8fWjng



**BDO EBRAHIM & CO**  
**CHARTERED ACCOUNTANTS**

**BDO Ebrahim & Co. Chartered Accountants**

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the International BDO network of independent member firms.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised share capital 100,000,000 (2023: 100,000,000) ordinary shares of Rs. 10 each		1,000,000	1,000,000
Issued, subscribed and paid up capital	5	632,144	632,144
<b>Capital reserves</b>			
Share premium	6	2,738,888	2,738,888
Surplus on revaluation of property, plant and equipment	7	2,021,310	2,032,194
<b>Revenue reserves</b>			
Unappropriated profits		7,118,684	5,991,558
		12,511,026	11,394,784
<b>NON - CONTROLLING INTEREST</b>	8	2,470,891	2,500,388
<b>NON - CURRENT LIABILITIES</b>			
Long term financing - secured	9	579,756	868,611
Deferred liabilities	10	389,394	423,143
Lease liabilities	11	483,396	297,008
		1,452,546	1,588,762
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	4,168,270	4,793,572
Unclaimed dividend		44,730	36,955
Markup accrued	13	23,858	70,874
Current portion of long term financing - secured	9	495,195	871,798
Current portion of lease liabilities	11	146,911	169,979
		4,878,964	5,943,178
		21,313,427	21,427,112

## CONTINGENCIES AND COMMITMENTS

14

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

  
CHAIRMAN

  
CHIEF EXECUTIVE



		2024	2023
	Note	(Rupees in '000')	
NON - CURRENT ASSETS			
Property, plant and equipment	15	13,860,258	13,987,475
Intangible assets	16	39,375	40,035
Investment property - at cost	17	720,292	748,450
Long term investments	18	424,045	45,079
Long term deposits	19	126,050	104,330
		15,170,020	14,925,369
CURRENT ASSETS			
Stores, spare parts and loose tools	20	220,034	251,698
Stock in trade	21	1,041,866	982,498
Trade debts	22	1,346,189	1,366,122
Loans and advances	23	454,495	434,901
Deposits, prepayments and other receivables	24	175,459	266,493
Markup accrued		4,383	2,077
Other financial assets	25	484,991	554,352
Tax refunds due from the government (net of provision)	26	258,787	320,936
Cash and bank balances	27	2,157,203	2,322,666
		6,143,407	6,501,743
		21,313,427	21,427,112



CHIEF FINANCIAL OFFICER

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
Revenue - net	28	23,553,578	19,698,884
Other income	29	233,279	647,564
Operating costs	30	(20,981,597)	(17,884,724)
Finance costs	31	(421,091)	(434,403)
Expected credit losses	24.2 & 43.1.3	(116,289)	(57,105)
Share of (loss) / profit of associates	18	(4,506)	12,217
Profit before levies and income tax		2,263,374	1,982,433
Levies	32.2	(15,224)	(17,565)
Profit before income tax		2,248,150	1,964,868
Income tax expense	32	(918,524)	(803,979)
Profit for the year - continuing operations		1,329,626	1,160,889
Profit / (loss) for the year - discontinued operations - net of tax	33	2,466	(3,784)
Profit for the year		1,332,092	1,157,105
<b>Attributable to:</b>			
<b>Equity holders of SIHL</b>			
Continuing operations		1,368,030	1,172,516
Discontinued operations		2,466	(3,784)
		1,370,496	1,168,732
<b>Non-controlling interest</b>			
Continuing operations		(38,404)	(11,627)
Discontinued operations		-	-
		(38,404)	(11,627)
		1,332,092	1,157,105
<b>Earnings per share - basic and diluted (Rupees)</b>			
Continuing operations		21.64	18.55
Discontinued operations		0.04	(0.06)
	34	21.68	18.49

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

  
CHAIRMAN

  
CHIEF EXECUTIVE

  
CHIEF FINANCIAL OFFICER

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
Profit for the year		1,332,092	1,157,105
<b>Other comprehensive income:</b>			
<b>Items that will not be subsequently reclassified to the consolidated statement of profit or loss:</b>			
Loss on remeasurement of staff gratuity fund benefit plan (net of tax)	12.5.4	(76,024)	(16,399)
Surplus on revaluation of land		20,321	837,802
		(55,703)	821,403
<b>Items that will be subsequently reclassified to the consolidated statement of profit or loss:</b>			
Foreign currency translation adjustment		-	458
Total comprehensive income for the year		1,276,389	1,978,966
<b>Attributable to:</b>			
<b>Equity holders of SIHL</b>			
Continuing operations		1,303,420	1,676,097
Discontinued operations		2,466	(3,784)
		1,305,886	1,672,313
<b>Non-controlling interest</b>			
Continuing operations		(29,497)	306,653
Discontinued operations		-	-
		(29,497)	306,653
		1,276,389	1,978,966

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

  
CHAIRMAN

  
CHIEF EXECUTIVE

  
CHIEF FINANCIAL OFFICER

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2024

	Share capital	Share premium	Surplus on revaluation of property, plant and equipment	Un - appropriated profits	Non - controlling interest (NCI)	Total
(Rupees in '000')						
<b>Balance as at July 01, 2022</b>	632,144	2,738,888	1,546,319	4,898,668	1,670,759	11,486,778
<b>Total comprehensive income</b>						
Profit / (loss) for the year	-	-	-	1,168,732	(11,627)	1,157,105
Other comprehensive income / (loss) - net of tax	-	-	519,522	(15,941)	318,280	821,861
	-	-	519,522	1,152,791	306,653	1,978,966
Realisation of revaluation surplus on disposal of assets	-	-	(19,463)	19,463	-	-
Transfer of revaluation surplus of property, plant and equipment in respect of incremental depreciation / amortisation	-	-	(14,184)	14,184	-	-
NCI recognised during the year	-	-	-	-	524,250	524,250
<b>Change in ownership interest:</b>						
Acquisition of shareholding by SIHL	-	-	-	1,274	(1,274)	-
<b>Distribution to owners</b>						
Dividend - Final 2022 @ Rs. 1.5 per share	-	-	-	(94,822)	-	(94,822)
<b>Balance as at June 30, 2023</b>	632,144	2,738,888	2,032,194	5,991,558	2,500,388	13,895,172
<b>Total comprehensive income</b>						
Profit / (loss) for the year	-	-	-	1,370,496	(38,404)	1,332,092
Other comprehensive income / (loss) - net of tax	-	-	11,414	(76,024)	8,907	(55,703)
	-	-	11,414	1,294,472	(29,497)	1,276,389
Realisation of revaluation surplus on disposal of assets	-	-	(4,284)	4,284	-	-
Transfer of revaluation surplus of property, plant and equipment in respect of incremental depreciation / amortisation	-	-	(18,014)	18,014	-	-
<b>Distribution to owners</b>						
Dividend - Final 2023 @ Rs. 1.5 per share	-	-	-	(94,822)	-	(94,822)
Dividend - Interim 2024 @ Rs. 1.5 per share	-	-	-	(94,822)	-	(94,822)
<b>Balance as at June 30, 2024</b>	632,144	2,738,888	2,021,310	7,118,684	2,470,891	14,981,917

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

  
CHAIRMAN

  
CHIEF EXECUTIVE

  
CHIEF FINANCIAL OFFICER



# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before levies and income tax - continuing operations		2,263,374	1,982,433
Profit / (loss) before levies and income tax - discontinued operations		2,466	(3,784)
Adjustments for non-cash income and expense	42	1,970,763	1,286,750
Operating cash flows before changes in working capital		4,236,603	3,265,399
<b>Changes in working capital:</b>			
<b>(Increase) / decrease in current assets:</b>			
Stores, spare parts and loose tools		33,556	(39,452)
Stock in trade		(59,368)	(270,530)
Trade debts		(73,340)	(458,458)
Loans and advances		(19,594)	212,326
Deposits, prepayments and other receivables		105,166	(28,904)
Discontinued operations		(37,148)	(4,269)
<b>(Decrease) / increase in current liabilities:</b>			
Trade and other payables		(807,280)	1,038,668
		(858,008)	449,381
Cash generated from operations		3,378,595	3,714,780
Finance cost paid		(395,670)	(335,215)
Income tax paid		(866,606)	(603,123)
Payment to SIHL Employees' Gratuity Fund Trust		(242,112)	(141,271)
Compensated absences paid		(72,684)	(58,095)
Payment to defined contribution plan		(84,300)	(97,999)
Net cash generated from operating activities		1,717,223	2,479,077
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Addition to property, plant and equipment (PPE)		(646,079)	(2,972,603)
Outlay against long term investment		(425,000)	-
Encashment of other financial assets - net		241,331	514,911
Proceeds from disposal of PPE		18,826	97,663
Proceeds on derecognition of investment		2,265	-
Proceeds from disposal of investment property		26,000	-
Markup received		100,145	55,714
Increase in long term deposits		(23,200)	(15,136)
Discontinued operations		-	(290)
Net cash used in investing activities		(705,712)	(2,319,741)

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Non-controlling interest		-	524,250
Long term financing - repayments		(881,581)	(1,353,678)
Proceeds from long term financing		216,122	470,534
Deferred grant received		-	15,918
Payment of lease liabilities		(200,524)	(188,129)
Dividend paid		(181,869)	(98,645)
Net cash used in financing activities		(1,047,852)	(629,750)
Net decrease in cash and cash equivalents		(36,341)	(470,414)
<b>Cash and cash equivalents at beginning of the year</b>		2,446,115	2,540,324
Effect of exchange rate changes on cash and cash equivalents		(26,469)	376,205
<b>Cash and cash equivalents at end of the year</b>	40	2,383,305	2,446,115

The annexed notes from 1 to 50 form an integral part of these consolidated financial statements.

  
CHAIRMAN

  
CHIEF EXECUTIVE

  
CHIEF FINANCIAL OFFICER

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 1 STATUS AND NATURE OF BUSINESS

Shifa International Hospitals Limited ("the Group") comprises of Shifa International Hospitals Limited (SIHL / parent company) and its subsidiaries, Shifa Development Services (Private) Limited, Shifa Neuro Sciences Institute Islamabad (Private) Limited, Shifa National Hospital Faisalabad (Private) Limited and Shifa Medical Center Islamabad (Private) Limited.

SIHL was incorporated in Pakistan on September 29, 1987 as a private limited company under the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017 on May 30, 2017) and converted into a public limited company on October 12, 1989. The shares of the SIHL are quoted on Pakistan Stock Exchange Limited. The registered office of the SIHL is situated at Sector H-8/4, Islamabad. The principal activity of SIHL is to establish and run medical centers and hospitals in Pakistan. The SIHL has established its first hospital in 1993 in H-8/4 Islamabad, second hospital in 2011 in Faisalabad and another in 2014 in G-10/4 Islamabad. The SIHL is also running medical centers, lab collection points and pharmacies in different cities of Pakistan.

Shifa Development Services (Private) Limited (SDSPL) was incorporated in Pakistan on December 18, 2014. The principal activity of SDSPL is to provide consulting services relating to healthcare facility, medical staff, human resource, architectural designing, procurement, hospital quality and project management services. The registered office of SDSPL is situated at Shifa International Hospitals Limited, Sector H-8/4, Islamabad. During the year, impairment loss on entire investment has been recorded in view of on going financial difficulties faced by SDSPL due to which it may not be able to continue its business.

Shifa Neuro Sciences Institute Islamabad (Private) Limited (SNS Islamabad) was incorporated in Pakistan on February 28, 2019. The principal line of business is to establish, run, control, manage and operate state of the art neuro sciences institute including diagnostic centres, clinics, laboratories, operation theaters, dental clinics, healthcare centres and provide all healthcare and surgical related facilities of different diseases, inpatient and outpatient services and treatment of viral, bacterial and chronic diseases and all other related services thereof, subject to permission from relevant authorities, if required. The registered office of SNS Islamabad is situated at Sector H-8/4, Islamabad.

Shifa National Hospital Faisalabad (Private) Limited (SNH Faisalabad) was incorporated in Pakistan on February 28, 2019. The principal line of business of the SNH Faisalabad is to establish, run, control, manage and operate tertiary / quaternary care hospitals including diagnostic centers, clinics, laboratories, operation theaters, dental clinics, healthcare centers and provide all healthcare and surgical related facilities of different diseases, inpatient and outpatient services and treatment of viral, bacterial and chronic diseases and all other related services thereof, subject to permission from relevant authorities, if required. The registered office of the SNH Faisalabad is situated at Sector H-8/4, Islamabad.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

During the year, the board of directors of the SIHL decided to invest an additional Rs. 1.606 billion in the paid-up capital of SNH Faisalabad. This decision was approved at the Extraordinary General Meeting held on June 15, 2024.

Subsequent to year end, both the sponsors of SNH Faisalabad have injected the further equity investment amounting to Rs. 940,838 thousand, based on their respective ownership stake in the project.

Shifa Medical Center Islamabad (Private) Limited (SMC Islamabad) was incorporated in Pakistan on February 28, 2019. The principal line of business of the SMC Islamabad is to establish, run, control, manage and operate facilities providing ambulatory services including day care surgeries, diagnostic centers, clinics, laboratories, operation theaters, dental clinics, healthcare centers and provide all healthcare and surgical related facilities of different diseases, inpatient and outpatient services and treatment of viral, bacterial and chronic diseases and all other related services thereof, subject to permission from relevant authorities, if required. The registered office of the SMC Islamabad is situated at Shifa International Hospitals Limited, Sector H-8/4, Islamabad.

The board of directors of the SIHL had previously decided to divest the SIHL's entire shareholding in its subsidiary, "SMC Islamabad." However, due to the significant downturn in the real estate market caused by current economic conditions, the sale has become less viable. As a result, in a meeting held on August 07, 2024, the board of directors of "SMC Islamabad" instructed its management to explore various feasible options other than the sale.

Geographical locations of business units of the SIHL are as follows:

H-8 Hospital, Pitras Bukhari Road, Sector H-8/4, Islamabad

G-10/4 Hospital, G-10 Markaz, Islamabad

Shifa Medical Center, Gulberg Greens, Islamabad

Faisalabad Hospital, Main Jaranwala Road, Faisalabad

Shifa Medical Center, Iskandarabad, Mianwali

Shifa Pharmacy, Telephone Industries of Pakistan, Haripur

Shifa Pharmacy, Ring Road, Peshawar

	2024	2023
Percentage share in total revenue given in note 28.		
Islamabad	97%	97%
Faisalabad	3%	3%
	100%	100%

The consolidated financial statements of the Group have been prepared based upon initialed accounts for Shifa Medical Center Islamabad (Private) Limited and Shifa National Hospital Faisalabad (Private) Limited while management accounts for Shifa Development Services (Private) Limited, as at June 30, 2024.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 2 BASIS OF PREPARATION

### 2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) and Islamic Financial Accounting Standards (IFASs) issued by the Institute of Chartered Accountants of Pakistan as are 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 or IFASs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

### 2.2 Basis of measurement

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

### 2.3 Functional and presentation currency

These consolidated financial statements are presented in Pak Rupees, which is the Group's functional currency.

### 2.4 Use of estimates and judgments

The preparation of consolidated financial statements in conformity with accounting and reporting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgment about carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgments made by management in the application of the accounting and reporting standards that have significant effect on the consolidated financial statements and estimates with a significant risk of material adjustment in the next year are as follows:

- i) Estimate of recoverable amount of investment in associated company - notes 4.2 and 18
- ii) Estimate of fair value of financial liabilities at initial recognition - notes 4.4, 4.5, 4.18.4 and 9



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

- iii) Provision for taxation - notes 4.6, 4.7, 10 and 32
- iv) Right of use assets and corresponding lease liability - notes 4.8, 11 and 15
- v) Employee benefits - notes 4.10, 12.4 and 12.5
- vi) Provisions and contingencies - notes 4.11, 4.12 and 14
- vii) Estimate of useful life of property, plant and equipment - notes 4.13 and 15
- viii) Estimate of useful life of intangible assets - notes 4.14 and 16
- ix) Impairment of non-financial assets - notes 4.16
- x) Expected credit loss allowance - notes 4.18.2, 24.2 and 43.1.3
- xi) Provision for slow moving stores, spares and loose tools - notes 4.19, 4.20 and 20

## 3 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

### **New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2024**

The following standards, amendments and interpretations are effective for the year ended June 30, 2024. These standards, amendments and interpretations are either not relevant to the Group's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2 Making Materiality Judgements-Disclosure of Accounting Policies	January 1, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	January 1, 2023
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	January 1, 2023
Amendments to IAS 12 'Income Taxes' - Temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes	January 1, 2023

The Group adopted the narrow-scope amendments to the International Accounting Standard (IAS) 1, Presentation of Financial Statements which have been effective for annual reporting periods beginning on or after January 01, 2023. Although the amendments did not result in any changes to accounting policy themselves, they impacted the accounting policy information disclosed in the financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting the Group to provide useful entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and updates to the information disclosed in note 4 Material accounting policies (2023: Significant accounting policies) in certain instances in line with the amendments and concluded that all its accounting policies are material for disclosure.

