Allawasaya
Textile & Finishing Mills Limited

61st Annual Report

for the year ended June 30, 2018

61st Annual Report

of

Allawasaya Textile & Finishing Mills Limited

for the year ended June 30, 2018

CONTENTS

VISION & MISSION STATEMENT	3
COMPANY PROFILE	4
NOTICE OF ANNUAL GENERAL MEETING	5
CHAIRPERSON'S REVIEW REPORT U/S 192 OF COMPANIES ACT, 2017	6
DIRECTORS' REPORT (ENGLISH)	7
SIX YEARS KEY OPERATING AND FINANCIAL DATA	12
STATEMENT OF COMPLIANCE WITH CODE OF CORPORATE GOVERNANCE	13
INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS ON THE STATEMENT OF COMPLIANCE	16
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS	17
STATEMENT OF FINANCIAL POSITION	21
STATEMENT OF PROFIT OR LOSS	22
STATEMENT OF COMPREHENSIVE INCOME	23
STATEMENT OF CASH FLOWS	24
STATEMENT OF CHANGES IN EQUITY	25
NOTES TO THE FINANCIAL STATEMENTS	26
PATTERN OF SHAREHOLDING	53
PATTERN OF SHAREHOLDING (ADDITIONAL INFORMATION)	54
CDC PAKISTAN LIMITED PATTERN OF SHAREHOLDING	55
DIRECTORS' REPORT (URDU)	61
NOTICE OF ANNUAL GENERAL MEETING (URDU)	63
FORM OF PROXY (URDU)	65
FORM OF PROXY (ENGLISH)	66

VISION STATEMENT

The vision of Allawasaya Textile and Finishing Mills Limited is to contribute positively to the Socio-Economic growth of Pakistan through business and industrial pursuits endeavoring to achieve excellence in all spheres of such activity with effective and efficient management.

MISSION STATEMENT

Allawasaya Textile and Finishing Mills Limited becomes a truly professional organization, achieve higher quality standards, utilize maximum capacity, capture expansion opportunities and becomes a least cost operator amongst its competitors.

We will strive to continue as a successful Company, make profit and thus create value for our shareholders, customers, suppliers and employees.

QUALITY AND ENVIRONMENTAL POLICY

Our aim is to achieve the leadership of textile and spinning industry through quality products according to customer satisfaction. We thrive to achieve the above through the following measures:

1) Acquisition of quality raw material.

2) Manufacturing of high quality yarn as per customer satisfaction.

3) Continuous training and guidance to employees regarding quality and environment.

4) Continuous improvement, close watch and control in production process and environment.

5) Follow up of the system, regarding international quality and environmental laws.

6) Control of pollution discharge from industrial process.

COMPANY PROFILE

BOARD OF DIRECTORS

1. Mrs. Nusrat Jamil - Chairperson
2. Mian Tanvir Ahmad Sheikh - Chief Executive Officer
3. Mian Muhammad Jamil
4. Mian Tauqir Ahmad Sheikh
5. Mian Anis Ahmad Sheikh
6. Mian Muhammad Bilal Ahmad Sheikh
7. Mian Muhammad Alamgir Jamil Khan
8. Mian Muhammad Umar Farooq Sheikh
9. Mr. Javed Musarrat
10. Mr. Abdul Rehman Qureshi
11. Mr. Imran Hussain

AUDIT COMMITTEE

Mr. Javed Musarrat - Chairman
Mian Anis Ahmad Sheikh - Member
Mrs. Nusrat Jamil - Member

HUMAN RESOURCE & REMUNERATION COMMITTEE (HR&R)

Mr. Abdul Rehman Qureshi - Chairman
Mian Anis Ahmad Sheikh - Member
Mian Muhammad Alamgir Jamil Khan - Member

CHIEF FINANCIAL OFFICER

Sohail Nadeem

COMPANY SECRETARY

Muhammad Ismail

HEAD OF INTERNAL AUDIT

Ch. Javed Akhtar

AUDITORS

Deloitte Yousuf Adil Chartered Accountants, Multan

LEGAL ADVISOR

Zafar Iqbal - Advocate
H.No.172/173, Kareem Town Behind Bodlah Town, Chowk Kumharanwala, Multan.

BANKERS

M/s Habib Bank Limited
M/s Bank AL Habib Limited
M/s Habib Metropolitan Bank Limited
M/s United Bank Limited

REGISTERED OFFICE

Allawasaya Square,
Mumtazabad Industrial Area,
Vehari Road, Multan, Pakistan

SHARES REGISTRAR

M/s Hameed Majeed Associates (Pvt.) Limited
H.M. House, 7-Bank Square, Lahore, Pakistan

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 61st Annual General Meeting of the Company will be held on Saturday October 27, 2018 at 03:30 p.m. at its registered office, Allawasaya Square, Mumtazabad Industrial Area, Vehari Road, Multan to transact the following business:

1. To confirm the minutes of the Extra Ordinary General Meeting of the Company held on May 25, 2018.
2. To receive, consider and adopt the annual audited financial statements of the Company together with the Directors', Auditors' Reports and Chairperson's Review thereon for the year ended June 30, 2018.
3. To consider and approve the distribution of cash dividend @37.50% (Rs.3.75 per share) as recommended by the Board for the year ended June 30, 2018.
4. To appoint auditors and to fix their remuneration for the financial year ending June 30, 2019 who will hold office till conclusion of the next Annual General Meeting. The Board, on the recommendation of the Audit Committee, has proposed the appointment of M/s Deloitte Yousuf Adil Chartered Accountants as external auditors. The retiring auditors being eligible, have consented and offered themselves for re-appointment.
5. To transact any other business with the permission of the Chair.

BY ORDER OF THE BOARD
Sd/-
(MUHAMMAD ISMAIL)
COMPANY SECRETARY

Multan, October 04, 2018

NOTES:

1. The Shares Transfer Books of the Company will remain closed from 20-10-2018 to 27-10-2018 (both days inclusive) transfers received in order at the office of the Company's Shares Registrar, M/s Hameed Majeed Associates (Pvt.) Limited, H.M. House, 7-Bank Square, Lahore by the close of business on October 19, 2018 will be treated in time.
2. A member entitled to attend and vote at the meeting, may appoint any other member as a proxy to attend, speak and vote on behalf of him/her. **A proxy must be a member.** Proxy Forms duly stamped with Rs.5/- revenue stamp, signed and witnessed by One person, in order to be valid must be received at the Registered Office of the Company not later than 48 hours before the time of holding the meeting.
3. Any individual beneficial owners of CDC, entitled to attend and vote at the meeting must bring his/her CNIC or passport to prove his/her identity and the proxy shall produce his/ her original CNIC or passport. In case of corporate members, the Boards' resolution or power of attorney with specimen signatures of the nominee shall require to be produced at the time of meeting.
4. For the convenience of Members, a Standard Request Form with appropriate details has been uploaded on the Company's website<www.allawasaya.com>. Those Members who opt to receive the hard copies of the annual audited financial statements instead of sending the same through CD/DVD/USB at their registered addresses may apply to the Company Secretary at his postal or email address secretary@allawasaya.com.
5. **Members are requested to submit an attested photocopy of their valid Computerized National Identity Cards (CNICs) as per SECP's direction, if not provided earlier and also communicate to the Company immediately of any change in their addresses.**
6. Members can also avail Video Conference facility in (name of cities where facility can be provided keeping in view geographical dispersal of members). In this regard please fill the following form and submit to the registered address of the Company within ten (10) days before holding of annual general meeting.

   I/ We, _____ of _____, being a member of ALLAWASAYA TEXTILE AND FINISHING MILLS LIMITED, holder of _____ Ordinary Shares as per Register Folio No./ CDC A/C No.._____ hereby opt for Video Conference Facility at _____

   _____
   Signature of member

   If the Company receives consent from members holding an aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting through Video Conference at least 10 days prior to the date of meeting, the Company will arrange Video Conference facility in that city subject to availability of such facility in that city.

7. CNIC numbers of shareholders are mandatorily required for Dividend distribution. Shareholders are, therefore, requested to submit a copy of their CNIC (if not already provided) to the Share Registrar. In case of non-receipt of the copy of a valid CNIC, the Company would be unable to comply with SRO 831(I)/2012 dated July 05, 2012 of SECP and therefore will be constrained to withhold the payment of dividend of such shareholders. The shareholders while sending CNIC must quote their respective folio number and name of the Company.

8. Pursuant to the requirements of Section 242 of the Companies Act, 2017 read with SRO No.1145(I)/2017 dated November 6, 2017 and the Companies (Distribution of Dividends)Regulations, 2017, shareholders are MANDATORILY required to provide their bank account details to receive theircash dividenddirectly intotheir bank accounts insteadof receivingit throughdividend warrants..Moreover,pursuant toSection 243 (3) of theAct, the Company shall bebound to withholdany dividenddeclared bythe companyof those shareholders who donot providetheir bank details.

   Shareholders who have not yet submitted their International Bank Account Number (IBAN) are requested to fill in Electronic Credit Mandate Form available on Company's website and send it duly signed along with a copy of CNIC to the Registrar of the Company M/s Hameed Majeed Associates (Pvt.) Limited, H.M. House, 7-Bank Square, Lahore, in case of physical shares.