## **New accounting standards, amendments and interpretations that are not yet effective**

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

	<b>Effective date (annual periods beginning on or after)</b>
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 1, 2024
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 1, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 1, 2026
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 1, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 1, 2024

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	Effective date (annual periods beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of Accounting Policies	January 1, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 1, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 1, 2024
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 1, 2025
IFRS 17 'Insurance Contracts'	January 1, 2026
IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).	
IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP.	
IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2026.	
The Group expects that the adoption of the above standards will have no material effect on the Group's financial statements, in the period of initial application.	

## 4 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, except for changes as are disclosed in relevant notes.

### 4.1 Changes in accounting policy

During the year the Institute of Chartered Accountants of Pakistan (ICAP) have withdrawn the Technical Release 27 "IAS 12, Income Taxes (Revised 2012)" and issued guidance - "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes". The said guidance requires certain amounts of tax paid under minimum tax (which is not adjustable against future income tax liability) and final tax regime to be shown separately as a levy instead of showing it in current tax.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

The management believes that the new policy provides reliable and more relevant information to the users of the financial statements. Accordingly, the impact has been incorporated in these consolidated financial statements retrospectively in accordance with the requirement of International Accounting Standard (IAS 8) 'Accounting Policies, Change in Accounting Estimates and Errors'. There has been no effect on the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and Earnings Per Share as a result of this change.

Effect on consolidated statement of profit or loss	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating changes in accounting policy
(Rupees in '000')			
<b>June 30, 2024:</b>			
Levies	-	15,224	15,224
Profit before levies and income tax	2,263,374	(15,224)	2,248,150
Income tax expense	933,748	(15,224)	918,524
<b>June 30, 2023:</b>			
Levies	-	17,565	17,565
Profit before levies and income tax	1,982,433	(17,565)	1,964,868
Income tax expense	821,544	(17,565)	803,979

## 4.2 Basis of consolidation

These consolidated financial statements includes the financial statements of Shifa International Hospitals Limited and its subsidiaries, SDSPL 55% owned (2023: 55% owned), SNS Islamabad 100% owned (2023: 100% owned), SMC Islamabad 56% owned (2023: 56% owned) and SNH Faisalabad 61% owned (2023: 61% owned).

### Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are derecognised from the date the control ceases.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities (including contingent liabilities) assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition by acquisition basis, the Group recognises any non-controlling interest in the acquiree at the non controlling interest's proportionate share of the acquiree's identifiable net assets.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

## **Associates (equity accounted investee)**

Entities over which the Group has significant influence directly or indirectly (through subsidiaries) but not control and which are neither subsidiaries nor joint ventures of the members of the Group are associates and are accounted for under the equity method of accounting (equity accounted investees). These investments are initially recognised at cost. The consolidated financial statements include the associates' share of profit or loss and movements in other comprehensive income, after adjustments, if any, to align the accounting policies with those of the Group, from the date that significant influence commences until the date it ceases. Share of post acquisition profit / loss of associates is recognised in the consolidated statement of profit or loss and the consolidated statement of comprehensive income. Distributions received from associates reduce the carrying amount of investment.

When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that investment (including any long-term interests that, in substance, form part of the Group's net investment in the associate) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

## **Non controlling interest (NCI)**

NCI is measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

## **Loss of control**

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in the consolidated statement of profit or loss. Any interest retained in the former subsidiary is measured at fair value when the control is lost.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 4.3 Share capital and dividend

Dividend is recognised as a liability in the period in which it is declared. Movement in reserves is recognised in the year in which it is approved.

## 4.4 Financing and finance cost

Financing is recognised initially at fair value, less attributable transaction costs. Subsequent to initial recognition, financing is stated at amortised cost with any difference between cost and redemption value being recognised in the consolidated statement of profit or loss over the period of the financing on an effective interest basis. Finance cost is recognised as an expense in the period in which it is incurred.

## 4.5 Government grants

Government grants are transfer of resources to an entity by a government entity in return for compliance with certain past or future conditions related to the entity's operating activities. e.g. a government subsidy.

Government grants are recognised at fair value, as deferred income, when there is reasonable assurance that the grants will be received and the Group will be able to comply with the conditions associated with the grants.

Grants that compensate the Group for expenses incurred, are recognised on a systematic basis in the income for the year in which the finance cost is recognised and finance cost is reported net of grant in note 31.

A loan is initially recognised and subsequently measured in accordance with IFRS 9. IFRS 9 requires loans at below-market rates to be initially measured at their fair value. e.g. the present value of the expected future cash flows discounted at a market-related interest rate. The benefit that is the government grant is measured as the difference between the fair value of the loan on initial recognition and the amount received, which is accounted for according to the nature of the grant.

## 4.6 Taxation

Taxation for the year comprises of current and deferred tax. Taxation is recognised in the consolidated statement of profit or loss except to the extent that it relates to items recognised directly in the consolidated statement of changes in equity or in other comprehensive income.

### Current

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## Deferred

Deferred tax is accounted for using balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that is no longer probable that the related tax benefit will be realised.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on tax rates that have been enacted. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity or on different tax entities but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

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

Deferred tax asset of Rs. 86,477 thousand (2023: Rs. 55,179 thousand) on deductible temporary difference of Rs. 298,196 thousand (2023: Rs. 190,273 thousand) has not been recorded in respect of subsidiaries.

## 4.7 Levies

Minimum tax, final tax and super-tax not based on taxable profits are recognised as a levy in the consolidated statement of profit or loss. The amount calculated on taxable income using the notified tax rate is recognized as current income tax expense for the year in consolidated statement of profit or loss under the scope of IAS 12. Any excess of expected income tax paid or payable for the year under the Income Tax Ordinance, 2001 over the amount designated as current income tax for the year, is then recognised as a levy falling under the scope of IFRIC 21 / IAS 37.

## 4.8 Leases

### 4.8.1 Right of use assets (ROUs)

The SIHL recognises right of use assets and a lease liability at the lease commencement date. The right of use assets are initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

The right of use assets are subsequently depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of the right of use assets or the end of the lease term. The estimated useful lives of right of use assets are determined as those of similar assets or the lease term as specified in contract. In addition, the right of use assets is periodically reduced by impairment loss, if any, and adjusted for certain remeasurements of the lease liability.

The Group has not elected to recognise right of use assets and lease liabilities for short-term leases of properties that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

## 4.8.2 Lease liability

The lease liability is initially measured at the present value of the future lease payments discounted using the SIHL's incremental borrowing rate. Lease payments in the measurement of the lease liability comprise the following:

- Fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- Variable lease payment that are based on an index or a rate;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the SIHL's estimate of the amount expected to be payable under a residual value guarantee, or if the SIHL changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use assets, or is recorded in profit or loss if the carrying amount of the right of use assets has been reduced to zero.

## 4.9 Trade and other payables

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 4.10 Employee benefits

### Defined benefit plan

The SIHL operates approved funded gratuity scheme for all its non management employees who have completed the minimum qualifying period of service as defined in the scheme. Provision is made annually to cover obligations under the scheme on the basis of actuarial valuation and is charged to the consolidated statement of profit or loss. The actuarial gain or loss at each evaluation date is charged to other comprehensive income.

The amount recognised in the consolidated statement of financial position represents the present value of defined benefit obligations as reduced by the fair value of plan assets.

Calculation of gratuity asset requires assumptions to be made of future outcomes which mainly include increase in remuneration, expected long term return on plan assets and the discount rate used to convert future cash flows to current values. Calculations are sensitive to changes in the underlying assumptions and determined by actuary.

### Defined contribution plan

A defined contribution plan is a post-employment benefit plan where monthly contribution equal to 1/12th of eligible salary is made by the SIHL in employees' pension fund account maintained with designated asset management company and recognised as expense in the consolidated statement of profit or loss as and when they become due. Employees will be eligible for pension fund on the completion of minimum qualifying period. On fulfilment of criteria accumulated contribution against qualifying period of services from the date of joining classified as deferred liability and will be transferred to employees' pension fund account.

### Compensated absences

The Group provides for compensated absences of its employees on unavailed balance of leaves in the period in which the leave is earned. Accrual to cover the obligations is made using the current salary levels of the employees.

## 4.11 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. However, provisions are reviewed at each reporting date and adjusted prospectively to reflect the current best estimates.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 4.12 Contingencies

A contingent liability is disclosed when the Group has a possible obligation as a result of past events, 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 Group; or the Group has a present legal or constructive 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.

The Group discloses significant contingent liabilities for the pending litigations and claims against the Group based on its judgment and the advice of the legal advisors for the estimated financial outcome. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognised at the reporting date. However, based on the best judgment of the Group and its legal advisors, the likely outcome of these litigations and claims is remote and there is no need to recognise any liability at the reporting date.

## 4.13 Property, plant and equipment

Property, plant and equipment except freehold and leasehold lands and capital work in progress are stated at cost less accumulated depreciation and impairment in value, if any. Leasehold land is stated at revalued amount being the fair value at the date of revaluation, less any subsequent accumulated amortisation and impairment losses while freehold land is stated at revalued amount being the fair value at the date of revaluation, less subsequent impairment losses, if any.

Any revaluation increase arising on the revaluation of land is recognised in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property, plant and equipment", except to the extent that it reverses a revaluation decrease for the same asset previously recognised in the consolidated statement of profit or loss, in which case the increase is credited to the consolidated statement of profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of land is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset. The surplus on leasehold land to the extent of incremental depreciation charged is transferred to unappropriated profit.

Capital work in progress and stores held for capital expenditure are stated at cost less impairment loss recognised, if any. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work in progress. These are transferred to specific items of property, plant and equipment when available for intended use.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs that do not meet the recognition criteria are charged to the consolidated statement of profit or loss as and when incurred.

Depreciation / amortisation is charged to the consolidated statement of profit or loss commencing when the asset is ready for its intended use, applying the straight line method over the estimated useful life.

In respect of additions and disposals during the year, depreciation / amortisation is charged when the asset is available for use and up to the month preceding the asset's classified as held for sale or derecognised, whichever is earlier.

Assets are derecognised when disposed off or when no future economic benefits are expected to flow from its use. Gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and is recognised on net basis in the consolidated statement of profit or loss.

The Group reviews the useful lives of property, plant and equipment on a regular basis. Similarly revaluation of land is made with sufficient regularity. 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 / amortisation charge and impairment.

## **4.14 Intangible assets**

Intangible assets are stated at cost less accumulated amortisation and impairment loss, if any. Subsequent cost on intangible assets is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditure is expensed as incurred.

Amortisation is charged to the consolidated statement of profit or loss on a straight line basis over the estimated useful lives of intangible assets unless such lives are indefinite. amortisation on additions to intangible assets is charged from the month in which an item is acquired or capitalized while no amortisation is charged for the month in which the intangible is disposed off.

The Group reviews the useful lives of intangible assets on a regular basis. Any change in estimates in future years might affect the carrying amounts of the respective items of intangibles with the corresponding effect on the amortisation charge and impairment.

## **4.15 Investment property - at cost**

Investment property, principally comprising of land, is held for long term capital appreciation and is valued using the cost method i.e. at cost less impairment loss, if any.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self constructed investment property includes the cost of materials and direct labor, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs, if any.

The gain or loss on disposal of investment property, represented by the difference between the sale proceeds and the carrying amount of the asset is recognised as income or expense in the consolidated statement of profit or loss.

## 4.16 Impairment of non - financial assets

The Group assesses at each reporting date whether there is any indication that assets except deferred tax assets and inventory 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 amounts. Where carrying values exceed the respective recoverable amounts, assets are written down to their recoverable amounts and the resulting impairment loss is recognised in the consolidated statement of profit or loss except for the impairment loss on revalued assets, which is adjusted against the related revaluation surplus to the extent that the impairment loss does not exceed the surplus on revaluation of that asset. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

Where impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised recoverable amount but limited to the extent of the carrying amount that would have been determined (net of depreciation / amortisation) had no impairment loss been recognised for the asset in prior years. Reversal of impairment loss is recognised in the consolidated statement of profit or loss.

The Group recognises loss allowances for ECLs in respect of financial assets measured at amortised cost.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balance for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

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

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

The Gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering of a financial asset in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

## **4.17 Investments**

All purchases and sales of investments are recognised using settlement date accounting. Settlement date is the date on which that investments are delivered to or by the Group. All investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

## **4.18 Financial assets**

### **Initial measurement**

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

The Group classifies its financial assets into following three categories:

- fair value through other comprehensive income (FVOCI);
- fair value through profit or loss (FVTPL); and
- amortised cost.

### **Subsequent measurement**

#### **i) Debt instrument at FVOCI**

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gain or loss and impairment are recognised in the consolidated statement of profit or loss. Other net gain or loss is recognised in other comprehensive income. On de-recognition, gain or loss accumulated in other comprehensive income is reclassified to the consolidated statement of profit or loss.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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## ii) Equity instrument at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in the consolidated statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gain or loss is recognised in other comprehensive income and is never reclassified to the consolidated statement of profit or loss.

## iii) Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gain or loss, including any interest / markup or dividend income, is recognised in the consolidated statement of profit or loss.

## iv) Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment loss. Interest / markup income, foreign exchange gain or loss and impairment are recognised in the consolidated statement of profit or loss.

### 4.18.1 Other financial assets

Investment in units of Mutual Funds is classified at fair value through profit or loss and initially measured at fair value and subsequently measured at fair value determined using the net assets value of the funds at each reporting date. Net gain or loss is recognised in the consolidated statement of profit or loss.

Investments in term deposit receipts are classified as amortised cost and are initially measured at fair value. Transaction costs directly attributable to the acquisition are included in the carrying amount. Subsequently these investments are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment loss, if any. Interest/markup income, loss and impairment are recognised in the consolidated statement of profit or loss.

### 4.18.2 Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its financial asset carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group applies the simplified approach for trade debts which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The Group recognises life time ECL for trade debts, using the simplified approach. The expected credit losses on trade debts are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

as the forecast direction of conditions at the reporting date. Life time expected credit losses against other receivables are also recognised due to significant increase in credit risk since initial recognition.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date reduced by security deposit held. For other financial assets, the ECL is based on the 12-month ECL. The 12 month ECL is the portion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

The Group recognises an impairment loss in the consolidated statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

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

The Group writes off financial assets that are still subject to enforcement activities. Subsequent recoveries of amounts previously written off will result in impairment gain.

## **4.18.3 Derecognition**

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

## **4.18.4 Financial liabilities**

Financial liabilities are classified as measured at amortised cost or at fair value through profit or loss (FVTPL). A financial liability is classified at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gain or loss, including any interest expense, are recognised in the consolidated statement of profit or loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gain or loss is recognised in the consolidated statement of profit or loss. Any gain or loss on derecognition is also recognised in the consolidated statement of profit or loss.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Financial liabilities are derecognised when the contractual obligations are discharged or cancelled or have expired or when the financial liability's cash flows have been substantially modified.

## **4.18.5 Off-setting financial assets and financial liabilities**

Financial assets and liabilities are offset and the net amount is reported in the consolidated statement of financial position, if the Group has a legally enforceable right to set off the recognised amounts, and the Group either intends to settle on a net basis, or realize the asset and settle the liability simultaneously. Legally enforceable right must not be contingent on future events and must be enforceable in normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counter party.