   In case shares are held in CDC then Electronic Credit Mandate Form must be submitted directly to shareholder's broker/ participant/ CDC account services.

CHAIRPERSON'S REVIEW REPORT U/S 192 OF THE COMPANIES ACT, 2017 ON OVERALL BOARD PERFORMANCE AND BOARD'S ROLE IN ACHIEVING THE COMPANY'S OBJECTIVES FOR YEAR ENDED JUNE 30, 2018

Annual Evaluation of the Board of Directors of the Company, M/s Allawasaya Textile and Finishing Mills Limited, is carried out in accordance with the requirements of the Code of Corporate Governance to ensure that its performance and effectiveness is as per the expectations to achieve the goals and objectives of the Company. For the financial year ended June 30, 2018, it is assessed as Satisfactory. There was no violation of the code of conduct.

The Board meetings and Committee meetings were always well attended. The members of the Board of Directors of the Company were sent agendas and supporting material well in time prior to the board and its committee meetings. All the Directors made important contribution and made their best efforts for the achievements of the satisfactory results during the year. The expertise of the Independent and non-executive Directors were also a great help in the decision making process. The operations of the Company's Units were strategically planned and all the resources were optimally utilized. The performance results were found satisfactory.

All the employees of the Company were met with equitable treatment who also contributed to the Company business through their effective and efficient working.

On behalf of the Board of Directors

Sd/-

MRS. NUSRAT JAMIL

CHAIRPERSON

Multan, October 4, 2018

DIRECTORS' REPORT

In the name of Allah the Most Beneficent and the Merciful

Dear Shareholders,

On behalf of the Board of Directors of the Company, it is my privilege to present before you the 61st Annual Report on the affairs of your Company along with the Audited Accounts for the financial year ended June 30, 2018.

PERFORMANCE:

By the grace of Almighty Allah, the performance of your Company remained satisfactory during the year under report. The Mills produced Polyester-Cotton blended yarn throughout the year. The total production of yarn during the year under review at 20's count basis was13,102,051.53 Kgs (actual production 8,207,710.56 Kgs) as compared to 13,024,171.86 Kgs (actual production 8,267,268.24 Kgs) last year. During the year the prices of yarn improved, in-spite of increase in tariff rates for electricity and gas/ RLNG prices, it resulted into better profit margin. The total sales for the year amounted to Rs. 2,168,465,319/- (8,284,641.12 Kgs) as compared to Rs. 1,966,036,666/- (8,423,533.44 Kgs) last year. The gross profit for the year was **Rs. 124,872,086/-** as compared to **Rs. 49,054,839/-** last year. The Net Profit after providing for Tax amounted to Rs. 17,633,101/- as compared to the Net Loss of **(Rs.40,346,211/-)** last year.

The financial results for the year ended June 30, 2018 along with the comparative figures of the last year are summarized under the respective heads of Accounts below:

ACCOUNTS:

	For the year ended June 30, 2018 Rupees	For the year ended June 30, 2017 Rupees
Sales- net	2,168,465,319	1,966,036,666
Cost of goods sold	(2,043,593,233)	(1,916,981,827)
Gross Profit	124,872,086	49,054,839
Other income/ (expenses)	-	(2,316,945)
	124,872,086	46,737,894
Distribution and marketing expenses	(14,817,005)	(12,492,485)
Administrative Expenses	(50,239,918)	(45,799,646)
Operating Expenses	(2,684,132)	-
Finance Cost	(21,114,699)	(20,562,389)
Profit/ (Loss) before Taxation	36,016,332	(32,116,626)
Provision for Taxation		
Current		
- for the year	(27,105,816)	(18,214,931)
- prior year	965,453	-
Deferred Tax	7,757,132	9,985,346
	(18,383,231)	(8,229,585)
Profit/ (Loss) for the year	17,633,101	(40,346,211)
Earning/ (Loss)per share- basic and diluted	22.04	(50.43)

FUTURE OUTLOOK

The future outlook of the textile sector is expected to remain tough in the near future as well. In this scenario, the whole industry is looking towards the new Government to support the textile industry of Pakistan and help it to become competitive globally. In view of existing circumstances and the challenges being faced by the textile sector, it is strongly recommended that textile sector should be facilitated by subsidizing rates of electricity and one price of Gas/ RLNG across the country, so that the Punjab based textile industry becomes comparative with other provinces.

The Company is engaged in continuous process of BMR of its Mills. The Company has now embarked upon its major BMR plan to upgrade its existing production facilities by replacing the older machinery with efficient machinery to improve the quality and quantity of its yarn produced. For this purpose financial arrangements have been made and Letter of Credits have been established through M/s Bank AL Habib Limited for replacement of machinery and addition in Back process, Ring and Autowinding departments of its Unit No.1. Your Directors believe that with the addition/ replacement and up-gradation of machinery, not only the quality of its yarn improves but the quantity of its production will also increase leading to better viability of your Mills.

DIVIDEND

In its meeting held on October 4, 2018, the Board of Directors of the Company, to share the profit earned by the Company for the year ended June 30, 2018 with the shareholders, have proposed distribution of a final cash dividend @37.50% (Rs.3.75 per share) to the shareholders of the Company.

REVISION IN REMUNERATION OF CHIEF EXECUTIVE OFFICER AND TWO FULL TIME WORKING DIRECTORS OF THE COMPANY

The Company in its Extra Ordinary General Meeting held on May 25, 2018, passed the Ordinary Resolution approving the revision in remuneration of the Chief Executive Officer and two full time Working Directors with effect from 30th May 2018 in addition to other perquisites/ benefits already allowed as before as per following detail:

Remuneration of Chief Executive Officer	-	PKR:500,000/- per month
Remuneration of Director Marketing & Sales	-	PKR:500,000/- per month
Remuneration of Director Production	-	PKR:400,000/- per month

ISO 9001:2015 QMS AND ISO 14001:2015 EMS CERTIFICATION

Your Directors are pleased to report that your Company is quite successfully maintainingits ISO 9001:2015 Certification for Quality Management System and the ISO 14001:2015 Certification for Environmental Management System.

COMPLIANCE WITH CODE OF CORPORATE GOVERNANCE

Your Directors are pleased to report that the Company is complying with the requirements of the Code of Corporate Governance as introduced by the Securities and Exchange Commission of Pakistan. The various statements, as required by the code, are given below:

PRESENTATION OF FINANCIAL STATEMENTS:

The financial statements, prepared by the Company, fairly present its state of affairs, the results of operations, cash flows, and changes in equity;

BOOKS OF ACCOUNTS:

The Company has maintained proper books of accounts;

ACCOUNTING POLICIES:

Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;

COMPLIANCE WITH INTERNATIONAL ACCOUNTING STANDARDS (IAS):

International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements;

INTERNAL CONTROL SYSTEM:

The system of internal control is sound in design and has been effectively implemented and monitored;

ON GOING CONCERN:

The Company's financial position is sound enough to ensure its continuity as an ongoing concern;

NO OUTSTANDING STATUTORY DUES:

There are no outstanding statutory dues on account of taxes, levies and charges except of normal and routine nature;

FINANCIAL HIGHLIGHTS:

Key operating and financial data of the last six years is given in Annex 1.

BOARD MEETINGS:

During the year ended June 30, 2018 five (5) meetings of the Board of Directors were held. Attendance of each Director is given below:

Director's Name	Meeting Attended
Mian Muhammad Jamil	5
Mian Tanvir Ahmad Sheikh	4
Mrs. Nusrat Jamil	5
Mian Tauqir Ahmad Sheikh	5
Mian Anis Ahmad Sheikh	4

Mian Muhammad Bilal Ahmad Sheikh	3
Mian Muhammad Alamgir Jamil Khan	5
Mian Muhammad Umar Farooq Sheikh	4
Mr. Javed Musarrat	4
Mr. Abdul Rehman Qureshi	1
Mr. Imran Hussain	1

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

Members Name	Attendance
Mian Anis Ahmad Sheikh	4
Mrs. Nusrat Jamil	4
Mr. Javed Musarrat	4

The Audit Committee has been reconstituted. Mr. Javed Musarrat, Independent Director has been appointed as Chairman of the committee in place of Mian Anis Ahmad Sheikh on June 2, 2018.

The HR& R Committee held one (1) meeting during the year. Attendance by each member was as follows:

Members Name	Attendance
Mian Muhammad Jamil	1
Mian Anis Ahmad Sheikh	1
Mrs. Nusrat Jamil	1

The HR& R Committee has been reconstituted. Mr. Abdul Rehman Qureshi, Independent Director, has been appointed as Chairman of the committee in place of Mian Muhammad Jamil on June 2, 2018.

COMPOSITION OF BOARD

The Board consists of 10 male and 1 female directors with following composition:

Independent Directors	3
Other Non-executive Directors	5
Executive Directors	3
Total number of Directors	11

AUDITORS

Your Company's Auditors M/s Deloitte Yousuf Adil Chartered Accountants, Multan retire and being eligible offer themselves for re-appointment for the next year.