## **4.19 Stores, spare parts and loose tools**

These are valued at cost, determined on moving average cost basis or net realisable value, whichever is lower. For items which are slow moving or identified as surplus to the SIHL's requirement, a provision is made for excess of book value over estimated net realisable value.

The SIHL reviews the carrying amount of stores, spare parts and loose tools on a regular basis. Any change in the estimates in future years might affect the carrying amount of the respective items of stores and spares with a corresponding affect on the provision.

## **4.20 Stock in trade**

Stock in trade is valued at lower of cost, determined on moving average basis or net realisable value. The cost includes expenditure incurred in acquiring the stock items and other cost incurred in bringing them to their present location and condition.

The SIHL reviews the carrying amount of stock in trade on a regular basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of stock in trade with a corresponding affect on the provision.

## **4.21 Trade debts, loans, deposits, interest accrued and other receivables**

These are classified at amortised cost and are initially recognised when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery. Past years experience of credit loss is used to base the calculation of credit loss.

## **4.22 Cash and cash equivalents**

Cash and cash equivalents comprises of cash in hand, cheques in hand, balances with banks and highly liquid short term investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value with maturity of three months or less from the date of acquisition.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 4.23 Foreign currencies

Transactions in currencies other than Pak Rupees are recorded at the rates of exchange prevailing on the dates of transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rate prevailing on the reporting date. Gain or loss arising on retranslation is included in the consolidated statement of profit or loss.

## 4.24 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors that makes strategic decisions. The Group's management has determined that the Group has a single reportable segment as the board of directors views the Group's operations as one reportable segment.

## 4.25 Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer. Revenue from operations of the Group is recognised when the services are provided, and thereby the performance obligations are satisfied.

Revenue consists of inpatient revenue, outpatient revenue, pharmacy, cafeteria, rent of building and other services. Group's contract performance obligations are fulfilled at point in time when the services are provided to customer in case of inpatient, outpatient and other services and goods are delivered to customer in case of pharmacy and cafeteria revenue. Revenue is recognised at that point in time, as the control has been transferred to the customers.

Receivable is recognised when the services are provided and goods are delivered to customers as this is the point in time that the consideration is unconditional because only passage of time is required before the payment is due. The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as advances from customers' in the consolidated statement of financial position.

Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Rental income is recognised on a straight line basis over the term of the rent agreement.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 4.26 Earnings per share

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

## 4.27 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market is accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. The carrying values of all financial assets and liabilities reflected in the consolidated financial statements approximate their fair values.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

For assets and liabilities that are recognised in the consolidated financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

## 5 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

	2024	2023		2024	2023
	Number			(Rupees in '000')	
	61,974,886	61,974,886	Ordinary shares of Rs.10 each issued for cash	619,749	619,749
	1,239,497	1,239,497	Ordinary shares of Rs.10 each issued as fully paid bonus shares	12,395	12,395
	63,214,383	63,214,383		632,144	632,144

5.1 The SIHL has only one class of ordinary shares which carries no right to fixed income. The shareholders are entitled to receive dividend as declared from time to time and are entitled to one vote per share at meetings of the SIHL. All shares rank equally with regard to the SIHL's residual assets.

5.2 7,585,725 ordinary shares representing 12% shareholding in the SIHL are owned by International Finance Corporation (IFC). IFC has the right to nominate one director at the board of directors of the SIHL as long as IFC holds ordinary shares representing 5% of total issued share capital of the SIHL. Further, the SIHL if intends to amend or repeal the memorandum and articles, effects the rights of IFC on its shares issuance of preference shares ranking seniors to the equity securities held by IFC, incur any financial debt to any shareholder, change the nature of the business of the SIHL etc. shall seek consent of IFC.

5.3 The SIHL has no reserved shares for issuance under options and sales contracts.

## 5.4 Capital management

The Group's objectives when managing capital are to ensure the Group's ability not only to continue as a going concern but also to meet its requirements for expansion and enhancement of its business, maximise return of shareholders and optimise benefits for other stakeholders to maintain an optimal capital structure and to reduce the cost of capital. There were no changes to the Group's approach to capital management during the year.

	2024	2023
Equity (Rupees in '000')	12,511,026	11,394,784
Debt including impact of lease liabilities (Rupees in '000')	1,705,258	2,207,396
Debt to equity ratio	0.12	0.16

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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In order to achieve the above objectives, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares through bonus or right issue or sell assets to reduce debts or raise debts, if required.

## 6 SHARE PREMIUM

This comprises of share premium of Rs. 5, Rs. 250 and Rs. 229.29 per share received on issue of 8,000,000, 4,024,100 and 7,436,986 ordinary shares of Rs. 10 each in the years 1994, 2016 and 2020, respectively. Out of the above the SIHL during the year ended June 30, 2022 has issued bonus shares at the rate of 2 % (total 1,239,497 bonus shares having face value of Rs. 10 each) as approved in Annual General meeting held on October 28, 2021. The balance reserve cannot be utilized except for the purposes mentioned in section 81 of the Companies Act, 2017.

		2024	2023
		(Rupees in '000')	
<b>7</b>	<b>SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT</b>		
	Balance at beginning of the year	2,032,194	1,546,319
	Revaluation surplus during the year	20,321	837,802
	Transfer to non-controlling interest	(8,907)	(318,280)
	Realisation of revaluation surplus on disposal of assets	(4,284)	(19,463)
	Transferred to unappropriated profits in respect of incremental depreciation / amortisation charged during the year	(18,014)	(14,184)
	Balance at end of the year	2,021,310	2,032,194

- 7.1 Surplus on revaluation of property, plant and equipment in respect of leasehold and freehold lands is not available for distribution of dividend to the shareholders of the Group in accordance with section 241 of the Companies Act, 2017.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 8 NON - CONTROLLING INTEREST (NCI)

8.1 Following is the summarised financial information of SDSPL, SNH Faisalabad and SMC Islamabad:

NCI percentage	SDSPL				SNH Faisalabad				SMC Islamabad				Total	
	45%		45%		39%		39%		44%		44%			
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023		
(Rupees in '000')														
Summarised statement of financial position														
Current assets	24,311	106,464	125,419	163,148					327,811	347,060			477,541	616,672
Non-current assets	-	30,287	2,883,782	2,865,512					2,798,103	2,788,536			5,681,885	5,684,335
Current liabilities	54,015	61,890	93,356	111,502					11,502	31,187			158,873	204,579
Non-current liabilities	-	12,285	31,189	32,441					-	-			31,189	44,726
Net assets	(29,704)	62,576	2,884,656	2,884,717					3,114,412	3,104,409			5,969,364	6,051,702
Accumulated NCI	(57,248)	(19,195)	1,148,104	1,146,132					1,380,035	1,373,452			2,470,891	2,500,388
Summarised statement of comprehensive income														
Revenue - net	-	268,200	-	-					-	-			-	268,200
Other income	5,509	1,014	26,309	21,409					26,101	25,441			57,919	47,864
Loss for the year	(92,280)	(43,534)	(61)	(13,986)					(10,318)	(9,811)			(102,659)	(67,331)
Other comprehensive income	-	-	-	118,696					20,321	619,652			20,321	738,348
Total comprehensive (loss) / income	(92,280)	(43,534)	(61)	104,710					10,003	609,841			(82,338)	671,017
(Loss) / profit attributable to NCI	(38,124)	(10,251)	1,994	(1,516)					(2,274)	141			(38,404)	(11,627)
Comprehensive income for the year attributable to NCI	-	-	-	46,686					8,907	271,593			8,907	318,279
Total comprehensive (loss) / income for the year attributable to NCI	(38,124)	(10,251)	1,994	45,170					6,633	271,734			(29,497)	306,653
Summarised statement of cash flows														
Cash flows from operating activities	(36,335)	(17,981)	(43,795)	140,284					(59,300)	(39,824)			(139,430)	82,479
Cash flows from investing activities	22,373	720	38,876	(1,128,835)					56,297	(316,113)			117,546	(1,444,228)
Cash flows from financing activities	(2,515)	(1,836)	-	988,849					-	331,000			(2,515)	1,318,013
Net (decrease) / increase in cash and cash equivalents	(16,477)	(19,097)	(4,919)	298					(3,003)	(24,937)			(24,399)	(43,736)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
<b>9</b>	<b>LONG TERM FINANCING - SECURED</b>		
	<b>From banking companies and non banking financial institution:</b>		
Syndicated Islamic Finance Facility	9.1	142,857	713,818
Diminishing Musharakah Facility-1	9.2	78,250	72,176
Diminishing Musharakah Facility-2	9.3	83,333	250,000
Diminishing Musharakah Facility-3	9.4	577,390	407,196
Refinance Facility to Combat COVID-19 (RFCC)	9.5	78,486	111,419
Deferred income - Government grant		13,329	27,830
		91,815	139,249
Islamic Refinance Facility to Combat COVID -19 (IRFCC)	9.6	69,647	107,798
Deferred income - Government grant		5,341	13,313
		74,988	121,111
Islamic Refinance Facility to Combat COVID-19 (IRFCC)	9.7	22,245	29,412
Deferred income - Government grant		4,073	7,447
		26,318	36,859
		1,074,951	1,740,409
Less: current portion		495,195	871,798
		579,756	868,611

9.1 This represents syndicated Islamic finance facility, arranged and led by Meezan Bank Limited, obtained on profit rate basis at 3 months KIBOR plus 0.85% (2023: 3 months KIBOR plus 0.85%) per annum, repayable in 14 equal quarterly installments. SIHL has availed the loan facility upto the total sanctioned limit of Rs. 2,000 million repayable by August 22, 2024. The financing is secured by pari passu charge of Rs. 2,667 million on all present and future movable fixed assets of SIHL and land/building located at H-8/4, Islamabad. Meezan Bank Limited has the custody of original ownership documents of the SIHL land located at H-8/4 Islamabad.

9.2 This includes outstanding balance of Rs. 1.6 million (2023: Rs. 19.6 million) against the long term Islamic finance facility obtained from Al Baraka Bank (Pakistan) Limited of Rs. 449.5 million (2023: Rs. 449.5 million). Principal amount is repayable in 36 equal monthly installments carrying profit rate at 3 months KIBOR plus 0.80% (2023: 3 months KIBOR plus 0.80%) per annum. The financing is secured by first exclusive charge of Rs. 781.3 million against equipment/machinery. The unavailed limit of this facility is nil (2023: Rs. 20.7 million). This also includes an outstanding balance of Rs. 76.6 million (2023:

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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Rs. 52.6 million) against long term Islamic finance facility obtained under Diminishing Musharakah basis from First Habib Modaraba of Rs. 119.1 million (2023: Rs. 83.2 million). Principal amount is repayable in 60 equal monthly installments carrying profit rate at 3 months KIBOR plus 0.70% (2023: 3 months KIBOR plus 0.70%) per annum. The unavailed limit of this facility is nil (2023: nil).

9.3 This represents outstanding balance of long term Islamic finance facility obtained from Meezan Bank Limited of Rs. 500 million (2023: Rs. 500 million). Principal amount shall be repaid by October 01, 2024 in 12 equal quarterly installments carrying profit rate at 3 months KIBOR plus 0.85% (2023: 3 months KIBOR plus 0.85%) per annum. The financing is secured by first pari passu charge of Rs. 667 million on all present and future fixed assets of the SIHL.

9.4 This represents long term Islamic finance facility obtained from Bank Alfalah Limited of Rs. 577.4 million (2023: Rs. 407.2 million). Principal amount is repayable in 12 equal quarterly installments carrying profit rate at 3 months KIBOR plus 0.70% (2023: 3 months KIBOR plus 0.70%) per annum. The financing is initially secured by ranking charge of Rs. 800 million, then followed by a first exclusive charge of Rs. 451.3 million against the plant and machinery being financed under DM facility to be installed / placed at hospital located at H-8/4, Islamabad. Additionally, the remaining charge of Rs. 348.7 million against the plant and machinery being financed under the DM facility will be upgraded to the first exclusive charge in order to vacate the ranking charge. The unavailed limit of this facility is nil (2023: Rs. 179.9 million).

9.5 This represents the outstanding balance of long term finance facility obtained from United Bank Limited of Rs. 185.2 million (2023: Rs. 185.2 million). Principal amount shall be repaid by September 14, 2026 in 18 equal quarterly installments carrying profit at 1% per annum. The financing is secured by first pari passu charge of Rs. 267 million over fixed assets (excluding land and building) of the SIHL. The unavailed limit of this facility is nil (2023: nil). Since the financing under SBP refinance scheme carries the markup rate below the market rate, the loan has been recognised at present value using the SIHL's effective profit rate along with the recognition of government grant.

	2024	2023
	(Rupees in '000')	
Balance at beginning of the year	27,830	29,483
Received during the year	-	12,013
Amortisation during the year	(14,501)	(13,666)
Balance at end of the year	13,329	27,830

9.6 This represents the outstanding balance of long term Islamic finance facility obtained from Meezan Bank Limited of Rs. 200 million (2023: Rs. 200 million) for the purpose of import / purchase of medical equipment/machinery to combat COVID-19 under State Bank of Pakistan IRFCC scheme. Principal amount shall be repaid by December 29, 2025 in 18 equal quarterly installments with no profit rate. The financing is secured by first

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

pari passu hypothecation charge of Rs. 267 million on all present and future fixed assets of the SIHL (excluding land and building). The unavailed limit of this facility is nil (2023: nil). Since the financing under SBP refinance scheme carries no profit rate, the loan has been recognised at present value using the SIHL's effective profit rate along with the recognition of government grant.

	2024	2023
	(Rupees in '000')	
Balance at beginning of the year	13,313	20,014
Received during the year	-	3,905
Amortisation during the year	(7,972)	(10,606)
Balance at end of the year	5,341	13,313

- 9.7 This represents the outstanding balance of long term Islamic finance facility obtained from Al Baraka Bank (Pakistan) Limited of Rs. 45.9 million (2023: Rs. 45.9 million) for the purpose of import/purchase of medical equipment/machinery to combat COVID-19 under State Bank of Pakistan IRFCC scheme. Principal amount shall be repaid in 9 equal half yearly installments with profit rate of 1% per annum. The facility is secured by exclusive charge of Rs. 55 million over equipment/machinery against DM IRFCC. Since the financing under SBP refinance scheme carries the profit rate below the market rate, the loan has been recognised at present value using the SIHL's effective profit rate along with the recognition of government grant.