PATTERN OF SHAREHOLDING

A statement showing pattern of shareholdings of the Company and additional information as at June 30, 2018 is annexed to this report.

RELATIONS WITH LABOUR AND STAFF

Your Directors are happy to report that relations with labour and staff of the Company remained cordial throughout the year.

ACKNOWLEDGEMENT

Your Directors acknowledge the best cooperation as usual enjoyed by your Company from M/s Habib Bank Limited, M/s Bank Al Habib Limited, M/s Habib Metropolitan Bank Limited and M/s United Bank Limited and wish to record their appreciation for the same and hope the Bankers will continue their support to the Company in future as well.

The dedicated hard work of all employees of the Company is also acknowledged.

On behalf of the Board of Directors

Sd/-
MRS. NUSRAT JAMIL
CHAIRPERSON

Multan, October 4, 2018

SIX YEARS KEY OPERATING AND FINANCIAL DATA

YEAR ENDED JUNE 30,	2018	2017	2016	2015	2014	2013
BALANCE SHEET						
Authorized Capital	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Issued , Subscribed & Paid up Capital	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Surplus on Revaluation of Property, Plant & Equipment	555,466,212	564,143,421	575,634,520	457,304,932	471,395,262	485,736,969
Tax holiday reserve	2,668,746	2,668,746	2,668,746	2,668,746	2,668,746	2,668,746
General reserve	80,000,000	80,000,000	80,000,000	80,000,000	80,000,000	80,000,000
Unappropriated Profits	181,999,407	152,641,179	178,237,663	204,822,116	216,023,031	180,946,420
Total Equity	828,134,365	807,453,346	844,540,929	752,795,794	778,087,039	757,352,135
Long Term Liabilities	-	-	-	-	-	11,342,670
Deferred Liabilities	95,745,379	106,550,429	119,794,403	110,163,021	131,437,931	152,131,668
Short Term Liabilities	435,701,497	351,378,451	383,227,754	274,999,671	199,186,565	192,769,321
Total Liabilities	531,446,876	457,928,880	503,022,157	385,162,692	330,624,496	356,243,659
Total Equity & Liabilities	1,359,581,241	1,265,382,226	1,347,563,086	1,137,958,486	1,108,711,535	1,113,595,794
Fixed Assets	851,124,734	882,766,913	890,476,175	756,874,934	793,848,822	812,267,882
Long Term Deposits	2,379,997	2,379,997	2,379,997	2,379,997	2,223,997	2,627,781
Current Assets	506,076,510	380,235,316	454,706,914	378,703,555	312,638,716	298,700,131
Total Assets	1,359,581,241	1,265,382,226	1,347,563,086	1,137,958,486	1,108,711,535	1,113,595,794
Profit & Loss Account						
Turnover	2,168,465,319	1,966,036,666	1,673,156,869	1,759,164,451	2,167,183,350	2,038,914,882
Gross Profit	124,872,086	49,054,839	50,541,703	13,657,493	141,258,633	218,850,085
Profit / (Loss) before Taxation	36,016,332	(32,116,626)	(35,643,655)	(56,745,009)	38,734,562	121,466,461
Profit / (Loss) after Taxation	17,633,101	(40,346,211)	(37,799,098)	(19,582,864)	36,934,904	87,194,366
Distribution						
Cash Dividend %	37.50	-	-	-	102.50	202.50
Ratios						
Break up value per share (Rs.)	1,035.17	1,009.32	1,055.68	940.99	972.61	946.69
Earning / (Loss) per share (Rs.)	22.04	(50.43)	(47.25)	(24.48)	46.17	108.99
Current Ratio	1.16 : 1	1.08 : 1	1.19 : 1	1.38 : 1	1.57 : 1	1.55 : 1
Debt/ equity ratio	00 : 100	00 : 100	00 : 100	00 : 100	01 : 99	06 : 94
CAPACITY & PRODUCTION						
No.of spindles installed and worked	30,592	30,592	30,592	30,592	30,592	30,592
Capacity of yarn at 20's count (Kgs)	13,164,469	13,213,585	12,864,160	12,111,985	12,314,067	11,922,889
Actual production of yarn at 20's count (Kgs)	13,102,052	12,882,613	12,679,268	11,896,628	12,056,349	11,703,986

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2017 Year ending JUNE 30, 2018

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

1. The total number of directors are 11 as per the following:
   a. Male: 10
   b. Female: 1

2. The composition of board is as follows:

   a) Independent Directors:

Mr. Javed Musarrat	Independent Director
Mr. Abdul Rehman Qureshi	Independent Director
Mr. Imran Hussain	Independent Director

   b) Other Non-executive Directors:

Mrs. Nusrat Jamil	Non-Executive Director (Chairperson)
Mian Tauqir Ahmad Sheikh	Non-Executive Director
Mian Anis Ahmad Sheikh	Non-Executive Director
Mian Muhammad Bilal Ahmad Sheikh	Non-Executive Director
Mr. Muhammad Umar Farooq Sheikh	Non-Executive Director

   c) Executive Directors:

Mian Muhammad Jamil	Executive Director
Mian Tanvir Ahmad Sheikh	Executive Director (CEO)
Mr. Muhammad Alamgir Jamil Khan	Executive Director

3. The directors have confirmed that none of them is serving as a director on more than five listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).

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

5. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.

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

7. The meetings of the board were presided over by the Chairman or Chairperson and, in his/ her absence, by a director elected by the Board as Chairman. The board has complied with the requirements of the Act, the Rules and Regulations with respect to frequency, recording and circulating minutes of meeting of board.

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

9. During the year two Independent Directors namely Mr. Abdul Rehman Qureshi and Mr. Imran Hussain were appointed directors on May 25, 2018. Since Mr. Abdul Rehman Qureshi is former Commissioner SECP, he is considered exempt from any requirement of formal training, however, Mr. Imran Hussain can avail opportunity of Directors' Training Program within one year of his appointment. All the directors on the Board are fully conversant with their duties and responsibilities as directors of the Company.

10. There was no new appointment of CFO, Company Secretary and Head of Internal Audit during the year.

11. CFO and CEO duly endorsed the financial statements before approval of the board.

12. The board has formed committees comprising of members given below:

a) Audit Committee:	Mr. Javed Musarrat- Independent Director- Chairman Mian Anis Ahmad Sheikh- Non-Executive Director- Member Mrs. Nusrat Jamil- Non-Executive Director- Member
b) HR and Remuneration Committee:	Mr. Abdul Rehman Qureshi- Independent Director- Chairman Mian Anis Ahmad Sheikh- Non-Executive Director- Member Mr. Muhammad Alamgir Jamil Khan- Executive Director- Member

The Audit Committee and HR& Remuneration Committees were reconstituted on June 2, 2018.

c) Nomination Committee (not applicable)

d) Risk Management Committee (not applicable)

13. The terms of reference of the aforesaid committees have been formulated and documented for Committees' compliance.

14. The frequency of meetings of the Committees is as follows:

a) Audit Committee:	4 quarterly meetings
b) HR and Remuneration Committee:	1 annual meeting
c) Nomination Committee	(not applicable)
d) Risk Management Committee	(not applicable)

15. The board has set up an effective internal audit function headed by the Head of Internal Audit. The staff is suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the company and is involved in the internal audit function on a full time basis.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any partners of the firm, their spouses and minor children do not hold shares of the company and that the firm

and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP

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

18. We confirm that all other requirements of the Regulations have been complied with.

On behalf of the Board of Directors

Sd/-
MRS. NUSRAT JAMIL
CHAIRPERSON

Multan, October 4, 2018

Independent Auditor's Review Report
To the Members of Allawasaya Textile & Finishing Mills Limted
Review Report on the Statement of Compliance Contained in Listed Companies (Code of Corporate Governance) Regulations, 2017

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 (the Regulations) prepared by the Board of Directors of Allawasaya Textile & Finishing Mills Limited for the year ended June 30, 2018 in accordance with the requirements of regulation 40 of the Regulations.

The responsibility for compliance with the Regulation 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 requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2018.