		2024	2023
	Note	(Rupees in '000')	
Balance at beginning of the year		7,447	11,775
Amortisation during the year		(3,374)	(4,328)
Balance at end of the year		4,073	7,447
<b>10 DEFERRED LIABILITIES</b>			
Deferred taxation	10.1	354,960	398,573
Defined contribution plan		34,434	24,570
		389,394	423,143
10.1 Deferred tax liability	10.1.1	604,045	643,508
Deferred tax asset	10.1.2	(249,085)	(244,935)
Net deferred tax liability		354,960	398,573
<b>10.1.1 Deferred tax liability on taxable temporary differences:</b>			
Accelerated depreciation / amortisation allowance		604,045	643,508

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	(Rupees in '000')	
<b>10.1.2 Deferred tax asset on deductible temporary differences:</b>		
Right of use assets net of lease liabilities	(66,580)	(59,683)
Specific provisions	(130,739)	(119,119)
Retirement benefit obligation	(51,766)	(66,133)
	(249,085)	(244,935)

**10.1.3 Breakup and movement of deferred tax balances is as follows:**

Deferred tax liabilities / (assets)	Opening balance	Statement of profit or loss	Other comprehensive income	Closing balance
	(Rupees in '000')			
<b>2024</b>				
<b>Effect of taxable temporary differences</b>				
Accelerated depreciation / amortisation allowance	643,508	(39,463)	-	604,045
<b>Effect of deductible temporary differences</b>				
Right of use assets net of lease liabilities	(59,683)	(6,897)	-	(66,580)
Specific provisions	(119,119)	(11,620)	-	(130,739)
Retirement benefit obligation	(66,133)	62,972	(48,605)	(51,766)
	398,573	4,992	(48,605)	354,960

2023

<b>Effect of taxable temporary differences</b>				
Accelerated depreciation / amortisation allowance	525,719	117,789	-	643,508
<b>Effect of deductible temporary differences</b>				
Right of use assets net of lease liabilities	(34,742)	(24,941)	-	(59,683)
Specific provisions	(87,261)	(31,858)	-	(119,119)
Retirement benefit obligation	(63,839)	8,191	(10,485)	(66,133)
	339,877	69,181	(10,485)	398,573

10.1.4 Deferred tax assets and liabilities on temporary differences are measured at the rate of 39% (2023: 39%).



FOR THE YEAR ENDED JUNE 30, 2024

**11.1 Lease liabilities are payable as follows:**

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FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
		(Rupees in '000')	
	Note		
<b>11.2</b>	<b>Amounts recognised in the consolidated statement of profit or loss</b>		
Interest expense on lease liabilities	31	72,436	63,972
Expense relating to short term / low value lease	30	16,400	15,235
		88,836	79,207
<b>12</b>	<b>TRADE AND OTHER PAYABLES</b>		
Creditors	12.1	2,172,401	2,572,419
Accrued liabilities		630,555	804,610
Advances from customers - contract liability	12.2	384,383	276,239
Medical consultants' charges		476,006	651,675
Security deposits	12.3	132,451	124,607
Compensated absences	12.4	175,903	145,524
Defined contribution plan		16,185	1,322
Retention money		47,652	47,603
Shifa International Hospitals Limited (SIHL) Employees' Gratuity Fund Trust (the Fund)	12.5	132,734	169,573
		4,168,270	4,793,572
<b>12.1</b>	<b>This includes payables to related parties (unsecured) as detailed below:</b>		
Tameer - e - Millat Foundation (TMF)		7,285	12,803
Shifa Tameer - e - Millat University (STMU)		31,566	12,009
		38,851	24,812
<b>12.2</b>	<b>Advances from customers - contract liability</b>		
Balance at beginning of the year		276,239	293,743
Revenue recognised during the year		(88,650)	(279,795)
Advance received during the year		196,794	262,291
Balance at end of the year		384,383	276,239

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

- 12.3 This includes security deposits retained from employees of Rs. 47,530 thousand (2023: Rs. 41,380 thousand) held in separate bank account and balances obtained from customers of Rs. 84,921 thousand (2023: Rs. 83,227 thousand) that are utilisable for the purpose of the business in accordance with agreements with customers.

		2024	2023
	Note	(Rupees in '000')	
<b>12.4</b>	<b>Compensated absences</b>		
	Balance at beginning of the year	145,524	131,211
	Provision made for the year	103,063	72,408
		248,587	203,619
	Payments made during the year	(72,684)	(58,095)
	Balance at end of the year 12.4.1	175,903	145,524

- 12.4.1 Actuarial valuation of compensated absences has not been carried out since SIHL's management believes that the effect of actuarial valuation would not be material.

		2024	2023
	Note	(Rupees in '000')	
<b>12.5</b>	<b>The amounts recognised in the consolidated statement of financial position:</b>		
	Present value of defined benefit obligation 12.5.1	556,506	387,539
	Fair value of plan assets 12.5.2	(423,772)	(217,966)
		132,734	169,573
<b>12.5.1</b>	<b>Movement in the present value of defined benefit obligation:</b>		
	Balance at beginning of the year	387,539	398,711
	Interest cost	56,442	43,315
	Current service cost	72,974	74,387
	Benefits paid	(78,839)	(142,049)
	Benefits payable	(2,635)	(2,304)
	Remeasurement loss on defined benefit obligation	121,025	15,479
	Balance at end of the year	556,506	387,539

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	(Rupees in '000')	
<b>12.5.2 Movement in the fair value of plan assets:</b>		
Balance at beginning of the year	217,966	205,258
Expected return on plan assets	48,772	27,195
Contributions	242,112	141,271
Benefits paid	(78,839)	(142,049)
Benefits payable	(2,635)	(2,304)
Remeasurement loss on plan assets	(3,604)	(11,405)
Balance at end of the year	423,772	217,966
<b>12.5.3 Charge for the year:</b>		
Current service cost	72,974	74,387
Interest cost	56,442	43,315
Expected return on plan assets	(48,772)	(27,195)
	80,644	90,507
<b>12.5.4 Remeasurement recognised in consolidated statement of comprehensive income (OCI):</b>		
Remeasurement loss on defined benefit obligation	121,025	15,479
Remeasurement loss on plan assets	3,604	11,405
Remeasurement loss recognised in OCI	124,629	26,884
Deferred tax relating to remeasurement of staff gratuity fund benefit plan	(48,605)	(10,485)
	76,024	16,399
<b>12.5.5 Movement in liability recognised in consolidated statement of financial position:</b>		
Balance at beginning of the year	169,573	193,453
Charge for the year	80,644	90,507
Remeasurement recognised in OCI during the year	124,629	26,884
Contributions during the year	(242,112)	(141,271)
Balance at end of the year	132,734	169,573

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
<b>12.5.6</b>	<b>Plan assets comprises of:</b>		
	Term deposit receipts	306,190	133,162
	Ordinary shares of SIHL	11,503	9,611
	Cash and bank balances	122,328	88,806
	Payable to outgoing members	(16,249)	(13,613)
		423,772	217,966

12.5.6.1 Number of ordinary shares of SIHL held by the Fund at year end were 78,461 shares (2023: 78,461 shares) with market value of Rs. 146.61 (2023: Rs. 122.49) per share.

12.5.7 Latest actuarial valuation was carried out by an independent actuary on June 30, 2024 using the Projected Unit Credit Method.

		2024	2023
<b>12.5.8</b>	<b>Principal actuarial assumptions used in the actuarial valuation:</b>		
	Discount rate used for interest cost in profit or loss	16.25%	13.25%
	Discount rate used for year end obligation	14.75%	16.25%
	Expected rate of salary growth		
	- Salary increase FY 2024	N/A	9.25%
	- Salary increase FY 2025-26	13.75%	14.25%
	- Salary increase FY 2027 onward	13.75%	-
	Mortality rate	SLIC 2001-2005 set back 1 year	SLIC 2001-2005 set back 1 year
	Withdrawal rates	Age based	Age based
	Retirement assumption	Age 60	Age 60

## 12.5.9 Sensitivity analysis

The calculation of the defined benefit obligation is sensitive to assumptions set out above. The following table summarises how the impact on the defined benefit obligation at the end of the reporting period would have increased / decreased as a result of a change in respective assumptions by one percent.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	2024		2023	
	Defined benefit obligation		Defined benefit obligation	
	Effect of 1% increase	Effect of 1% decrease	Effect of 1% increase	Effect of 1% decrease
(Rupees in '000')				
Discount rate	519,684	598,872	363,941	414,544
Future salary increase	598,872	519,075	415,076	363,112

12.5.10 The average duration of the defined benefit obligation as at June 30, 2024 is 7 years (2023: 7 years).

12.5.11 The expected expense for the next year is amounting to Rs. 106,301 thousand.

## 12.5.12 Risks associated with the scheme

### Final salary risk

The risk that the final salary at the time of cessation of service is greater than what is assumed. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increases.

### Demographic risks

#### a) Mortality risk

The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

#### b) Withdrawal risk

The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

#### c) Investment risk

The risk of the investment under performing and being not sufficient to meet the liabilities.

		2024	2023
		(Rupees in '000')	
13	MARKUP ACCRUED		
	Long term financing	23,858	70,874

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 14 CONTINGENCIES AND COMMITMENTS

### 14.1 Contingencies

14.1.1 The guarantees issued by bank in favor of Sui Northern Gas Pipelines Limited (SNGPL) of aggregate sum of Rs. 33.1 million (2023: Rs. 33.1 million) on behalf of the SIHL in its ordinary course of business.

14.1.2 As of the current reporting period, the SIHL is facing claims and penalties totaling Rs. 22.25 million. Out of these the SIHL has paid penalties of Rs. 1.4 million under protest. The SIHL has also issued bank guarantees of Rs. 1.5 million as per the direction of Islamabad High Court. These claims and penalties arose from legal actions and complaints and are being contested before the MoNHSRC Islamabad, the Peshawar, Islamabad, and Lahore High Courts as well as the Supreme Court of Pakistan. The SIHL's management, as per advice of the legal counsel, is confident that a favorable outcome will be achieved.

14.1.3 On June 06, 2012, the Competition Commission of Pakistan (CCP) imposed a penalty of Rs. 20 million against each Gulf Cooperation Council's (GCC) Approved Medical Center (GAMC), including SIHL. This penalty was imposed due to allegations of engaging in non-competitive practices involving territorial division and equal allocation of customers among GAMCs. The SIHL's management, in conjunction with other GAMCs, is collaboratively contesting this issue which is presently pending before the Supreme Court of Pakistan. The Company's management, as per advice of the legal counsel, is confident that a favourable outcome for the GAMCs, including SIHL, will be achieved.

#### 14.1.4 Contingencies related to income tax and sales tax are as follows:

14.1.4.1 The tax authorities have amended the assessments for the tax years 2012, 2013, 2014, 2015, 2016, and 2019 under section 122(5A)/124 of the Income Tax Ordinance, 2001 (the Ordinance). They have raised tax demands of Rs. 1.3 million, Rs. 67 million, Rs. 85.5 million, Rs. 26.1 million, Rs. 79.77 million, and Rs. 37 million respectively. The SIHL, feeling aggrieved, appealed these assessments before the Commissioner Inland Revenue (Appeals) [CIR(A)]. The CIR(A) partly confirmed the assessments and partly provided relief to the SIHL. However, the assessment for the tax year 2015 was confirmed. The SIHL, still aggrieved, filed appeals against the appellate orders before the Appellate Tribunal Inland Revenue [ATIR] on various dates from September 2018 to November 2021, and these appeals are currently pending adjudication.

14.1.4.2 The tax authorities imposed taxes of Rs. 109.6 million, Rs. 178.4 million, Rs. 27.4 million, and Rs. 29.2 million under section 161/205 of the Ordinance for the tax years 2016, 2014, 2013, and 2012 respectively, based on alleged non-deduction of tax on payments. The SIHL, feeling aggrieved, appealed these assessments before the CIR(A). Regarding the tax year 2012, the CIR(A) deleted the assessment, while for the tax years 2013 and 2016, the assessment was set aside, and for the tax year 2014, the assessment was confirmed. The SIHL, still aggrieved, filed appeals for the tax years 2013, 2014, and 2016 before the ATIR. The appeals for the tax years 2013 and 2016 were filed on November 26, 2019, and June 06, 2023 respectively, and they are currently pending adjudication. Additionally, the ATIR has set aside the assessment for the tax year 2014 for denovo consideration.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

- 14.1.4.3 The tax authorities amended the assessments for the tax years 2012, 2013, and from 2015 to 2017 under section 122(5) of the Ordinance. They raised an aggregate tax demand of Rs. 1,350.9 million. Feeling aggrieved, the SIHL appealed these assessments before the CIR(A). The CIR(A) annulled all the assessment orders, resulting in the deletion of the tax demand. Dissatisfied with the CIR(A)'s decision, the tax department filed an appeal before the ATIR on November 15, 2018, and these appeals are currently pending adjudication.
- 14.1.4.4 The tax authorities amended the assessments for the tax years 2014 and 2015 under section 221 of the Ordinance, resulting in an aggregate tax demand of Rs. 11.8 million. The SIHL, feeling aggrieved, filed appeals before the CIR (A). The CIR (A) remanded the assessments back to the ACIR. Both the SIHL and the tax department filed cross-appeals before the ATIR in January 2018, and these appeals are currently pending adjudication.
- 14.1.4.5 The tax authorities amended the assessment for the tax year 2014 and 2018 under section 177 of the Ordinance, resulting in a tax demand of Rs. 1,143.8 million and 42.36 million. Feeling aggrieved, for the Tax Year 2014 the SIHL appealed the assessment before the CIR (A). The CIR (A) annulled the assessment order, resulting in the deletion of the tax demand. The tax department filed an appeal before the ATIR on November 27, 2019, against the decision of the CIR (A), which is currently pending adjudication. For the Tax Year 2018, the SIHL appealed the assessment before the ATIR on 24, July 2024.
- 14.1.4.6 The tax authorities imposed sales tax demands of Rs. 44.4 million, Rs. 56.2 million, Rs. 57.4 million, Rs. 55.9 million, and Rs. 11.3 million under section 11 of the Sales Tax Act, 1990. These demands were based on alleged non-payment of sales tax on sales of scrap, fixed assets, and cafeteria for the tax years 2016 to 2020 respectively. Regarding the SIHL's appeals for the tax years 2016, 2018, and 2020, the ATIR deleted the sales tax charged on cafeteria and fixed assets, while confirming the sales tax on scrap. Furthermore, for the tax years 2017 and 2019, the CIR(A) deleted the sales tax on cafeteria sales, while confirming the sales tax on sales of scrap and fixed assets. The SIHL has filed appeals before the ATIR against the confirmation of sales tax on scrap and fixed assets, and these appeals are currently pending adjudication.

Management is confident that the above disallowances and levies do not hold merit and the related amounts have been lawfully claimed in the income and sales tax returns as per the applicable tax laws and these matters will ultimately be decided in favor of the SIHL. Accordingly, no provision has been made in respect of above in these consolidated financial statements.

		2024	2023
		(Rupees in '000')	
<b>14.2</b>	<b>Commitments</b>		
14.2.1	Capital expenditure contracted	294,233	104,711
14.2.2	Letters of credit	521,187	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

15 PROPERTY, PLANT AND EQUIPMENT

Particulars	Owned assets								Right of use assets				Total			
	Freehold land	Leasehold land	Building on freehold land	Building on leasehold land	Leasehold Improvements	Biomedical equipment	Air conditioning equipment and machinery	Electrical and other equipment	Furniture and fittings	Construction equipment	Computer installations	Vehicles		Capital work in progress (note 15.10)	Office premises	Electrical equipment
(Rupees in '000)																
Cost/Revalued amount																
Balance as at July 01, 2022	1,292,182	2,957,046	58,898	3,301,696	84,196	4,621,170	508,118	771,100	241,197	3,011	639,121	149,010	2,177,085	945,256	57,000	17,806,086
Additions	3,932	20,983	-	-	-	425,851	61,011	105,326	21,162	152	64,899	32,037	2,265,339	75,384	-	3,075,676
Revaluation	118,696	619,652	-	-	-	-	-	-	-	-	-	-	-	-	-	738,348
Disposals	-	-	-	-	-	-	-	-	-	-	(1,575)	(3,381)	-	-	-	(4,956)
Termination / modification of lease	-	-	-	-	-	-	-	-	-	-	-	-	-	(164,620)	-	(164,620)
Reclassified as Investment property	(382,553)	-	-	-	-	(142,083)	(854)	(2,208)	(188)	-	(2,205)	-	-	-	-	(382,553)
Write offs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(147,538)
Transfers	-	-	-	62,492	313,085	285,709	-	57,976	2,030	-	-	-	(721,292)	-	-	-
Balance as at June 30, 2023	1,032,257	3,597,281	58,898	3,364,188	397,281	5,190,647	568,275	932,194	264,201	3,163	700,240	177,666	3,721,132	856,020	57,000	20,920,443
Balance as at July 01, 2023	1,032,257	3,597,281	58,898	3,364,188	397,281	5,190,647	568,275	932,194	264,201	3,163	700,240	177,666	3,721,132	856,020	57,000	20,920,443
Additions	-	-	-	-	-	252,903	3,623	68,275	16,845	607	161,601	66,369	104,827	293,287	-	968,337
Revaluation	-	20,321	-	-	-	-	-	-	-	-	-	-	-	-	-	20,321
Disposals	-	-	-	-	-	-	-	-	-	-	(5,674)	(15,853)	-	-	-	(21,527)
Termination / modification of lease	-	-	-	-	-	-	-	-	-	-	-	-	-	(324)	-	(324)
Write offs	-	-	-	-	-	(58,243)	(2,048)	(10,025)	(456)	(122)	(5,260)	-	-	-	-	(76,154)
Impairment	-	-	-	-	-	-	-	(621)	(3,102)	-	(314)	-	-	-	-	(4,037)
Transfers	-	-	-	41,844	120,026	125,162	-	-	-	-	58,887	-	(345,919)	-	-	-
Balance as at June 30, 2024	1,032,257	3,617,602	58,898	3,406,032	517,307	5,510,469	569,850	989,823	277,488	3,648	909,480	228,182	3,480,040	1,148,983	57,000	21,807,060
Depreciation/amortisation																
Balance as at July 01, 2022	-	190,493	6,871	953,880	52,805	2,818,624	351,779	574,370	160,870	2,161	506,991	104,151	-	395,203	49,084	6,167,282
Charge for the year	-	42,322	2,945	1,09,656	44,178	369,671	52,221	92,241	17,740	282	68,040	16,465	-	177,874	7,916	1,001,351
On disposals	-	-	-	-	-	-	-	-	-	-	(1,256)	(2,751)	-	-	-	(4,007)
Termination / modification of lease	-	-	-	-	-	-	-	-	-	-	-	-	-	(92,542)	-	(92,542)
On write offs	-	-	-	-	-	(134,328)	(854)	(1,815)	(125)	-	(2,194)	-	-	-	-	(139,316)
Balance as at June 30, 2023	-	232,815	9,816	1,063,536	96,983	3,053,967	403,146	664,796	178,485	2,443	571,581	117,865	-	480,535	57,000	6,932,968
Balance as at July 01, 2023	-	232,815	9,816	1,063,536	96,983	3,053,967	403,146	664,796	178,485	2,443	571,581	117,865	-	480,535	57,000	6,932,968
Charge for the year	-	47,544	2,945	110,318	86,488	405,567	54,266	98,228	17,680	333	85,625	25,144	-	159,375	-	1,093,513
On disposals	-	-	-	-	-	-	-	-	-	-	(2,856)	(7,812)	-	-	-	(10,668)
Termination / modification of lease	-	-	-	-	-	-	-	-	-	-	-	-	-	(25)	-	(25)
On write offs	-	-	-	-	-	(52,427)	(2,048)	(8,800)	(395)	(122)	(5,194)	-	-	-	-	(68,986)
Balance as at June 30, 2024	-	280,359	12,761	1,173,854	183,471	3,407,107	455,364	754,224	195,770	2,654	649,156	135,197	-	639,885	57,000	7,946,802
Carrying value as at June 30, 2023	1,032,257	3,364,466	49,082	2,300,652	300,298	2,136,680	165,129	267,398	85,716	720	128,659	59,801	3,721,132	375,485	-	13,987,475
Carrying value as at June 30, 2024	1,032,257	3,337,243	46,137	2,232,178	333,836	2,103,362	114,486	235,599	81,718	994	260,324	92,985	3,480,040	509,098	-	13,860,258
Annual rate of depreciation %	-	1.01-3.03	5	2.5-10	20	10	10-15	10-15	10.0	10-20	25	20	-	6.15-50	-	33.33

15.1 Addition to capital work-in progress also includes depreciation of other equipment amounting to Rs. 28.9 million (2023: 27.4 million) capitalized during the year.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

15.2 Total unamortised surplus against the revaluation of freehold and leasehold lands as at June 30, 2024 stood at Rs. 2,055,263 thousand (2023: Rs. 2,039,226 thousand).

15.3 Had there been no revaluation the carrying value would have been as under:

	Cost	Accumulated amortisation	Carrying value
	(Rupees in '000')		
Freehold land			
June 30, 2024	658,928	-	658,928
June 30, 2023	658,928	-	658,928
Leasehold land			
June 30, 2024	1,621,716	190,700	1,431,016
June 30, 2023	1,621,716	167,571	1,454,145

15.4 Particulars of Group's freehold and leasehold land are as follows:

		2024	2023
Location	Nature	Area	
Shifa Cooperative Housing Society, Islamabad Expressway - Sq.yds	Freehold land	1003	1003
SNHF Hospital, Faisalabad Sheikhupura Road - Kanal	Freehold land	49.6	49.6
SMCI Hospital, F-11, Islamabad - Kanal	Leasehold land	6.7	6.7
Neurosciences Institute, H-8/4, Islamabad - Kanal	Leasehold land*	11.7	11.7
SIHL H-8/4, Islamabad - Kanal	Leasehold land*	87.8	87.8

\*The covered area includes multi-storey buildings.

15.5 Property, plant and equipment include items with aggregate cost of Rs. 3,200,022 thousand (2023: Rs. 2,635,621 thousand) representing fully depreciated assets that are still in use of the Group.

15.6 Property, plant and equipment of the SIHL are encumbered under an aggregate charge of Rs. 8,116.8 million (2023: Rs. 7,665.6 million) in favor of banking companies under various financing arrangements as disclosed in note 9.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

- 15.7 The forced sale value (FSV) of the revalued leasehold and freehold land have been assessed at Rs. 2,739,984 thousand (2023: Rs. 2,719,984 thousand) and Rs. 825,805 thousand (2023: Rs. 825,805 thousand) respectively.
- 15.8 Immediately after acquisition, the sale deed for the land and building of SNS Islamabad was duly registered with the sub-registrar in Islamabad, in accordance with the provisions outlined in the allotment letter / Indenture of lease deed. Subsequently, the SNS Islamabad initiated formal proceedings with the Capital Development Authority (CDA) to effectuate the change of title through the registered sale deed. However, the CDA raised objections to the transfer, leading to the initiation of a legal suit by CDA. The aforementioned suit was dismissed by the relevant learned district judge on January 29, 2024. The CDA have filed appeal against the judgment and Decree of the District Judge before the Islamabad High Court and the SNS Islamabad has filed cross objections against the said appeal. The matter is currently pending adjudication before the Islamabad High Court there are reasonable grounds to believe that the case will be decided in favour of the SNS Islamabad.
- 15.9 Detail of property, plant and equipment disposed off during the year having carrying value of more than Rs. 500 thousand:

Asset particulars	Cost	Carrying value	Sale proceeds	Gain on disposal	Purchaser	Mode of disposal
(Rupees in '000')						
Suzuki Bolan	1,056	687	1,530	843	Various independent third parties	Negotiation
Suzuki Wagon R	1,990	1,360	2,705	1,345		
Suzuki Wagon R (AGS)	2,348	1,644	3,050	1,406		
Toyota Yaris	3,038	2,481	4,130	1,649		
Other assets having carrying value less than Rs. 500 thousand	13,095	4,689	7,411	2,722		
<b>2024</b>	<b>21,527</b>	<b>10,861</b>	<b>18,826</b>	<b>7,965</b>		
2023	59,468	55,461	97,663	42,202		

			2024	2023
Note			(Rupees in '000')	
15.10	Capital work in progress			
	Construction work in progress	15.10.1	3,387,165	3,431,511
	Installation of equipment in progress		92,875	289,621
			3,480,040	3,721,132

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 15.10.1 Construction work in progress

This represents the cost of civil work mainly comprising of cost of materials, payments to contractors, salaries and benefits pertaining to construction work being carried out as detailed below:

		2024	2023
		(Rupees in '000')	
	Note		
SMC Islamabad Hospital		1,291,867	1,252,612
SNH Faisalabad Hospital		1,839,590	1,819,784
Other construction		255,708	359,115
		3,387,165	3,431,511
<b>16</b>	<b>INTANGIBLE ASSETS</b>		
Softwares in use	16.1	-	660
Software under development	16.2	39,375	39,375
		39,375	40,035
<b>16.1</b>	<b>Softwares in use</b>		
	<b>Cost</b>		
Balance at beginning of the year		108,172	108,042
Addition during the year		-	130
Impairment loss during the year		(414)	-
Balance at end of the year		107,758	108,172
	<b>Accumulated amortisation</b>		
Balance at beginning of the year		107,512	95,460
Charged during the year		246	12,052
Balance at end of the year		107,758	107,512
	<b>Carrying value</b>	-	660

16.2 This represented the amount paid to Shifa CARE (Private) Limited for provision of Hospital Supply Chain Management system (HSCM). Out of total scope, integration and testing with existing Hospital Information Management System (HIMS) and Oracle EBS alongwith user acceptance testing is in progress.

16.3 Amortisation of softwares in use has been recorded at rate of 10% - 25 % (2023: 10% - 25%) per annum.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
<b>17</b>	<b>INVESTMENT PROPERTY - AT COST</b>		
	Balance at beginning of the year	748,450	-
	Reclassified during the year	-	748,450
	Disposed off during the year	(28,158)	-
	Balance at end of the year	720,292	748,450

17.1 This represents freehold land comprising of 11 plots at Shifa Cooperative Housing Society, Islamabad Expressway (SCHS), 48K-3M-182 Sqft at Chak No. 4, Near Sargodha Road, Faisalabad of which 20K-14M-181 Sqft are subject to possession proceedings and 141.72 kanals at Motorway, Mouza Noon, Islamabad. The fair value and forced sale value of the land located at SCHS, Sargodha Road Faisalabad and Motorway, Mouza Noon, Islamabad are Rs. 360,120 thousand, Rs. 136,888 thousand, Rs. 425,018 thousand, Rs. 288,096 thousand, Rs. 109,510 thousand, Rs. 340,015 thousand respectively.

During the current year, the SIHL was informed by its former property dealer about the sale of 49 kanals of land located at Mouza Noon, Islamabad; however, the SIHL was provided with the sale proceeds of only 10.83 kanals. The SIHL had implemented measures to prevent any further transfer of its land holdings to third parties by writing an application to land revenue authorities. Further, the SIHL commissioned an independent verification of its land title against the official record, which confirmed that the SIHL is the registered owner of 118.6 kanals as certified by the land revenue authorities, out of which 6.5 kanals are currently under review. The SIHL, based on the verification findings, is pursuing the matter with the concerned land authorities regarding the way forward.

		2024	2023
	Note	(Rupees in '000')	
<b>18</b>	<b>LONG TERM INVESTMENTS</b>		
	<b>Associated Companies (unquoted)</b>		
	Shifa CARE (Private) Limited (SCPL)	18.1	-
	SIHT (Private) Limited (SIHT)	18.2	45,079
		424,045	-
		424,045	45,079
<b>18.1</b>	<b>Shifa CARE (Private) Limited (SCPL)</b>		
	Balance at beginning of the year	45,079	32,862
	Impairment loss on investment	(41,528)	-
	Share in (loss) / profit for the year	(3,551)	12,217
	Balance at end of the year	-	45,079

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

This represents investment in 4,500,050 (2023: 4,500,050) fully paid ordinary shares of Rs. 10 each of SCPL. The above investment in ordinary shares represents 50% (2023: 50%) shareholding in SCPL held by the SIHL. During the year, impairment loss of Rs. 41,528 thousand has been recorded in view of ongoing financial difficulties faced by SCPL due to which it may not be able to continue its business.

Summary of results of SCPL are as under:

	2024	2023
	(Rupees in '000')	
<b>Summarised statement of financial position</b>		
Non-current assets	86,072	75,191
Current assets	720	35,362
Current liabilities	(3,737)	(20,396)
Net assets	83,055	90,157
<b>Reconciliation to carrying amounts:</b>		
Opening net assets	90,157	65,724
Total comprehensive (loss) / income for the year	(7,102)	24,433
Closing net assets	83,055	90,157
Group's share in carrying value of net assets	41,528	45,079
Group's share in total comprehensive (loss) / income	(3,551)	12,217
<b>Summarised statement of profit or loss and comprehensive income</b>		
Revenue for the year - gross	-	39,375
Depreciation and amortisation	(4,008)	(4,085)
Finance cost	(256)	(741)
Provision for taxation	-	(5,004)
(Loss) / profit for the year	(7,102)	24,433
Total comprehensive (loss) / income for the year	(7,102)	24,433

18.1.1 The above information is based on initialed financial statements of SCPL.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	(Rupees in '000')	
<b>18.2 SIHT (Private) Limited (SIHT)</b>		
Balance at beginning of the year	-	-
Investment made during the year	425,000	-
Share in loss for the year	(955)	-
Balance at end of the year	424,045	-

18.2.1 In line with the decision of board of directors of the SIHL in its meeting held on April 12, 2023, on September 23, 2023, the SIHL entered into a tripartite Shares Purchase Agreement (SPA) with Shifa Foundation and its wholly owned subsidiary SIHT (Private) Limited (SIHT) for acquiring 50% shareholding in SIHT from Shifa Foundation.

The SPA provides that the paid up share capital of SIHT shall be increased from Rs. 100,100,000 to Rs. 500,100,000 representing 5,001,000 ordinary shares of Rs. 100 each over the arrangement period. The SPA further provides that the referred acquisition of equity interest in SIHT to be made in nine quarterly installments shall be completed by September 30, 2025. Accordingly, by the end of the current year a sum of Rs. 425,000 thousand has been paid to Shifa Foundation to acquire 1,328,397 shares, representing 29.5% percent shareholding.

Summary of results of SIHT are as under:

	2024	2023
	(Rupees in '000')	
<b>Summarised statement of financial position</b>		
Non-current assets	179,734	239,066
Current assets	287,166	44,537
Non-current liabilities	(100,482)	(133,742)
Current liabilities	(121,844)	(234,304)
Net assets	244,574	(84,443)
<b>Reconciliation to carrying amounts:</b>		
Opening net assets	(84,443)	12,487
Total comprehensive loss for the year	(20,983)	(96,930)
Equity	350,000	-
Closing net assets	244,574	(84,443)
Group's share in carrying value of net assets	42,073	-
Group's share in total comprehensive loss	(955)	-



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	(Rupees in '000')	
<b>Summarised statement of profit or loss and comprehensive income</b>		
Revenue for the year - gross	597,996	411,974
Depreciation and amortisation	(45,827)	(47,989)
Finance cost	(17,398)	(17,715)
Provision for taxation	(10,065)	(5,015)
Loss for the year	(20,983)	(96,930)
Total comprehensive loss for the year	(20,983)	(96,930)

18.2.2 The above information is based on initialed financial statements of SIHT.

## 19 LONG TERM DEPOSITS

This represents security deposits given to various institutions / persons and are refundable on termination of relevant services / arrangements. These are unsecured and considered good.

		2024	2023
	Note	(Rupees in '000')	
<b>20</b>	<b>STORES, SPARE PARTS AND LOOSE TOOLS</b>		
Stores		228,613	256,038
Spare parts		7,806	7,430
Loose tools		1,380	7,887
		237,799	271,355
Less: provision for slow moving items	20.1	17,765	19,657
		220,034	251,698
<b>20.1</b>	<b>Movement for provision of slow moving items</b>		
Balance at beginning of the year		19,657	26,555
Reversal during the year		(1,892)	(6,898)
Balance at end of the year		17,765	19,657

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 21 STOCK IN TRADE

This represents medicines being carried at moving average cost.

		2024	2023
	Note	(Rupees in '000')	
<b>22</b>	<b>TRADE DEBTS</b>		
Unsecured - considered good			
Related party - Shifa Foundation	22.1	7,137	15,686
Others		1,581,998	1,578,798
		1,589,135	1,594,484
Less: allowance for expected credit losses (ECL)	43.1.3	242,946	228,362
		1,346,189	1,366,122

22.1 Maximum amount due from Shifa Foundation at the end of any month during the year was Rs. 15,802 thousand (2023: Rs. 15,686 thousand).

		2024	2023
	Note	(Rupees in '000')	
<b>23</b>	<b>LOANS AND ADVANCES</b>		
Secured - considered good			
Executives		10,641	9,328
Other employees		23,239	17,038
	23.1	33,880	26,366
Unsecured - consultants		13,870	4,792
Unsecured - suppliers / contractors		406,745	403,743
		420,615	408,535
		454,495	434,901

23.1 These advances are secured against employee terminal benefits.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
<b>24</b>	<b>DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES</b>		
	Unsecured - considered good		
	Short term prepayments	51,511	41,318
	Other receivables	205,342	283,552
		256,853	324,870
	Less: allowance for expected credit losses against other receivables	81,394	58,377
		175,459	266,493

24.1 This includes Rs. 30,329 thousand (2023: Rs. 87,473 thousand) due from SIHT (Private) Limited. Maximum amount due from SIHT (Private) Limited at the end of any month during the year was Rs. 133,797 thousand (2023: Rs. 113,524 thousand).