DELOITTE YOUSUF ADIL
CHARTERED ACCOUNTANTS

Engagement Partner:
Rana Muhammad Usman Khan

Multan, October 4, 2018

INDEPENDENT AUDITORS' REPORT

To the Members of Allawasaya Textile & Finishing Mills Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Allawasaya Textile &Finishing Mills Limited(the Company), which comprise the statement of financial position as at June 30, 2018, and the statement of profit or loss, and statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2018 and of the profit and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

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

Following are the Key audit matters:

Key audit matter	How the matter was addressed in our audit
Change in accounting policy as a result of changes in the Companies Act 2017 As referred to the note 2 to the accompanying financial statements, the Companies Act 2017 (the Act) became applicable for the first time for the preparation of Company's annual financial statements for the year ended 30 June 2018 due to which the Company has changed its accounting policy to account for surplus on revaluation of fixed assets (refer note 2.5.2) with retrospective effect. Previously, surplus on revaluation was presented in the financial statements below the equity and changes in surplus was taken directly to equity. Due to change in accounting policy, surplus on revaluation will be part of the equity and revaluation changes will be taken through other comprehensive income. We have considered the above as a Key Audit Matter due to the significant amount of surplus on revaluation of fixed assets, the complexity involved in the calculations for retrospective application and compliance with the disclosure requirements of IAS 8 Accounting Policies and Changes in Accounting Estimates and Errors.	Our audit procedures included the following: * Obtained workings for retrospective accounting of surplus on revaluation of fixed assets; * Re-performed the calculations based on the working and valuation reports of the respective years. * Reviewed that values of fixed assets, surplus on revaluation of fixed assets and gain / loss on assets disposed-off have been properly restated in the financial statements; and Assessed if the change in accounting policy has been properly disclosed by the management in the financial statements of the Company in accordance with IAS-8.
Revenue Recognition The Company's sales comprise of revenue from the sale of yarn and polyester as has been disclosed in note 20 to the financial statements. Revenue from the sale is recognized, when significant risks and rewards of ownership are transferred to the customer (note 2.5.12). We identified revenue recognition as key audit matter as it is one of the key performance indicators of the Company and because of the potential risk that revenue transactions may not have been recognized based on transfer of risk and rewards to the customers in line with the accounting policy adopted and may not have been recognized in the appropriate period.	Our audit procedures included the following: * obtaining an understanding of and assessing the design and implementation and operating effectiveness of controls around recognition of revenue ; * assessing the appropriateness of the Company's accounting policies for revenue recognition and compliance of those policies with applicable accounting standards; * checked on sample basis the recorded sales transactions based on underlying supporting documents; and * tested timeliness of revenue recognition by comparing individual sales transactions before and after the year end to underlying supporting documents.

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

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

* Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

* Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

* Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

* Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant

doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

* Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of 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 keyaudit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

a) Proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the statement of profit or loss and statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) Investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Rana M. Usman Khan.

DELOITTE YOUSUF ADIL
CHARTERED ACCOUNTANTS

Engagement Partner:
Rana Muhammad Usman Khan

Multan, October 4, 2018

STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2018

	Note	2018 Rupees	2017 Rupees (Restated)	2016 Rupees (Restated)
ASSETS				
Non-current assets				
Property, plant and equipment	3	**851,124,734**	882,766,913	890,476,175
Long term deposits		**2,379,997**	2,379,997	2,379,997
		853,504,731	885,146,910	892,856,172
Current assets				
Stores and spares	4	**20,167,808**	20,178,306	11,994,464
Stock in trade	5	**262,522,072**	161,021,011	252,639,869
Trade debts	6	**126,745,756**	142,818,029	146,100,238
Loans and advances	7	**42,827,997**	31,981,278	33,311,449
Trade deposits and prepayments	8	**929,033**	646,676	533,025
Tax refunds due from government	9	**26,850,372**	22,309,184	6,903,805
Cash and bank balances	10	**26,033,472**	1,280,832	3,224,064
		506,076,510	380,235,316	454,706,914
Total assets		**1,359,581,241**	1,265,382,226	1,347,563,086
EQUITY AND LIABILITIES				
Share capital and reserves				
Share capital	11	**8,000,000**	8,000,000	8,000,000
Surplus on revaluation of property, plant and equipment	12	**555,466,212**	564,143,421	575,634,520
Tax holiday reserve		**2,668,746**	2,668,746	2,668,746
General reserve		**80,000,000**	80,000,000	80,000,000
Unappropriated profits		**181,999,407**	152,641,179	178,237,663
		828,134,365	807,453,346	844,540,929
Non-current liabilities				
Deferred tax	13	**95,745,379**	106,550,429	119,794,403
Current liabilities				
Trade and other payables	14	**140,144,792**	114,447,232	90,465,764
Accrued markup	15	**5,335,874**	3,979,734	4,963,575
Short term borrowings	16	**262,477,868**	213,937,660	271,066,846
Unclaimed dividend		**637,147**	798,894	-
Provision for taxation	17	**27,105,816**	18,214,931	16,731,569
		435,701,497	351,378,451	383,227,754
Contingencies and commitments	18			
TOTAL EQUITY AND LIABILITIES		**1,359,581,241**	1,265,382,226	1,347,563,086

The annexed notes from 1 to 38 form an integral part of these financial statements.

Sd/-	Sd/-	Sd/-
Mian Tanvir Ahmad Sheikh	Mian Muhammad Alamgir Jamil Khan	Sohail Nadeem
Chief Executive Officer	Director	Chief Financial Officer

STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2018

	Note	2018 Rupees	2017 Rupees
Sales - net	19	**2,168,465,319**	1,966,036,666
Cost of goods sold	20	**(2,043,593,233)**	(1,916,981,827)
Gross profit		**124,872,086**	49,054,839
Other income / (expenses)	21	**-**	(2,316,945)
		124,872,086	46,737,894
Distribution and marketing expenses	22	**(14,817,005)**	(12,492,485)
Administrative expenses	23	**(50,239,918)**	(45,799,646)
Operating expenses	24	**(2,684,132)**	-
Finance cost	25	**(21,114,699)**	(20,562,389)
		(88,855,754)	(78,854,520)
Profit / (loss) before taxation		**36,016,332**	(32,116,626)
Provision for taxation			
Current			
- for the year		**(27,105,816)**	(18,214,931)
- prior year		**965,453**	-
Deferred tax		**7,757,132**	9,985,346
	26	**(18,383,231)**	(8,229,585)
Profit / (loss) for the year		**17,633,101**	**(40,346,211)**
Earning / (loss) per share - basic and diluted	28	**22.04**	(50.43)

The annexed notes from 1 to 38 form an integral part of these financial statements.

Sd/-	Sd/-	Sd/-
Mian Tanvir Ahmad Sheikh	Mian Muhammad Alamgir Jamil Khan	Sohail Nadeem
Chief Executive Officer	Director	Chief Financial Officer

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2018

	2018	***2017***
	---------- Rupees ----------	
Profit / (loss) for the year	**17,633,101**	(40,346,211)
Other comprehensive income		
Transfer from deferred tax due to change rate on opening revaluation surplus	3,047,918	3,258,628
Total comprehensive income / (loss) for the year	**20,681,019**	**(37,087,583)**

The annexed notes from 1 to 38 form an integral part of these financial statements.

Sd/-	Sd/-	Sd/-
Mian Tanvir Ahmad Sheikh	Mian Muhammad Alamgir Jamil Khan	Sohail Nadeem
Chief Executive Officer	Director	Chief Financial Officer

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2018

	Note	2018 Rupees	2017 Rupees
A. CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (Loss) before taxation		**36,016,332**	(32,116,626)
Adjustments for:			
Depreciation on property, plant and equipment		**31,642,179**	33,102,540
Loss / (gain) on disposal of property, plant and equipment		**-**	2,316,945
Provision for staff retirement benefits - gratuity		**9,008,940**	12,168,710
Finance cost		**21,114,699**	20,562,389
Operating cash flows before movement in working capital		**97,782,150**	36,033,958
(Increase) / decrease in current assets			
Stores, spares and loose tools		**10,498**	(8,183,842)
Stock in trade		**(101,501,061)**	91,618,858
Trade debts		**16,072,273**	3,282,209
Loans and advances (excluding advance income tax)		**4,771,382**	307,647
Trade deposits and prepayments		**(282,357)**	(113,651)
Tax refunds due from government		**(4,541,188)**	(15,405,379)
Decrease / (increase) in current liabilities			
Trade and other payables		**19,884,770**	23,340,888
		(65,585,683)	94,846,730
Net cash generated from operations		**32,196,467**	130,880,688
Income taxes paid		**(32,867,579)**	(15,709,045)
Staff retirement benefits - gratuity paid		**(3,196,150)**	(10,727,200)
Finance cost paid		**(19,758,559)**	(21,546,230)
Net cash (used in) /generated from operating activities		**(23,625,821)**	82,898,213
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Addition to property, plant and equipment		**-**	(29,615,223)
Proceeds on disposal of property, plant and equipment		**-**	1,905,000
Net cash (used in) investing activities		**-**	(27,710,223)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		**(161,747)**	(2,036)
Net cash used in financing activities		**(161,747)**	(2,036)
Net (decrease) / increase in cash and cash equivalents (A+B+C)		**(23,787,568)**	55,185,954
Cash and cash equivalents at beginning of the year		**(212,656,828)**	(267,842,782)
Cash and cash equivalents at end of the year	27	**(236,444,396)**	(212,656,828)

The annexed notes from 1 to 38 form an integral part of these financial statements.

Sd/-	Sd/-	Sd/-
Mian Tanvir Ahmad Sheikh	Mian Muhammad Alamgir Jamil Khan	Sohail Nadeem
Chief Executive Officer	Director	Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2018

	Share Capital	Reserves				Total
		Capital		Revenue		
		Surplus on revaluation of property, plant and equipment	Tax holiday reserve	General reserve	Accumulated profit/Loss	
	---------- Rupees ----------					
Balance at July 01, 2016 as previously reported	8,000,000	-	2,668,746	80,000,000	178,237,663	268,906,409
Effect of change in accounting policy (net of deferred tax)(note: 2.5.2)		575,634,520				575,634,520
Loss for the year	-	-	-	-	(40,346,211)	(40,346,211)
Other comprehensive income for the year	-	3,258,628	-	-	-	3,258,628
Total comprehensive loss for the year	-	3,258,628	-	-	(40,346,211)	(37,087,583)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation (net of deferred tax)	-	(12,454,930)	-	-	12,454,930	-
Transfer from surplus on revaluation of property, plant and equipment on account of disposal of assets (net of deferred tax)	-	(2,294,797)	-	-	2,294,797	-
Balance at July 01, 2017 - Restated	8,000,000	564,143,421	2,668,746	80,000,000	152,641,179	807,453,346
Profit for the year	-	-	-	-	17,633,101	17,633,101
Other comprehensive income for the year	-	3,047,918	-	-	-	3,047,918
Total comprehensive income for the year	-	3,047,918	-	-	17,633,101	20,681,019
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation (net of deferred tax)	-	(11,725,127)	-	-	11,725,127	-
Balance at June 30, 2018	8,000,000	555,466,212	2,668,746	80,000,000	181,999,407	828,134,365

The annexed notes from 1 to 38 form an integral part of these financial statements.

Sd/-	Sd/-	Sd/-
Mian Tanvir Ahmad Sheikh	Mian Muhammad Alamgir Jamil Khan	Sohail Nadeem
Chief Executive Officer	Director	Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

1. THE COMPANY AND ITS OPERATIONS

1.1. Allawasaya Textile & Finishing Mills Limited (the Company) was incorporated in Pakistan on December 03, 1958 as a private limited company. It was converted into a public limited company in 1965 under the Companies, Act 1913 (now Companies Act, 2017). Its shares are quoted on Pakistan stock exchange (PSX) in Pakistan. It is principally engaged in the manufacturing and sale of yarn. The registered office and mill of the Company is situated at Allahwasaya Square, Mumtazabad Industrial Area, Vehari Road, Multan in the province of Punjab.

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

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) and Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as notified under the Companies Act, 2017 and provisions of and directives issued under the Companies Act, 2017. Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards or IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2. Standards, interpretation and amendment adopted during the year

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

2.2.1 New accounting standards / amendments and IFRS interpretations that are effective for the year ended June 30, 2018

The following amendments are effective for the year ended June 30, 2018. These amendments 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.

	Effective from accounting period beginning on or after:
Amendments to IAS 7 'Statement of Cash Flows' - Amendments as a result of the disclosure initiative.	January 01, 2017
Amendments to IAS 12 'Income Taxes' - Recognition of deferred tax assets for unrealised losses.	January 01, 2017

Certain annual improvements have also been made to a number of IFRSs.

The Act has also brought certain changes with regard to preparation and presentation of annual and interim financial statements of the Company. These changes also include change in respect of recognition criteria of surplus on revaluation of fixed assets as more fully explained in note 6, change in nomenclature of primary statements, etc.

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

- elimination of duplicative disclosures with the IFRS disclosure requirements; and
- incorporation of significant additional disclosures.

2.2.2 *New accounting standards / amendments and IFRS 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, interpretations and amendments 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.

	Effective from accounting period beginning on or after:
Amendments to IFRS 2 'Share-based Payment' - Clarification on the classification and measurement of share-based payment transactions	January 01, 2018
IFRS 4 'Insurance Contracts': Amendments regarding the interaction of IFRS 4 and IFRS 9.	An entity choosing to apply the overlay approach retrospectively to qualifying financial assets does so when it first applies IFRS 9. An entity choosing to apply the deferral approach does so for annual periods beginning on or after 1 January 2018.
IFRS 9 'Financial Instruments' - This standard will supersede IAS 39 Financial Instruments: Recognition and Measurement upon its effective date.	July 01, 2018
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding prepayment features with negative compensation and modifications of financial liabilities	January 01, 2019
IFRS 15 'Revenue' - This standard will supersede IAS 18, IAS 11, IFRIC 13, 15 and 18 and SIC 31 upon its effective date.	July 01, 2018
IFRS 16 'Leases': This standard will supersede IAS 17 'Leases' upon its effective date.	January 01, 2019
Amendments to IAS 19 'Employee Benefits' - Amendments regarding plan amendments, curtailments or settlements.	January 01, 2019
Amendments to IAS 28 'Investments in Associates and Joint Ventures' - Amendments regarding long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied.	January 01, 2019
Amendments to IAS 40 'Investment Property': Clarification on transfers of property to or from investment property	January 01, 2018
IFRIC 22 'Foreign Currency Transactions and Advance Consideration': Provides guidance on transactions where consideration against non-monetary prepaid asset / deferred income is denominated in foreign currency.	January 01, 2018

IFRIC 23 'Uncertainty over Income Tax Treatments': Clarifies the accounting treatment in relation to determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12 'Income Taxes'.	January 01, 2019

Certain annual improvements have also been made to a number of IFRSs

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 First Time Adoption of International Financial Reporting Standards
- IFRS 14 Regulatory Deferral Accounts
- IFRS 17 Insurance Contracts

2.3. Basis of preparation

These financial statements have been prepared under the historical cost convention modified by:

- revaluation of certain property, plant and equipment; and
- certain financial instrument at fair value.

2.4. Critical judgments and accounting estimates in applying the accounting policies

The preparation of financial statements in conformity with approved accounting 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 associated assumptions and judgements are based on historical experience and various other factors that are believed to be reasonable under circumstances, the results of which form the basis of making the judgment about carrying values of assets and liabilities that are not readily apparent from other resources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on the ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised.
Significant areas requiring the use of management estimates in these financial statements relate to the

- useful life of depreciable assets.
- provision for doubtful receivables.
- provision for tax and deferred tax.
- revaluation of assets.

However, assumptions and judgments made by management in the application of accounting policies that have significant effect on the financial statements are not expected to result in material adjustments to the carrying amounts of assets and liabilities in the next year.

2.5. The principal accounting policies adopted are set out as below.

2.5.1 Property, plant and equipment

Property, plant and equipment except freehold land, building on freehold land, plant and machinery, electric installation and power house and capital work in progress are stated at cost less accumulated depreciation and impairment, if any.

Revaluation

Freehold land, building on freehold land, plant and machinery, electric installation and power house are stated at revalued amount being the fair value at the date of revaluation, less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity so that the fair value and carrying value do not differ materially at the balance sheet date. Increases in the carrying amounts arising on revaluation of land, buildings and plant and machinery are recognised, net of tax, in other comprehensive income and accumulated in revaluation surplus in shareholders' equity. To the extent that increase reverses a decrease previously recognised in the statement of profit or loss, the increase is first recognised in the statement of profit or loss. Decrease that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to the statement of profit or loss. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of profit or loss and depreciation based on the asset's original cost, net of tax, is reclassified from revaluation surplus on property, plant and equipment to unappropriated profit. Depreciation is charged to income applying reducing balance method to write-off the cost over the estimated remaining useful life of assets. The useful life and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from items of property, plant and equipment. Rates of depreciation are stated in note 3. In respect of additions and disposals during the year, depreciation is charged from the month of acquisition and up to the month preceding the disposal respectively.

Gains / losses on disposal of operating assets, if any, are recognized in profit and loss account, as and when assets are derecognized.

Normal repairs and maintenance are charged to profit and loss account as and when incurred. Major renewals and improvements are capitalized and assets replaced, if any, other than those kept as stand-by, are retired.

Capital work-in-progress

Capital work-in-progress (CWIP) is stated at cost less any recognized impairment loss. All expenditures connected to the specific assets incurred during installation and construction period are carried under CWIP. These are transferred to specific assets as and when assets are available for use.

2.5.2 Change in accounting policy

During the year, the Company changed its accounting policy in respect of the accounting and presentation of revaluation surplus on property plant, and equipment. Previously, the company 's accounting policy was in accordance with the provision of section 235 of repealed companies ordinance, 1984. The revalution surplus on property plant and equipment was shown as a seperate item below equity, in accordance with the presentation requirement of the repealed companies ordinance, 1984.

The companies Act, 2017 has not retained the above mentioned specific accounting and presentation requirements of revaluation surplus on property plant and equipment.

Those provisions and resultant previous policy of the Company regarding IAS 16 Property, Plant and Equipment was not in alignment with the accounting treatment and presentation of revaluation surplus as prescribed in International Financial Reporting Standards (IFRS Standards) issued by the international Accounting Standard Board (IASB) and notified under the Companies Act, 2017.

The change in accounting policy had no impact on accumulated surplus and net assets, as at June 30,2018. The presentation of surplus on revaluation on property plant and equipment has been changed. Any revaluation increase arising on the revaluation of leasehold land and buildings is recognized in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property plant and equipment" in the statement of financial position and statement of changes in fund as a capital reserve as part of net assets. The new accounting policy is explained under note 2.5.1, above.The resulted impact of change in accounting policy is further explained below:

The change in accounting policy has been accounted for retrospectively in accordance with the requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and comparative figures have been restated.

2.5.3 Stores and spares

These are valued at cost. The cost is determined on moving average cost less allowance for obsolete and slow moving items. Items in transit are valued at invoice values plus other charges incurred thereon upto the reporting date.