		2024	2023
	Note	(Rupees in '000')	
<b>24.2</b>	<b>Allowance for expected credit losses against other receivables (unrelated parties)</b>		
	Balance at beginning of the year	58,377	58,377
	Charged during the year	23,017	-
	Balance at end of the year	81,394	58,377
<b>25</b>	<b>OTHER FINANCIAL ASSETS</b>		
	Investment - at amortised cost	226,102	123,449
	Investment in Mutual Funds - at fair value through profit or loss	258,889	430,903
		484,991	554,352

25.1 This represents three T- Bills purchased on May 16, 2024, May 30, 2024 and June 13, 2024 to be matured on August 08, 2024 and September 05, 2024 at a yield of 20.95%, 20.60% and 19.70% per annum (2023 :Two T- Bills purchased on June 01, 2023 and June 15, 2023 to be matured on August 24, 2023 and September 07, 2023 at a yield of 21.97% and 21.98% per annum respectively). This also represents term deposit receipt (TDR) having face value of Rs. 3 million (2023: Term deposit receipts having face value of Rs. 3 million with three months maturity) with three months maturity. Profit payable on monthly basis at the weighted average rate of 18.98% per annum (2023: 15.06% per annum).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

- 25.2 This represents investment in 1,973,327 (2023: 3,020,724) units and 574,772 (2023: 1,233,844) units of UBL Al-Ameen Islamic Cash Fund and HBL Cash Fund respectively. Fair value of the investment was determined using quoted repurchase price at year end.

		2024	2023
	Note	(Rupees in '000')	
<b>26</b>	<b>TAX REFUNDS DUE FROM THE GOVERNMENT (NET OF PROVISION)</b>		
Balance at beginning of the year		320,936	470,176
Income tax paid / deducted at source during the year		866,606	603,123
		1,187,542	1,073,299
Income tax expense / levies	32	(928,755)	(752,363)
Balance at end of the year		258,787	320,936
<b>27</b>	<b>CASH AND BANK BALANCES</b>		
Cash at bank in:			
Current accounts:			
Local currency		403,709	306,315
Foreign currency		913,410	939,799
		1,317,119	1,246,114
Savings accounts:			
Local currency		813,619	1,043,594
Foreign currency		278	286
	27.1	813,897	1,043,880
	27.2	2,131,016	2,289,994
Cash in hand		26,187	32,672
		2,157,203	2,322,666

- 27.1 Balances with saving accounts earned profit / markup at weighted average rate of 16.52% per annum (2023: 14.20% per annum).

- 27.2 Balances with banks includes Rs. 132,451 thousand (2023: Rs. 124,607 thousand) in respect of security deposits (note 12.3).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
		(Rupees in '000')	
28	REVENUE - NET		
	Inpatients	14,796,234	11,803,983
	Outpatients	8,221,503	6,770,623
	Other services	761,822	1,350,848
		23,779,559	19,925,454
	Less: discount	144,094	156,745
	Less: sales tax	81,887	69,825
		225,981	226,570
		23,553,578	19,698,884

28.1 This represents revenue from external pharmacy outlets, cafeteria sales, operating leases to related parties / other parties and corporate services to associate.

28.2 The revenue - net is excluding physician share of Rs. 1,930,070 thousand (2023: Rs. 1,802,988 thousand).

		2024	2023
		(Rupees in '000')	
29	OTHER INCOME		
	<b>Income from financial assets:</b>		
	Profit on bank deposits	67,878	44,526
	Dividend income from mutual fund - investment at fair value through profit or loss	54,172	88,631
	Un-realised gain on investments at fair value through profit or loss	15,145	19,384
	Interest income on treasury bills	34,573	11,112
		171,768	163,653
	<b>Income from other than financial assets:</b>		
	Gain on disposal of tangible assets	7,965	42,202
	Exchange gain on foreign currency translation	-	375,706
	Sale of scrap - net of sales tax	23,222	19,538
	Miscellaneous	30,324	46,465
		61,511	483,911
		233,279	647,564



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
<b>30</b>	<b>OPERATING COSTS</b>		
Salaries, wages and benefits	30.1	7,825,621	6,648,898
Medicines consumed		6,083,422	5,373,920
Supplies consumed		2,429,431	2,025,240
Utilities		1,329,745	1,074,495
Depreciation / amortisation on tangible assets	15	1,064,542	974,093
Repairs and maintenance		1,124,550	854,538
Printing and stationery		223,548	220,222
Cleaning and washing		271,966	190,685
Fee, subscription and membership		141,693	108,462
Advertising and sales promotion		51,070	84,722
Communication		70,615	51,160
Travelling and conveyance		49,356	40,568
Legal and professional		43,771	40,415
Rent		16,400	15,235
Rates and taxes		24,701	20,323
Insurance		27,555	22,779
Amortisation on intangible assets	16	246	11,954
Property, plant and equipment written off		7,168	8,222
Auditors' remuneration	30.2	5,812	7,686
Reversal of provision for slow moving stores		(1,892)	(5,923)
Exchange loss on foreign currency transalation		26,469	-
Impairment loss on tangible / intangible assets		4,450	-
Impairment loss on investment		41,528	-
Loss on disposal of investment property		2,708	-
Loss on disposal of slow moving stores		-	3,866
Project cost		27,660	-
Miscellaneous		89,462	113,164
		20,981,597	17,884,724

30.1 This includes charge for employee gratuity of Rs. 80,644 thousand (2023: Rs. 99,896 thousand), defined contribution plan (pension) Rs. 109,027 thousand (2023: Rs. 94,703 thousand), compensated absences of Rs. 103,063 thousand (2023: Rs. 72,408 thousand), and bonus of Rs. 170,730 thousand (2023: Rs. 134,864 thousand).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
		(Rupees in '000')	
	Note		
<b>30.2</b>	<b>Auditors' remuneration</b>		
	Annual audit fee	2,380	2,355
	Half yearly review fee	1,570	1,545
	Statutory certifications	850	2,400
	Out of pocket expenses	344	268
		5,144	6,568
	Sales tax	668	1,118
		5,812	7,686
<b>31</b>	<b>FINANCE COSTS</b>		
	Markup on long term loans - secured	249,397	309,304
	Interest on lease liabilities	72,436	63,972
	Credit card payment collection and bank charges	99,258	61,127
		421,091	434,403
<b>32</b>	<b>INCOME TAX EXPENSE / LEVIES</b>		
	Current:		
	- for the year	928,755	744,240
	- prior year adjustment	-	8,123
		928,755	752,363
	Deferred	4,993	69,181
		933,748	821,544

32.1 Reconciliation between current tax charged under the Ordinance with current tax recognised in the consolidated statement of profit or loss, is as follows:

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
Current tax liability for the year as per the Ordinance			
Portion of current tax liability as per tax law, representing income tax under IAS 12		913,531	726,675
Portion of current tax liability as per tax law, representing levy in term of requirement of IFRIC 21 / IAS 37	32.2	15,224	17,565
		928,755	744,240

The provision of current tax liability for the year contains final tax at different rates.

32.2 This represents portion of final tax paid as per Income Tax Ordinance ("the Ordinance"), representing levy in terms of requirements of IFRIC 21/IAS 37.

## 33 DISCONTINUED OPERATIONS

The decision to wind up Shifa International DWC - LLC (SIDL) was approved in both the board meetings of SIHL and its wholly owned subsidiary SIDL, through respective board resolutions. Subsequent to that the management of the SIDL has initiated the process of winding up its affairs and distributing its assets to stakeholders. Further, on February 07, 2024, SIDL received a de-registration certificate from Dubai Aviation City Corporation.

Summary of results of SIDL are as under:

	2024	2023
	(Rupees in '000')	
<b>Profit / (loss) and other comprehensive income</b>		
Revenue	14,678	17,271
Other income	4	65
Operating costs	(12,216)	(21,120)
Provision for taxation	-	-
	2,466	(3,784)
Other comprehensive income / (loss)	-	-
	2,466	(3,784)
<b>Cashflows (used in):</b>		
Net cash used in operating activities	(37,148)	(4,269)
Net cash used in investing activities	-	(290)
<b>Net cash out flows for the period / year</b>	<b>(37,148)</b>	<b>(4,559)</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

Comparative figures in the consolidated statement of profit or loss have been re-presented to separately disclose discontinued operations.

	2024	2023
<b>34 EARNINGS PER SHARE - BASIC AND DILUTED</b>		
Profit for the year - continuing operations (Rupees in '000')	1,368,030	1,172,516
Profit / (loss) for the year - discontinued operations (Rupees in '000')	2,466	(3,784)
Weighted average number of ordinary shares outstanding during the year (Number in '000')	63,214	63,214
Earnings per share - basic and diluted		
- Continuing operations (Rupees)	21.64	18.55
- Discontinued operations (Rupees)	0.04	(0.06)

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

## 35 CAPACITY UTILISATION

The actual inpatient available bed days, occupied bed days and room occupancy ratio of SIHL are given below:

	2024	2023	2024	2023	2024	2023
	Available bed days		Occupied bed days		Occupancy ratio	
H-8 Hospital, Islamabad	183,301	180,611	113,642	114,424	62.00%	63.35%
Faisalabad Hospital	20,630	19,618	7,583	7,142	36.76%	36.41%

35.1 Reported utilisation is a result of pattern of patient turnover under different specialties.

	2024	2023
	(Rupees in '000')	
<b>36 UNAVAILED CREDIT FACILITIES</b>		
Unavailed credit facilities at year end other than those disclosed in note 9 of the consolidated financial statements are as under:		
- Letter of credit	200,000	100,000
- Diminishing musharakah	240,561	-
- Ijarah financing	51,709	51,709
- Running musharkah	500,000	500,000
- Letter of guarantee	32,416	23,916
	1,024,686	675,625

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
		Number	
<b>37</b>	<b>NUMBER OF EMPLOYEES</b>		
	Group's number of employees	5,348	5,278
	Group's average number of employees	5,332	5,255

## 38 RELATED PARTIES TRANSACTIONS

The related parties comprise of associates, directors, major shareholders, key management personnel, SIHL Employees' Gratuity Fund Trust and the entities over which directors are able to exercise influence.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group. The Group considers its chief executive officer, chief financial officer, company secretary, directors and departmental heads to be its key management personnel. There are no transactions with key management personnel other than their terms of employment / entitlement.

The amounts due from and due to these undertakings are shown under trade debts, loans and advances and trade and other payables. Related party transactions are on arms's length basis. Transactions and balances with the related parties are given below:

		2024	2023
	Note	(Rupees in '000')	
<b>Shifa Foundation:</b>			
<b>Transactions</b>			
Revenue from medical services earned by the SIHL		13,997	19,634
Rent expense paid by and reimbursed to the SIHL		1,215	741
Acquisition of shares of SIHT (Private) Limited		425,000	-
<b>Balance</b>			
Receivable - unsecured at year end		7,137	15,686
<b>Tameer-e-Millat Foundation:</b>			
<b>Tranactions</b>			
Supplies provided to the SIHL		102,662	112,176
Other services provided to the SIHL	38.1	35,904	43,153
Rental services received / earned by the SIHL		6,353	6,649
<b>Balance</b>			
Payable - unsecured at year end		7,285	12,803



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000')	
<b>Shifa Tameer-e-Millat University:</b>			
<b>Transactions</b>			
Revenue from medical services earned by the SIHL		28,402	21,554
Revenue from rent earned by the SIHL		3,869	3,517
Other services provided to the SIHL	38.1	113,015	99,170
Expenses paid by and reimbursed to the SIHL		21,160	21,940
<b>Balance</b>			
Payable - unsecured at year end		31,566	12,009
<b>SIHT (Private) Limited:</b>			
<b>Transactions</b>			
Revenue from medical services earned by the SIHL		568,496	412,250
Expenses paid by and reimbursed to the SIHL		5,724	5,816
Other services provided to the SIHL	38.1	26,267	25,016
<b>Balance</b>			
Receivable - unsecured at year end		30,329	87,473
<b>Shifa Cooperative Housing Society Limited:</b>			
<b>Transactions</b>			
Plot maintenance charges paid by the SIHL		3,112	1,434
<b>Balance</b>			
Receivable / (payable) - unsecured at year end		-	-
<b>Shifa CARE (Private) Limited:</b>			
<b>Transactions</b>			
Corporate shared services provided by the SIHL	38.2	1,924	2,437
<b>Balance</b>			
Receivable / (payable) - unsecured at year end		-	-
<b>International Finance Corporation:</b>			
<b>Transactions</b>			
Dividend paid by the SIHL		22,757	11,379
<b>Balance</b>			
Receivable / (payable) - unsecured at year end		-	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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		2024	2023
	Note	(Rupees in '000')	
SIHL Employees' Gratuity Fund Trust:			
Transactions			
Payment made by the SIHL		242,112	141,271
Dividend paid by the SIHL		235	118
Balance			
Payable - unsecured at year end		132,734	169,573
Remuneration including benefits and perquisites of key management personnel	38.3	396,517	474,163

- 38.1 This represents services of nursing education, employees' children education and media services.
- 38.2 Corporate shared services agreement with Shifa CARE (Private ) Limited was concluded on March 31, 2024.
- 38.3 This includes employee retirement benefits (pension / gratuity) amounting to Rs. 13,692 thousand (2023: Rs. 15,873 thousand).
- 38.4 Following is the list of related parties and their shareholding for the year ended June 30, 2024.

Sr #	Name of related party (RP)	Basis of relationship	Percentage of	
			SIHL's shareholding in RP	RP's shareholding in the SIHL
1	Shifa Foundation	Common Directorship	N/A*	5.30%
2	Tameer-e-Millat Foundation	Common Directorship	N/A	12.44%
3	SIHL Employees' Gratuity Fund Trust	Benefit plan	N/A	0.12%
4	Shifa Tameer-e-Millat University	Common Directorship	N/A	0.27%
5	Shifa CARE (Private) Limited	Associate and Common Directorship	50%	Nil
6	SIHT (Private) Limited	Associate and Common Directorship	29.5%	Nil
7	Shifa Cooperative Housing Society Limited	Common Directorship	N/A	Nil
8	International Finance Corporation (IFC)	Associate	Nil	12.00%
9	Ahmed E.H. Jaffer Foundation	Common Directorship	N/A	Nil

\*N/A stands for not applicable.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 39 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in these consolidated financial statements in respect of remuneration and benefits, to chief executive, directors and executives of the Group are given below:

	Chief Executive		Executive Director		Non Executive Directors		Executives	
	2024	2023	2024	2023	2024	2023	2024	2023
	(Rupees in '000')							
Managerial remuneration	40,816	56,976	6,824	48,976	12,500	12,396	481,470	375,934
Annual bonus	1,815	2,365	-	1,430	260	237	14,090	10,118
Pension / gratuity	2,368	305	-	1,364	-	-	23,661	17,573
Medical insurance	120	153	146	342	394	519	4,553	4,460
Leave encashment	-	-	-	-	-	-	11,136	8,846
	45,119	59,799	6,970	52,112	13,154	13,152	534,910	416,931
Number of persons	1	1	2	2	11	10	94	54

39.1 In addition to above, the chief executive is provided with a SIHL maintained car, while one other director and twenty three executives availed car facility.

39.2 Managerial remuneration includes Rs. 5,022 thousand (2023: Rs. 5,445 thousand) paid to directors in respect of meeting attending fee.

39.3 Executive means an employee, other than the Chief executive and directors, whose basic salary exceeds Rs. 1,200 thousand (2023: Rs. 1,200 thousand) during the year.

39.4 Travelling and other expenses of Rs. 26,499 thousand (2023: Rs. 8,307 thousand) for official purposes are reimbursed by the SIHL to directors.