2.5.4 Stock in trade

These are determined at lower of cost and net realisable value. Cost is determined as;

Particulars	***Mode of valuation***
Raw material	
- At mills	At weighted average cost.
- In transit	Cost accumulated to the balance sheet date.
Work in process	Average manufacturing cost.
Finished goods	Average manufacturing cost.
Waste	Net realizable value.

Cost in relation to work in process and finished goods represents the annual average cost which consists of prime cost and appropriate manufacturing overheads. Cost of raw materials consumed is accounted for by applying the annual average cost of both imported and local purchases.

Net realizable value signifies the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.5.5 Trade debts and other receivables

Trade debts and other receivables are carried at original invoice amount less an estimate made for doubtful receivables based on review of outstanding amounts at the year end. Balances considered bad and irrecoverable are written off when identified.

2.5.6 Cash and cash equivalents

For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand, balances with banks, highly liquid short-term investments that are convertible to known amount of cash and are subject to insignificant risk of change in value, and short-term running finance. Running finances under mark-up arrangements are shown with short term borrowings in current liabilities on the balance sheet.

2.5.7 Trade and other payables

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

2.5.8 Taxation

Current

Provision for current taxation is based on taxable income at the current tax rates after taking into account tax credits,assumptions and rebates available, if any or on turnover at the specified rates or Alternate Corporate Tax Act as defined in section 113C of the Income Tax Ordinance, 2001, whichever is higher. The charge for current tax also includes adjustments, where necessary, relating to prior years which arise due to assessments framed / finalized during the year.

Deferred

Deferred tax is provided for using balance sheet liability method for all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and corresponding tax bases used. In this regard, the effect on deferred taxation of the portion of income subject to final tax regime is also considered in accordance with the requirement of Technical Release - 27 of Institute of Chartered Accountants of Pakistan.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and credits can be utilized.

Deferred tax assets and liabilities are measured at the tax rate that is expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited to profit and loss account, except in the case of items credited or charged to equity in which case it is included in equity.

2.5.9 Dividend distribution

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

2.5.10 Impairment

Financial assets

The Company assesses at each balance sheet date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Non-financial assets

The Company assesses at each balance sheet date whether there is any indication that assets except deferred tax assets and inventories may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in profit and loss account. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

An impairment loss is reversed if there is a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense.

2.5.11 Foreign currency translation

All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the balance sheet date. Transactions in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing on the date of transactions. All non-monetary items are translated into Pak Rupees at exchange rates prevailing on the date of transaction.
Gains and losses on retranslation and settlement are included in profit or loss for the period.

2.5.12 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business.
- Direct local sales are recorded when significant risks and rewards are transferred which coincides with delivery of goods to customers.
- Sales through agents are booked on intimation from the agents.
- Profit from investment is recognized on time apportioned basis using effective rate of interest.

2.5.13 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognized in profit and loss account in the period in which they are incurred.

2.5.14 Provisions

Provisions are recognized when the Company has a present, legal or constructive obligation as a result of 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 balance sheet date and adjusted to reflect the current best estimate.

2.5.15 Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument and de-recognized when the Company loses control of the contractual rights that comprise the financial asset and in case of financial liability when the obligation specified in the contract is discharged, cancelled or expired.

2.5.16 Off setting of financial assets and financial liabilities

A financial asset and a financial liability is off set and the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

2.5.17 Staff retirement benefits

Defined benefit plan

The Company operates an unfunded gratuity scheme for all its eligible employees who have completed the minimum qualifying period of service i.e. one year of service. Employees successfully completing one year of service are paid with the outstanding amount which is calculated at latest drawn gross salary for the year. Charge for the year represents the amount becoming due in the year (whether paid or un-paid).

2.5.18 Earnings Per Share

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

3. PROPERTY, PLANT AND EQUIPMENT
Year ended June 30, 2018

	Note	2018 Rupees	2017 Rupees
Operating assets	3.1.	**851,124,734**	882,766,913
		851,124,734	882,766,913

3.1. Operating assets

Particulars	Cost / Revaluation			Accumulated Depreciation			Book value	Rate
	At July 01, 2017	Additions /(Disposals) during the year	At June 30, 2018	At July 01, 2017	For the year	At June 30, 2018	At June 30, 2018	
	Rupees							%
Owned								
Land- Freehold	356,125,000	-	356,125,000	-	-	-	356,125,000	-
Building on freehold land	106,715,000	-	106,715,000	6,193,239	5,026,088	11,219,327	95,495,673	5
Plant and machinery	342,904,857	-	342,904,857	62,517,634	14,019,361	76,536,995	266,367,862	5
Power house								
- Building on freehold land	8,353,620	-	8,353,620	417,681	396,797	814,478	7,539,142	5
- Generators	106,003,492	-	106,003,492	11,702,268	4,715,061	16,417,329	89,586,163	5
- Electric installation	11,825,040	-	11,825,040	1,773,790	1,507,688	3,281,478	8,543,562	15
	126,182,152	-	126,182,152	13,893,739	6,619,546	20,513,285	105,668,867	
Tube well	1,270,006	-	1,270,006	196,954	107,305	304,259	965,747	10
Electric installation	10,379,000	-	10,379,000	1,556,850	1,323,323	2,880,173	7,498,827	15
Workshop equipments	160,909	-	160,909	157,795	311	158,106	2,803	10
Tools & equipments	151,401	-	151,401	146,389	501	146,890	4,511	10
Laboratory equipments	3,832,266	-	3,832,266	3,073,483	75,878	3,149,361	682,905	10
Weighing scales	768,508	-	768,508	651,685	11,682	663,367	105,141	10
Arms & ammunition	264,057	-	264,057	153,087	11,097	164,184	99,873	10
Office equipments	2,968,021	-	2,968,021	2,280,993	103,054	2,384,047	583,974	15
Furniture & fixture	1,227,218	-	1,227,218	932,380	29,484	961,864	265,354	10
Vehicles	38,431,219	-	38,431,219	16,858,473	4,314,549	21,173,022	17,258,197	20
TOTAL	**991,379,614**	**-**	**991,379,614**	**108,612,701**	**31,642,179**	**140,254,880**	**851,124,734**	

3.2. The forced sale value of the revalued property, plant and machinery has been assessed at Rs. 881 million.

3.3. *For Comparitive year*

Particulars	Cost / Revaluation			Accumulated Depreciation			Book value	Rate
	At July 01, 2016	Additions /(Disposals) during the year	At June 30, 2017	At July 01, 2016	For the year	At June 30, 2017	At June 30, 2017	
	Rupees							%
Owned								
Land- Freehold	356,125,000	-	356,125,000	-	-	-	356,125,000	-
Building on freehold land	106,715,000	-	106,715,000	902,620	5,290,619	6,193,239	100,521,761	5
Plant and machinery	332,524,500	14,454,357	342,904,857	47,903,500	14,800,859	62,517,634	280,387,223	5
		(4,074,000)			(186,725)			
Power house								
- Building on freehold land	8,353,620	-	8,353,620	-	417,681	417,681	7,935,939	5
- Generators	97,000,955	9,002,537	106,003,492	6,975,955	4,726,313	11,702,268	94,301,224	5
- Electric installation	11,825,040	-	11,825,040	40	1,773,750	1,773,790	10,051,250	15
	117,179,615	9,002,537	126,182,152	6,975,995	6,917,744	13,893,739	112,288,413	
Tube well	631,006	639,000	1,270,006	130,976	65,978	196,954	1,073,052	10
Electric installation	10,379,000	-	10,379,000	-	1,556,850	1,556,850	8,822,150	15
Workshop equipments	160,909	-	160,909	157,449	346	157,795	3,114	10
Tools & equipments	151,401	-	151,401	145,832	557	146,389	5,012	10
Laboratory equipments	3,832,266	-	3,832,266	2,989,174	84,309	3,073,483	758,783	10
Weighing scales	755,508	13,000	768,508	639,186	12,499	651,685	116,823	10
Arms & ammunition	264,057	-	264,057	140,757	12,330	153,087	110,970	10
Office equipments	2,968,021	-	2,968,021	2,159,753	121,240	2,280,993	687,028	15
Furniture & fixture	1,227,218	-	1,227,218	899,620	32,760	932,380	294,838	10
Vehicles	37,598,222	5,506,329	38,431,219	16,990,686	4,206,449	16,858,473	21,572,746	20
		(4,673,332)			(4,338,662)			
TOTAL	**970,511,723**	**29,615,223**	**991,379,614**	**80,035,548**	**33,102,540**	**108,612,701**	**882,766,913**	
		(8,747,332)			**(4,525,387)**			

3.3.1 Depreciation for the year has been allocated as under;

	Note	2018 Rupees	2017 Rupees
Cost of goods sold	20	27,183,995	28,729,761
Administrative expenses	23	4,458,184	4,372,779
		31,642,179	33,102,540

3.4. *Disposal of operating assets*

Particular	Cost	Book value	Sale proceed	Gain/ (loss)	Mode of disposal	Particulars of buyer
	Rupees					
	-	-	-	-		
2018	**-**	**-**	**-**	**-**		
Prado Land Cruiser	4,673,332	334,670	1,005,000	670,330	Negotiation	Abdul Aziz
Simplex Machines	4,074,000	3,887,275	900,000	(2,987,275)	Negotiation	Malik Manzoor
2017	8,747,332	4,221,945	1,905,000	(2,316,945)		

3.5. The Company had revalued its Land-Freehold, Building on Free-hold Land, Plant & Machinery, Electric Installation and Power house on June 30, 2016. The revaluation was carried out by M/s. K. G. Traders (Private) Limited on the basis of market value. The revaluation surplus had been credited to 'Surplus on revaluation of property, plant and equipment'. Had there been no revaluation the related figures of property, plant and equipment would have been as follows:

	Carrying amount	
	2018	**2017**
	Rupees	***Rupees***
Land- Freehold	**5,335,834**	5,335,834
Building on Free-hold Land	**4,977,444**	5,239,414
Plant & Machinery	**106,179,755**	111,768,163
Electric installation	**1,875,743**	2,206,757
Power house		
Building on freehold land	**2,986,026**	3,143,185
Generators	**67,402,808**	70,950,324
Electric Installation	**3,331,922**	3,919,909
	192,089,532	202,563,587

4. ***STORES AND SPARES***

Stores	**18,742,560**	17,561,644
Spares	**1,425,248**	2,616,662
	20,167,808	20,178,306

4.1. The Company does not hold any stores, spares and loose tools for specific capitalization.

5. ***STOCK IN TRADE***

	2018	**2017**
	Rupees	***Rupees***
Raw materials		
- Cotton	**147,373,711**	83,312,370
- Polyester	**56,778,384**	7,260,538
	204,152,095	90,572,908
Work in process	**11,799,401**	10,260,893
Finished goods		
-Yarn	**44,963,066**	59,116,240
-Waste	**1,607,510**	1,070,970
	46,570,576	60,187,210
	262,522,072	**161,021,011**

6. ***TRADE DEBTS***

Local - unsecured		
Considered good	**126,911,262**	142,818,029
Provision for doubtful debts	**(165,506)**	(165,506)
	126,745,756	142,652,523

6.1. Trade receivables are non-interest bearing and are generally on 60 to 90 days terms.

6.2. The Company provides for doubtful debts on the basis of past due balances. Balances considered bad and irrecoverable are written off when identified.

6.3. Trade receivables consist of a large number of diversified customers. Ongoing credit evaluation is performed on the financial condition of account receivable and, where appropriate, provision is made.

6.4. The fair value of trade receivables approximate their carrying amounts.

6.5. At year end, trade receivables of Rs.123.50 million (2017: Rs. 142.64 million) were neither past due nor impaired.

6.6. As at year end, trade receivables of Rs. 3.24 million (2017: Rs. 0.17 million) were past due but not considered impaired for which the Company has not provided as there has not been a significant change in credit quality and the amounts are still considered recoverable. The aging of past due receivables is as follows:

	2018 *Rupees*	2017 *Rupees*
3 to 6 months	**-**	9,687
Over 6 months	**3,244,591**	162,996
	3,244,591	172,683

7. LOANS AND ADVANCES

Considered good		
Advances to employees	**650,424**	1,108,106
Advance to suppliers	**1,102,231**	5,415,931
Advance income tax	**41,075,342**	25,457,241
	42,827,997	31,981,278

8. TRADE DEPOSITS AND PREPAYMENTS

Margin deposit	**5,000**	5,000
Prepayments	**924,033**	641,676
	929,033	646,676

9. TAX REFUNDS DUE FROM GOVERNMENT

Sales tax refundable	**22,859,003**	20,173,688
Income tax refundable	**3,991,369**	2,135,496
	26,850,372	22,309,184

10. CASH AND BANK BALANCES

Cash in hand	**468,123**	890,577
Cash at banks in current accounts	**25,565,349**	390,255
	26,033,472	1,280,832

11. SHARE CAPITAL

2018 *Number of shares*	2017		2018 *Rupees*	2017 *Rupees*
		Authorised		
1,000,000	1,000,000	Ordinary share of Rs. 10 each.	**10,000,000**	10,000,000
		Issued, subscribed and paid up		
		Ordinary shares of Rs. 10 each		
499,900	499,900	issued for cash	**4,999,000**	4,999,000
300,100	300,100	as bonus shares	**3,001,000**	3,001,000
800,000	800,000		**8,000,000**	8,000,000

11.1. There were no movements in issued, subscribed and paid up capital during the reporting year.

11.2. The Company has only one class of ordinary shares which carry no right to fixed income.

11.3. Shareholders are entitled to cast vote proportionate to the paid up value of shares carrying voting rights. All shares rank equally with regard to the Company's residual assets

		2018	2017
12.	***SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT***	***Rupees***	***Rupees***
	Opening balance	**655,580,960**	676,651,999
	Addition during the year	**-**	-
	Transferred to unappropriated profit on account of		
	Incremental depreciation - net of deferred tax	**(11,725,127)**	(12,454,930)
	Disposal during the year - net of deferred tax	**-**	(2,294,797)
	Related deferred tax liability due to incremental depreciation	**(4,789,136)**	(5,337,827)
	Related deferred tax liability due to disposal during the year	**-**	(983,485)
		(16,514,263)	(21,071,039)
	Closing balance	**639,066,697**	655,580,960
	Related deferred tax liability		
	Opening balance	**(91,437,539)**	(101,017,479)
	Addition during the year	**-**	-
	Transferred to unappropriated profit on account of		
	- deferred tax on incremental depreciation	**4,789,136**	5,337,827
	- deferred tax on disposal during the year	**-**	983,485
	- deferred tax due to rate change	**3,047,918**	3,258,628
		7,837,054	9,579,940
	Closing balance	**(83,600,485)**	(91,437,539)
		555,466,212	564,143,421

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

12.2. ***The effect of change in accounting policy is summarised below***

	2017		
	As previously reported	***As restated***	***Restatement***
Effect on statement of financial position			
Surplus on revaluation of fixed assets	564,143,421	-	(564,143,421)
Share capital and reserves	-	564,143,421	564,143,421

	2016		
	As previously reported	***As restated***	***Restatement***
Effect on statement of financial position			
Surplus on revaluation of fixed assets	676,651,999	-	(676,651,999)
Share capital and reserves	-	676,651,999	676,651,999

There was no cash flow impact as a result of retrospective application of change in accounting policy

13. DEFERRED TAX

		Deferred tax recognised in		
	Opening balance	Profit and loss account	Recognized in equity	Closing balance
Movement for the year ended June 30, 2018				
Deferred tax liabilities on taxable temporary differences arising in respect of:				
- property, plant and equipment	35,392,861	(1,395,726)	-	33,997,135
- Surplus on revaluation of assets	91,437,539	(4,789,136)	(3,047,918)	83,600,485
				-
Deferred tax assets on deductable temporary				-
differences arising in respect of:				-
- doubtful debts	(49,652)	1,655	-	(47,997)
- staff gratuity	(1,417,128)	(1,638,472)	-	(3,055,600)
- unabsorbed tax losses	(18,813,191)	64,547	-	(18,748,644)
	106,550,429	**(7,757,132)**	**(3,047,918)**	**95,745,379**

		Deferred tax recognised in		
	Opening balance	Profit and loss account	Recognized in equity	Closing balance
Movement for the year ended June 30, 2017				
Deferred tax liabilities on taxable temporary differences arising in respect of:				
- property, plant and equipment	33,929,302	1,463,559	-	35,392,861
- Surplus on revaluation of assets	101,017,479	(6,321,312)	(3,258,628)	91,437,539
Deferred tax assets on deductable temporary differences arising in respect of:				
- doubtful debts	(51,307)	1,655	-	(49,652)
- staff gratuity	(1,017,498)	(399,630)	-	(1,417,128)
- unabsorbed tax losses	(14,083,573)	(4,729,618)	-	(18,813,191)
	119,794,403	(9,985,346)	(3,258,628)	106,550,429

13.1. The Company has not regonized deferred tax asset against difference of minimum tax chargeable u/s 113 and tax payable under Part I, Division II of the First Schedule of Income Tax Ordinance, 2001. The Company does not expect that there will be sufficient taxable profit in forseable future against which difference of minimum tax and normal tax liability will be adjusted.

14. TRADE AND OTHER PAYABLES	Note	2018 Rupees	2017 Rupees
Creditors		**19,122,013**	33,285,167
Accrued liabilities		**91,491,232**	61,557,343
Workers' Profit Participation Fund		**1,945,023**	-
Advance payments		**4,870,153**	7,576,094
Tax deducted at source		**1,204,008**	1,081,033
Workers' welfare fund	14.1	**6,355,555**	5,616,446
Gratuity payable		**10,536,550**	4,723,760
Bonus payable		**4,315,225**	-
Other payables		**305,033**	607,389
		140,144,792	114,447,232

14.1. The Supreme Court of Pakistan through its order dated November 10, 2016 decided that the changes to the WWF Ordinance, 1971 made through Finance Acts, 2006 & 2008 were ultra vires to the constitution of Pakistan. However, the taxation authorities have proceeded to file a review petition there against in the Supreme Court of Pakistan. Due to this review petition and other legal uncertainties, the Company continues to carry the payable in this respect.