40 CASH AND CASH EQUIVALENTS	Note		(Rupees in '000')	
	2024	2023	2024	2023
Investment - at amortised cost	25.1		226,102	123,449
Cash and bank balances	27		2,157,203	2,322,666
			2,383,305	2,446,115

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 41 RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	Equity							Total
	Liabilities			Equity				
	Long term financing	Government grant	Lease liabilities	Share capital	Share premium	Non-controlling Interest	Un-appropriated profits	
2024	(Rupees in '000')							
<b>Balance at the beginning of the year</b>	1,691,820	48,590	466,986	632,144	2,738,888	2,500,388	5,991,558	14,070,374
<b>Changes from financing cash flows</b>								
Proceeds from long term financing	216,122	-	-	-	-	-	-	216,122
Repayments of long term financing	(881,581)	-	-	-	-	-	-	(881,581)
Payments of lease liabilities	-	-	(200,524)	-	-	-	-	(200,524)
Dividend paid	-	-	-	-	-	-	(181,869)	(181,869)
Total changes from financing cash flows	(665,459)	-	(200,524)	-	-	-	(181,869)	(1,047,852)
<b>Other changes</b>								
Liability related	25,847	-	363,844	-	-	-	-	389,691
Amortisation of government grant	-	(25,847)	-	-	-	-	-	(25,847)
Equity related								
Total comprehensive changes	-	-	-	-	-	(29,497)	1,294,471	1,264,974
Other changes	-	-	-	-	-	-	22,299	22,299
Changes in unclaimed dividend	-	-	-	-	-	-	(7,775)	(7,775)
Total of equity related changes	-	-	-	-	-	(29,497)	1,308,995	1,279,498
<b>Balance at end of the year</b>	1,052,208	22,743	630,306	632,144	2,738,888	2,470,891	7,118,684	14,665,864

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	Liabilities		Equity				Total
	Long term financing	Government grant	Lease liabilities	Share capital	Share premium	Non-controlling Interest	Un-appropriated profits
2023	(Rupees in '000')						
<b>Balance at the beginning of the year</b>	2,540,125	67,511	608,881	632,144	2,738,888	1,670,759	4,898,668
<b>Changes from financing cash flows</b>							
Proceeds from long term financing	470,534	-	-	-	-	-	470,534
Repayments of long term financing	(1,353,678)	-	-	-	-	-	(1,353,678)
Payments of lease liabilities	-	-	(188,129)	-	-	-	(188,129)
NCI recognised during the year	-	-	-	-	-	524,250	524,250
Dividend paid	-	-	-	-	-	-	(98,645)
Grant received	-	15,918	-	-	-	-	15,918
Total changes from financing cash flows	(883,144)	15,918	(188,129)	-	-	524,250	(98,645)
							(629,750)
<b>Other changes</b>							
Liability related	34,839	-	46,234	-	-	-	81,073
Amortisation of government grant	-	(34,839)	-	-	-	-	(34,839)
Equity related							
Total comprehensive changes	-	-	-	-	-	306,653	1,152,791
Other changes	-	-	-	-	-	-	33,647
Changes in unclaimed dividend	-	-	-	-	-	-	3,823
Acquisition of shareholding by SIHL	-	-	-	-	-	(1,274)	1,274
Total of equity related changes	-	-	-	-	-	305,379	1,191,535
<b>Balance at end of the year</b>	1,691,820	48,590	466,986	632,144	2,738,888	2,500,388	5,991,558
							14,070,374



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	(Rupees in '000')	
<b>42 ADJUSTMENT OF NON-CASH INCOME AND EXPENSE</b>		
Depreciation / amortisation on tangible assets	1,064,542	974,093
Amortisation on intangible assets	246	11,954
Impairment loss on tangible / intangible assets	4,451	-
Expected credit losses	116,289	57,105
Property, plant and equipment written off	7,168	8,222
Gain on disposal of tangible assets	(7,965)	(42,202)
Gain on termination of right of use assets	(75)	(5,063)
Loss on disposal of investment property	2,708	-
Provision for compensated absences	103,063	72,408
Provision for defined contribution plan	109,027	94,703
Provision for bonus for employees	170,730	134,864
Provision for gratuity	80,644	99,896
Reversal of provision for slow moving stores	(1,892)	(5,923)
Loss on disposal of slow moving stores	-	3,866
Share of loss / (profit) of associates	4,506	(12,217)
Impairment loss on long term investment	41,528	-
Gain on investments and bank deposits	(171,768)	(163,653)
Loss / (gain) on foreign currency translation	26,469	(375,706)
Finance costs	421,092	434,403
	<b>1,970,763</b>	<b>1,286,750</b>

## 43 FINANCIAL RISK MANAGEMENT

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

### Risk management framework

The Board meets frequently throughout the year for developing and monitoring the Group's risk management policies. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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activities. The Group, through its standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

## 43.1 Credit risk

Credit risk represents the financial loss that would be recognised at the reporting date if counter-parties failed completely to perform as contracted. The Group does not have significant exposure to any individual counter-party. To reduce exposure to credit risk the Group has developed a formal approval process whereby credit limits are applied to its customers. The management also regularly monitors the credit exposure towards the customers and makes allowance for ECLs for those credit exposure. Furthermore, the Group has credit control in place to ensure that services are rendered to customers with an appropriate credit history.

### 43.1.1 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2024	2023
	(Rupees in '000')	
Long term deposits	126,050	104,330
Trade debts	1,346,189	1,366,122
Deposits and other receivables	123,948	225,175
Markup accrued	4,383	2,077
Other financial assets	484,991	554,352
Bank balances	2,131,016	2,289,994
	4,216,577	4,542,050

The Group is also exposed to credit risk from its operating and short term investing activities. The Group's credit risk exposures are categorised under the following headings:

### 43.1.2 Counterparties

The Group conducts transactions with the following major types of counterparties:

#### Trade debts

Trade debts are essentially due from government companies / institutions, private companies and individuals to whom the Group is providing medical services. Normally

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the services are rendered to the panel companies on agreed rates and limits from whom the Group does not expect any inability to meet their obligations. The Group manages credit risk in trade debts by limiting significant exposure to the customers not having good credit history. Furthermore, the Group has credit control in place to ensure that services are rendered to customers with an appropriate credit history and makes allowance for ECLs against those balances considered doubtful of recovery.

## Bank balances and investments

The Group limits its exposure to credit risk by investing in liquid securities and maintaining bank accounts only with counterparties that have a high credit ratings and therefore management does not expect any counterparty to fail to meet its obligations.

The maximum exposure to credit risk for trade debts at the reporting date by type of customer was:

	2024	2023
	(Rupees in '000')	
Government companies	845,715	788,526
Private companies	446,124	525,047
Individuals	290,159	265,225
Related parties	7,137	15,686
	1,589,135	1,594,484

### 43.1.3 Impairment losses

The ageing of trade debts at the reporting date was:

	2024		2023	
	Gross debts	Allowance for ECL	Gross debts	Allowance for ECL
	(Rupees in '000')			
Not past due	498,244	3,178	342,965	2,613
1 - 2 months	357,017	12,967	475,313	13,186
3 - 4 months	218,635	30,316	210,188	13,229
5 - 7 months	148,772	24,285	183,465	22,988
8 - 12 months	98,670	31,039	138,388	39,325
Above 12 months	267,797	141,161	244,165	137,021
	1,589,135	242,946	1,594,484	228,362

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

The movement in the allowance for impairment in respect of trade debts during the year was as follows:

		2024	2023
	Note	(Rupees in '000')	
Balance at beginning of the year		228,362	171,257
Expected credit losses		93,273	57,105
Bad debts written off		(78,689)	-
Balance at end of the year	22	242,946	228,362

43.1.4 The Group believes that no impairment allowance is necessary in respect of markup accrued, deposits, bank balances and investments as the recovery of such amounts is possible.

The ageing of Shifa Foundation (SF) and SIHT (Private) Limited at the reporting date was:

		2024		2023	
		Gross debts / Other receivables	Allowance for ECL	Gross debts / Other receivables	Allowance for ECL
Note		(Rupees in '000')			
Shifa Foundation					
1 - 6 months	22	7,137	-	15,686	-
SIHT (Private) Limited					
1 - 3 months	24.1	30,329	-	87,473	-

43.1.5 Cash and investments are held only with reputable banks and their mutual funds with high quality external credit rating assessed by external rating agencies. Following are the credit ratings of banks with which balances are held or credit lines available:

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Bank	Rating Agency	Rating	
		Short term	Long term
Habib Bank Limited	JCR - VIS	A1+	AAA
Meezan Bank Limited	JCR - VIS	A1+	AAA
Al - Baraka Bank (Pakistan) Limited	JCR - VIS	A1	A+
United Bank Limited (UBL)	JCR - VIS	A1+	AAA
MCB Bank Limited	PACRA	A1+	AAA
Dubai Islamic Bank	JCR - VIS	A1+	AA
The Bank of Punjab	PACRA	A1+	AA+
Askari Bank Limited	PACRA	A1+	AA+
Faysal Bank Limited	JCR - VIS	A1+	AA
Bank Alfalah Limited	PACRA	A1+	AAA
Bank Al Habib Limited	PACRA	A1+	AAA
Silk Bank Limited	JCR - VIS	A2	A-
National Bank of Pakistan	JCR - VIS	A1+	AAA
Habib Metropolitan Bank Limited	PACRA	A1+	AA+
UBL - Al Ameen Islamic Cash Fund	JCR - VIS	-	AA+(f)
HLB Cash Fund	JCR - VIS	-	AA+(f)

## 43.2 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to manage liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. For this purpose, the Group has credit facilities as mentioned in notes 9 and 36 to the financial statements. Further, liquidity position of the Group is monitored by the Board through budgets, cash flow projections and comparison with actual results.

Following is the maturity analysis of financial liabilities:

	Carrying amount	Six months or less	Six to twelve months	One to two years	Two to five years	Above five years
2024	(Rupees in '000')					
Long term financing- secured	1,074,951	361,803	133,392	243,370	336,386	-
Deferred liabilities	34,434	-	-	34,434	-	-
Trade and other payables	3,662,078	3,662,078	-	-	-	-
Unclaimed dividend	44,730	44,730	-	-	-	-
Mark up accrued	23,858	23,858	-	-	-	-
	4,840,051	4,092,469	133,392	277,804	336,386	-



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FOR THE YEAR ENDED JUNE 30, 2024

	Carrying amount	Six months or less	Six to twelve months	One to two years	Two to five years	Above five years
2023						
Long term financing-secured	1,740,409	443,595	428,203	755,874	112,737	-
Deferred liabilities	24,570	-	-	24,570	-	-
Trade and other payables	4,421,544	4,421,544	-	-	-	-
Unclaimed dividend	36,955	36,955	-	-	-	-
Mark up accrued	70,874	70,874	-	-	-	-
	6,294,352	4,972,968	428,203	780,444	112,737	-

Maturity analysis of lease liabilities is given in note 11.

## 43.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, mark-up rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk. The Group is exposed to currency, mark up rate and market price risk.

### 43.3.1 Foreign currency risk

#### Exposure to foreign currency risk

Foreign currency risk arises mainly where receivables and payables exist due to transactions with foreign undertakings and cash in foreign currency bank account. The Group's exposure to foreign currency risk is as follows:

	2024			2023		
	(Amount in '000')					
	Euro	USD	AED	Euro	USD	AED
Creditors	-	-	-	-	-	(9)
Bank balances	-	3,285	-	-	3,366	301
Letters of credit	(555)	(1,460)	-	-	-	-
	(555)	1,825	-	-	3,366	292
	2024			2023		
	(Rupees in '000')					
Creditors	-	-	-	-	-	(696)
Bank balances	-	913,689	-	-	963,233	23,443
Letters of credit	(165,397)	(406,837)	-	-	-	-
	(165,397)	506,852	-	-	963,233	22,747

Following are significant exchange rates applied during the year:

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	Average rate		Closing rate	
	2024	2023	2024	2023
	(Rupees)			
USD 1 - Buying	283.02	247.69	278.15	286.18
USD 1 - Selling	283.45	248.11	278.59	286.60
AED 1 - Buying	77.09	67.49	75.73	77.92
AED 1 - Selling	77.21	67.59	75.84	78.02
Euro 1 - Buying	306.25	260.15	297.45	312.85
Euro 1 - Selling	306.72	260.58	297.92	313.30

## Foreign currency sensitivity analysis

A 10 percent variation of the PKR against the AED, USD and EURO at June 30 would have effected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular markup rates, remain constant.

	Change in Foreign Exchange Rates	Effect on Profit	Effect on Equity
	%	(Rupees in '000')	
<b>2024</b>			
Foreign currencies	+10%	20,829	20,829
Foreign currencies	-10%	(20,829)	(20,829)
<b>2023</b>			
Foreign currencies	+10%	60,145	60,145
Foreign currencies	-10%	(60,145)	(60,145)

### 43.3.2 Markup rate risk

The markup rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from long term financing, short term investments and deposits with banks. At the reporting date, the markup rate profile of the Group's markup bearing financial instruments are:

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		2024	2023
	Note	(Rupees in '000')	
<b>Financial assets</b>			
Investment - at amortised cost	25.1	226,102	123,449
Bank balances	27	813,897	1,043,880
		1,039,999	1,167,329
<b>Financial liabilities</b>			
Financing - secured	9	(1,074,951)	(1,740,409)
		(34,952)	(573,080)

The effective markup rates for the financial assets and liabilities are mentioned in respective notes to the financial statements.

## Markup rate sensitivity analysis

If markup rates had been 50 basis points higher / lower and all other variables were held constant, the Group's profit for the year ended June 30, 2024 would decrease / increase by Rs. 1,107 thousand (2023: decrease / increase by Rs. 1,615 thousand). This is mainly attributable to the Group's exposure to markup rates on its variable rate borrowings.

### 43.3.3 Price risk

The Group's price risk arises from investments in units as disclosed in note 25.2 which are designated at fair value through profit or loss, however, in accordance with the investment strategy the performance of units is actively monitored and they are managed on a fair value basis.

## Price risk sensitivity analysis

A change of Rs. 1 in the value of investments at fair value through profit or loss would have increased or decreased profit or loss by Rs. 3,224 thousand (2023: Rs.5,436 thousand).

### 43.4 Financial instrument by category

	Amortised cost	Fair value through profit or loss	Total
2024	(Rupees in '000')		
<b>Financial assets</b>			
<b>Maturity upto one year</b>			
Trade debts	1,346,189	-	1,346,189
Deposits and other receivables	123,948	-	123,948
Markup accrued	4,383	-	4,383
Other financial assets	226,102	258,889	484,991
Cash and bank balances	2,157,203	-	2,157,203

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	Amortised cost	Fair value through profit or loss	Total
	(Rupees in '000')		
<b>2024</b>			
<b>Maturity after one year</b>			
Long term deposits	126,050	-	126,050
	3,983,875	258,889	4,242,764
<b>Financial liabilities</b>			
<b>Maturity upto one year</b>			
Trade and other payables	3,662,078	-	3,662,078
Unclaimed dividend	44,730	-	44,730
Markup accrued	23,858	-	23,858
Current portion of long term financing - secured	495,195	-	495,195
Current portion of lease liabilities	146,911	-	146,911
<b>Maturity after one year</b>			
Long term financing - secured	579,756	-	579,756
Deferred liabilities	34,434	-	34,434
Lease liabilities	483,396	-	483,396
	5,470,358	-	5,470,358
<b>2023</b>			
<b>Financial assets</b>			
<b>Maturity upto one year</b>			
Trade debts	1,366,122	-	1,366,122
Deposits and other receivables	225,175	-	225,175
Markup accrued	2,077	-	2,077
Other financial assets	123,449	430,903	554,352
Cash and bank balances	2,322,666	-	2,322,666
<b>Maturity after one year</b>			
Long term deposits	104,330	-	104,330
	4,143,819	430,903	4,574,722

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	Amortised cost	Fair value through profit or loss	Total
2023	(Rupees in '000')		
<b>Financial liabilities</b>			
<b>Maturity upto one year</b>			
Trade and other payables	4,421,544	-	4,421,544
Unclaimed dividend	36,955	-	36,955
Markup accrued	70,874	-	70,874
Current portion of long term financing - secured	871,798	-	871,798
Current portion of lease liabilities	169,979	-	169,979
<b>Maturity after one year</b>			
Long term financing - secured	868,611	-	868,611
Deferred liabilities	24,570	-	24,570
Lease liabilities	297,008	-	297,008
	6,761,339	-	6,761,339

## 43.5 Fair value

### Fair value versus carrying amounts

The fair value of financial assets and liabilities, together with the carrying amounts shown in the consolidated statement of financial position, are as follows:

	2024		2023	
	Carrying value	Fair value	Carrying value	Fair value
	(Rupees in '000')			
<b>Assets carried at amortised cost</b>				
Long term deposits	126,050	126,050	104,330	104,330
Trade debts	1,346,189	1,346,189	1,366,122	1,366,122
Deposits and other receivables	123,948	123,948	225,175	225,175
Markup accrued	4,383	4,383	2,077	2,077
Other financial assets	226,102	226,102	123,449	123,449
Cash and bank balances	2,157,203	2,157,203	2,322,666	2,322,666
	3,983,875	3,983,875	4,143,819	4,143,819



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

	2024		2023	
	Carrying value	Fair value	Carrying value	Fair value
(Rupees in '000')				
<b>Assets carried at fair value</b>				
Other financial assets	258,889	258,889	430,903	430,903
<b>Liabilities carried at amortised cost</b>				
Long term financing - secured	579,756	579,756	868,611	868,611
Deferred Liabilities	34,434	34,434	24,570	24,570
Lease liabilities	483,396	483,396	297,008	297,008
Trade and other payables	3,662,078	3,662,078	4,421,544	4,421,544
Unclaimed dividend	44,730	44,730	36,955	36,955
Markup accrued	23,858	23,858	70,874	70,874
Current portion of long term financing - secured	495,195	495,195	871,798	871,798
Current portion of lease liabilities	146,911	146,911	169,979	169,979
	5,470,358	5,470,358	6,761,339	6,761,339

The basis for determining fair value is as follows:

The interest rates used to discount estimated cash flows, when applicable, are based on the government yield curve at the reporting date plus an adequate credit spread. For instruments carried at amortised cost, since the majority of the interest bearing investments are variable rate based instruments, there is no difference in carrying amount and the fair value. Further, for fixed rate instruments, since there is no significant difference in market rate and the rate of instrument and therefore most of the fixed rate instruments are short term in nature, fair value significantly approximates to carrying value.

## 44 FAIR VALUE HIERARCHY

### Other financial assets

Fair value of investment in mutual funds (note 25.2) has been determined using quoted repurchase price at reporting date and categorised under level 1 of fair value hierarchy.

### Fair value of land

Lands owned by the Group are valued by independent valuers to determine the fair values of lands as at reporting date. The fair value of lands subject to revaluation model fall under level 2 of fair value hierarchy.

There were no transfer amongst the levels during the year. Further, there were no changes in the valuation techniques during the year.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 45 DISCLOSURE REQUIREMENTS FOR ALL SHARES ISLAMIC INDEX

		2024	2023
Description	Explanation	(Rupees in '000')	
Bank balances	Placed under interest	185,244	273,136
	Placed under sharia permissible arrangement	628,653	770,744
		813,897	1,043,880
Return on bank deposit for the year	Placed under interest	25,954	7,750
	Placed under sharia permissible arrangement	41,353	34,413
		67,307	42,163
Interest and dividend income on investment for the year	Placed under interest	35,144	11,553
	Placed under sharia permissible arrangement	69,317	109,936
		104,461	121,489
Segment revenue	Disclosed in note 28		
Exchange (loss) / gain earned	Disclosed in note 29 & 30		
Loans obtained as per islamic mode		213,224	410,647
Mark up paid on islamic mode of financing		295,195	305,023
Interest paid on any conventional loan		1,218	1,896

### Relationship with sharia compliant banks

The SIHL has obtained long term loans and has maintained bank balances and term deposits with sharia compliant banks as given below:

- Al-Baraka Bank (Pakistan) Limited
- Meezan Bank Limited
- Dubai Islamic Bank
- Faysal Bank Limited
- Bank Alfalah Limited
- The Bank of Punjab
- Askari Bank Limited

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

## 46 OPERATING SEGMENTS

These consolidated financial statements have been prepared on the basis of single reportable segment. All revenue of the Group is earned in Pakistan. All non-current assets of the Group at June 30, 2024 are located in Pakistan. There is no customer with more than 10% of total revenue of the Group for the year.

## 47 NON-ADJUSTING EVENT AFTER THE STATEMENT OF FINANCIAL POSITION DATE

The board of directors of the SIHL in its meeting held on September 14, 2024 has proposed a final cash dividend for the year ended June 30, 2024 @ Rs. 2.5/- per share, amounting to Rs.158,036 thousand for approval of the members in the Annual General Meeting to be held on October 28, 2024. This dividend is in addition to interim dividend of Rs. 1.5/- per share paid during the current year. The consolidated financial statements for the year ended June 30, 2024 does not include the effect of the final dividend which will be accounted for in the year in which it is approved.

## 48 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever considered necessary, for better presentation. However, following reclassification has been made during the year.

Description	Note	Reclassified from		Reclassified to	2023
					(Rs. in '000')
Reclassification from income tax expense to levies	32	Income tax expense	Levies		17,565

## 49 DATE OF AUTHORISATION FOR ISSUE

These consolidated financial statements were approved and authorised for issue by the board of directors of the SIHL on September 14, 2024.

## 50 GENERAL

Figures have been rounded off to the nearest one thousand Pak Rupees unless otherwise stated.

  
CHAIRMAN

  
CHIEF EXECUTIVE

  
CHIEF FINANCIAL OFFICER





# SHAREHOLDERS' INFORMATION

AS AT JUNE 30, 2024

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# PATTERN OF SHAREHOLDING

AS AT JUNE 30, 2024

Number of shareholders	Size of holding of shares		Total shares held
	From	To	
332	1	100	8,537
217	101	500	52,528
1,112	501	1,000	593,585
423	1,001	5,000	709,293
60	5,001	10,000	418,602
66	10,001	15,000	737,722
27	15,001	20,000	463,149
23	20,001	25,000	498,866
14	25,001	30,000	378,409
9	30,001	35,000	291,256
3	35,001	40,000	114,225
6	40,001	45,000	249,594
11	45,001	50,000	520,362
17	50,001	55,000	887,584
1	55,001	60,000	57,640
3	60,001	65,000	185,265
2	65,001	70,000	136,200
2	70,001	75,000	142,387
3	75,001	80,000	234,244
4	80,001	85,000	323,441
1	85,001	90,000	87,516
5	90,001	95,000	459,371
5	95,001	100,000	487,105
6	100,001	105,000	612,011
3	105,001	110,000	325,856
2	110,001	115,000	224,408
1	115,001	120,000	118,276
3	120,001	125,000	367,587
4	125,001	130,000	512,099
1	130,001	135,000	134,527
4	135,001	140,000	555,995
2	140,001	145,000	286,576
3	150,001	155,000	457,338
3	155,001	160,000	471,334
2	160,001	165,000	327,052
1	170,001	175,000	173,706
2	195,001	200,000	395,928
1	205,001	210,000	209,023
1	210,001	215,000	211,777
1	215,001	220,000	217,260
1	220,001	225,000	221,596

Number of shareholders	Size of holding of shares		Total shares held
	From	To	
1	240,001	245,000	241,030
1	245,001	250,000	248,716
1	250,001	255,000	252,225
1	255,001	260,000	258,696
1	270,001	275,000	274,484
1	280,001	285,000	283,925
1	285,001	290,000	285,350
1	290,001	295,000	291,144
2	305,001	310,000	612,612
2	310,001	315,000	622,977
1	330,001	335,000	334,098
1	335,001	340,000	335,447
1	350,001	355,000	354,931
1	355,001	360,000	358,000
1	360,001	365,000	361,457
1	395,001	400,000	400,000
1	410,001	415,000	410,907
1	420,001	425,000	423,610
2	425,001	430,000	853,060
1	430,001	435,000	434,600
1	450,001	455,000	451,211
1	465,001	470,000	468,506
1	530,001	535,000	531,575
1	540,001	545,000	543,502
1	545,001	550,000	546,381
1	595,001	600,000	599,993
1	600,001	605,000	603,673
1	705,001	710,000	707,834
1	865,001	870,000	867,731
1	940,001	945,000	941,080
1	1,480,001	1,485,000	1,480,781
2	1,490,001	1,495,000	2,986,558
1	1,810,001	1,815,000	1,810,569
1	1,920,001	1,925,000	1,922,909
1	2,355,001	2,360,000	2,355,253
1	2,705,001	2,710,000	2,707,010
1	4,005,001	4,010,000	4,009,800
1	5,210,001	5,215,000	5,212,633
1	5,385,001	5,390,000	5,385,160
1	7,585,001	7,590,000	7,585,725
<b>2,431</b>			<b>63,214,383</b>

# CATEGORIES OF SHAREHOLDING

AS AT JUNE 30, 2024

Categories of shareholders	Number of shareholders	Number of shares held	Percentage
CHARITABLE TRUSTS	5	2,760,866	4.37
FINANCIAL INSTITUTIONS	5	11,739,633	18.57
JOINT STOCK COMPANIES	11	195,582	0.31
MUTUAL FUND	11	3,252,067	5.14
OTHERS	28	9,835,764	15.56
INSURANCE COMPANIES	3	1,350,021	2.14
INDIVIDUALS	2,368	34,080,450	53.91
<b>Total</b>	<b>2,431</b>	<b>63,214,383</b>	<b>100.00</b>

# DISCLOSURE IN CONNECTION WITH THE PATTERN OF SHAREHOLDING AS REQUIRED BY THE CODE OF CORPORATE GOVERNANCE

AS AT JUNE 30, 2024

Categories of shareholders	Number of shareholders	Shares held	Percentage
Directors, Chief Executive Officer, and their spouses and minor children *	13	5,654,136	8.94
Associated Companies, Undertakings and related parties **	5	19,044,637	30.13
Executives	3	2,431	0.00
Banks, Development Financial Institutions, Non Banking Financial Institutions	5	11,739,633	18.57
Shareholders holding 10 % or more voting interest ***	2	15,447,617	24.44
Joint Stock Companies	11	195,582	0.31

## \* No. of Shares held by Directors, CEO and their spouses

Dr. Habib-Ur-Rahman	427,720	0.68
Dr. Zeeshan Bin Ishtiaque	253,245	0.40
Dr. Manzoor H. Qazi	1,494,649	2.36
Mr. Qasim Farooq Ahmad	2,094,494	3.31
Dr. Samea Kauser Ahmad	1,051,205	1.66
Syed Ilyas Ahmed	11,562	0.02
Dr. Mohammad Naseem Ansari	16,983	0.03
Dr. Mohammad Salim Khan	120,651	0.19
Shah Naveed Saeed	13,798	0.02
Mr. Ioan Philippe Cleaton Jones (Nominee of International Finance Corporation)	-	0.00
Mr. Taimoor Shah	152,350	0.24
Mrs. Shahida Rahman W/o Dr. Habib-Ur-Rahman	13,379	0.02
Mrs. Sana Zeeshan W/o Dr. Zeeshan Bin Ishtiaque	4,100	0.01

## \*\* Shares held by related parties

Tameer-e-Millat Foundation	7,861,892	12.44
International Finance Corporation	7,585,725	12.00
Shifa Foundation	3,348,359	5.30
Shifa Tameer-e-Millat University	170,200	0.27
SIHL Employees' Gratuity Fund	78,461	0.12

## Shareholders with 10 % or more voting interest

Tameer-e-Millat Foundation	7,861,892	12.44
International Finance Corporation	7,585,725	12.00

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# PROXY FORM

## 38TH ANNUAL GENERAL MEETING

I/We \_\_\_\_\_ of \_\_\_\_\_  
being a member of Shifa International Hospitals Ltd. Folio No./CDCA/c No. \_\_\_\_\_  
No. of Shares \_\_\_\_\_ hereby appoint \_\_\_\_\_  
of \_\_\_\_\_ Folio No./CDC A/c No. \_\_\_\_\_ or failing  
him/her \_\_\_\_\_ of \_\_\_\_\_ Folio  
No./CDC A/c No. \_\_\_\_\_ who is a member of the Company as my/  
our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the 38th  
Annual General Meeting of the Company to be held at 1100 hours on October 28, 2024, and  
at any adjournment thereof.

As witness my hand this \_\_\_\_\_ day of \_\_\_\_\_ 2024.

Signed by the said \_\_\_\_\_

Revenue  
Stamp

(Signature must agree with the  
**SPECIMEN** signature registered with  
the Company)

### Witnesses:

1 Signature \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

CNIC/Passport No. \_\_\_\_\_

2 Signature \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

CNIC/Passport No. \_\_\_\_\_

### Important:

1. This form of Proxy, duly completed, signed and stamped must be deposited at the Company's Registered Office, Sector H-8/4 Islamabad, not less than 48 hours before the time of holding the meeting.
2. If a member appoints more than one proxy and more than one instruments of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.
3. CDC account holder, sub account holder/shareholder may appoint proxy and the proxy must produce attested copy of his/her CNIC or original passport at the time of attending the meeting.



# پراکسی فارم

38 واں سالانہ اجلاس عام

شفٹ انٹرنیشنل ہسپتال لمیٹڈ

میں / ہم ..... ساکن ..... شیئر ہولڈر شفٹ انٹرنیشنل ہسپتال لمیٹڈ  
فولیو نمبر / اسی ڈی سی اکاؤنٹ نمبر ..... شیئر زکا شمار ..... بذریعہ ہذا تقرر کرتا ہوں  
..... ساکن ..... فولیو نمبر / اسی ڈی سی اکاؤنٹ نمبر .....  
یا اس کی عدم دستیابی پر ..... ساکن ..... فولیو نمبر / اسی ڈی سی اکاؤنٹ نمبر .....  
..... جو کہ میری / ہماری غیر موجودگی میں میرے / ہمارے پراکسی (نمائندے) کے طور پر کمپنی کے 38 واں  
سالانہ اجلاس عام میں جو 28 اکتوبر 2024 بروز سوموار دن 11:00 بجے یا اس کے التوا کی صورت میں منعقد ہوگا میں میری / ہماری جگہ شرکت  
کرے گا اور ووٹ استعمال کرے گا۔

ریونیومہر  
دستخط کمپنی کے پاس موجود نمونہ  
کے دستخط کے مطابق ہونا چاہئے

میں بطور گواہ اس ..... دن ..... 2024  
دستخط مذکورہ بالا .....

گواہان:

1- دستخط ..... 2- دستخط .....  
نام ..... نام .....  
پتہ ..... پتہ .....  
قومی شناختی کارڈ / پاسپورٹ نمبر ..... قومی شناختی کارڈ / پاسپورٹ نمبر .....

خصوصی ہدایات :

- 1- یہ پراکسی فارم باقاعدہ طور پر مکمل کر کے، دستخط، گواہان اور مہر کے بعد اجلاس کے انعقاد سے کم از کم 48 گھنٹے پہلے کمپنی کے رجسٹرڈ دفتر واقع سیکٹر H-8/4، اسلام آباد پہنچ جانا چاہئے۔
- 2- اگر ایک ممبر ایک سے زائد پراکسی یا پراکسی کے فارم کمپنی کے پاس جمع کرواتا ہے تو ایسے تمام پراکسی کے فارم کو غیر قانونی تصور کیا جائے گا۔
- 3- سی ڈی سی اکاؤنٹ ہولڈر، سب اکاؤنٹ ہولڈر / شیئر ہولڈر اپنی پراکسی مقرر کرنے کا مجاز ہے۔ اس پراکسی کو اجلاس میں شرکت کے وقت اپنے اصل کمپیوٹر یا قومی شناختی کارڈ یا اصلی پاسپورٹ دکھانا لازمی ہوگا۔



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[illegible]





**Shifa International Hospitals Limited**

Pitras Bukhari Road,  
Sector H-8/4, Islamabad - Pakistan  
Email: [info@shifa.com.pk](mailto:info@shifa.com.pk)  
Website: [www.shifa.com.pk](http://www.shifa.com.pk)

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