15. ACCRUED MARKUP	Note	2018 Rupees	2017 Rupees
Short term borrowings		**5,335,874**	3,979,734
		5,335,874	3,979,734

16. SHORT TERM BORROWINGS			
Secured			
Cash Finance	16.1	**132,341,358**	46,000,772
Running finance	16.2	**130,136,510**	167,936,888
		262,477,868	213,937,660

16.1. These facilities have been obtained from Banks for working capital requirements, and are secured against pledge of cotton bales, MM fiber, and yarn in lock and key under bank's muccaddum.

Cash finance facilities carry mark up at the rates ranging from 7.01% to 7.61% per annum (2017: 6.84% to 7.27% per annum).

16.2. These running finance facilities have been obtained from Banks for working capital requirements, and are secured against cotton bales, personal guarantee of directors, joint pari passu charge over current assets of the company and pledge of stocks.

Running finance facilities carry mark up at the rates ranging from 7.10% to 7.92% per annum (2017: 7.04% to 7.77% per annum).

These facilities expire on various dates by December 31, 2018.

16.3. Short term borrowing facilities available from commercial banks under mark up arrangements aggregate to Rs. 660 Million (2017: Rs. 815 Million) of which facilities remained un-utilized at the year end amounted to Rs. 398 million (2017: 601 million). Facilities available for opening letters of credit and guarantee aggregate to Rs. 130 million (2017: Rs. 130 million) of which facilities remained un-utilized at the year end amounted to Rs. 102.9 million (2017: Rs. 102.71 million).

17.	PROVISION FOR TAXATION	Note	2018 Rupees	2017 Rupees
	Opening		**18,214,931**	16,731,569
	Provision made during the year			
	- Current	26	**27,105,816**	18,214,931
	Less: Adjustment of advance tax against completed assessments		**(18,214,931)**	(16,731,569)
			27,105,816	18,214,931

18. CONTINGENCIES AND COMMITMENTS

Contingencies

18.1. The Company has filed a writ petition against water and sanitation agency (WASA) Multan regarding special notice dated December 22, 2004 in which the authority has demanded a sum of Rs. 4.1 million of the arrears of water effluent discharge. The Company is of opinion that it is a spinning mill and has not undertaken a job of weaving and finishing so there is no effluent discharge of water from the unit. The Lahore High Court through order no. C.M.No.2 of 2004 had ordered that impugned notice shall remain suspended till final order.

18.2. Commitments

Guarantees issued by Commercial Banks on behalf of the Company outstanding as at June 30, 2018 were for Rs. 27.10 million (2017: Rs. 27.10 million).

		Note	2018 Rupees	2017 Rupees
19.	***SALES - Net***			
	Local			
	- Yarn		**2,155,877,998**	1,950,463,646
	- Ployester		**1,712,200**	5,521,600
	- Waste		**10,875,121**	10,051,420
			2,168,465,319	**1,966,036,666**
20.	***COST OF GOODS SOLD***			
	Raw materials consumed	20.1	**1,458,893,624**	1,337,608,528
	Salaries, wages and benefits	20.2	**208,383,322**	210,337,150
	Stores and spares consumed		**36,308,766**	32,640,096
	Packing materials consumed		**27,560,537**	26,503,097
	Fuel and power		**267,637,165**	251,344,753
	Repairs and maintenance		**1,068,146**	1,925,526
	Insurance		**4,479,552**	4,793,019
	Depreciation	3.3.1	**27,183,995**	28,729,761
			2,031,515,107	1,893,881,930
	Adjustment of work in process			
	Opening stock		**10,260,893**	8,840,856
	Closing stock		**(11,799,401)**	(10,260,893)
			(1,538,508)	(1,420,037)
	Cost of goods manufactured		**2,029,976,599**	1,892,461,893
	Finished goods			
	Opening stock		**60,187,210**	84,707,144
	Closing stock	20.3	**(46,570,576)**	(60,187,210)
			13,616,634	24,519,934
	Cost of goods sold		**2,043,593,233**	1,916,981,827
20.1.	***Raw materials consumed***			
	Opening stock		**90,572,908**	159,091,869
	Purchases (including direct expenses) - Net		**1,571,082,369**	1,267,656,154
			1,661,655,277	1,426,748,023
	Closing stock		**(204,152,095)**	(90,572,908)
			1,457,503,182	1,336,175,115
	Cotton cess		**1,390,442**	1,433,413
			1,458,893,624	1,337,608,528

20.2. Salaries, wages and benefits include Rs. 8.39 million (2017: Rs. 11.27 million) in respect of gratuity.

20.3. It includes waste stock amounting to Rs. 1.60 million (2017: Rs. 1.07 million).

	2018 Rupees	2017 Rupees
21. OTHER INCOME / (LOSS)		
From other than financial assets		
Profit on sale of vehicles	-	670,330
Loss on sale of property, plant and equipment	-	(2,987,275)
	-	**(2,316,945)**

22. DISTRIBUTION AND MARKETING EXPENSES	Note	2018 Rupees	2017 Rupees
Salary of sale staff		**3,886,300**	3,487,816
Commission on sale of yarn		**10,930,705**	7,897,745
Discount		-	1,106,924
		14,817,005	12,492,485

23. ADMINISTRATIVE EXPENSES			
Directors' remuneration		**12,885,806**	12,330,000
Salaries and benefits	23.1.	**11,758,319**	11,102,635
Vehicles running and maintenance		**6,374,770**	5,835,883
Travelling and conveyance	23.2.	**6,247,375**	5,066,629
Printing and stationery		**651,834**	710,708
Communication		**1,656,393**	1,560,153
Rent, rates and taxes		**473,959**	475,747
Repairs and maintenance		**26,084**	57,908
Fee and subscription		**813,132**	652,628
Advertisement		**152,725**	84,900
Entertainment		**678,636**	642,309
Insurance		**1,000,937**	1,109,379
Depreciation	3.3.1	**4,458,184**	4,372,779
Auditors' remuneration	23.3.	**1,013,705**	786,600
Legal and professional		**1,453,742**	552,667
Others		**594,317**	458,721
		50,239,918	45,799,646

23.1. Salaries and benefits include Rs. 0.61 million (2017: Rs. 0.89 million) in respect of gratuity.

23.2. This includes directors' travelling amounting to Rs. 6.13 million (2017: Rs. 4.66 million).

23.3. Auditors' remuneration	2018 Rupees	2017 Rupees
- Statutory audit fee	**500,000**	500,000
- Half yearly review	**200,000**	150,000
- Review report on compliance with CCG	**50,000**	50,000
- Certificate for CDC and free float shares	**100,000**	–
- Out of pocket expenses	**163,705**	86,600
	1,013,705	786,600

24. OTHER OPERATING EXPENSES	Note	2018 Rupees	2017 Rupees
Workers' Profit Participation Fund		**1,945,023**	-
Workers' Welfare Fund		**739,109**	-
		2,684,132	**-**

25. FINANCE COST

Mark up on			
- Short term borrowings		**20,059,643**	19,302,608
Bank and other charges		**784,671**	1,022,411
Bank guarantee commission		**270,385**	237,370
		21,114,699	20,562,389

26. PROVISION FOR TAXATION

Current			
- for the year		**27,105,816**	18,214,931
- prior year		**(965,453)**	=
Deferred tax	**13**	**(7,757,132)**	(9,985,346)
		18,383,231	8,229,585

26.1. Relationship between tax expense and accounting profit

	2018	2017
Applicable tax rate	30%	31%
Profit / (loss) before tax	36,016,332	(32,116,626)

	2018 Rupees	2017 Rupees
Tax on accounting profit before tax	**10,804,900**	(9,956,154)
Income chargeable to tax at lower rate	**16,300,916**	28,171,085
Effect due to inadmisible expenses	**(6,653,883)**	(4,135,109)
Reversal of prior year adjustment	**(965,453)**	-
Effect of change in deferred tax rate	**(503,763)**	(605,707)
Due to effect of carry forward losses	**(562,559)**	(5,183,927)
Others	**(36,927)**	(60,603)
Current year provision	**18,383,231**	8,229,585

26.2. The Company has filed Income Tax Return up to tax year 2017 which is deemed assessed as per Income Tax Ordinance, 2001.

26.3. Management is of view that the income tax provision for the year is sufficient to discharge the tax liability. Comparison of tax provision as per accounts viz a viz tax assessment for last three years is as follows:

Tax year	As per tax Assessment	As per Accounts
	Income / (Expense)	
	------Rupees-----	
2015	(17,591,645)	(17,591,645)
2016	(16,731,569)	(16,731,569)
2017	(17,249,478)	(18,214,931)

		2018	2017
27.	***CASH AND CASH EQUIVALENTS***	**Rupees**	**Rupees**
	Cash and bank balances	**26,033,472**	1,280,832
	Short term running finance	**(262,477,868)**	(213,937,660)
		(236,444,396)	(212,656,828)

28. ***EARNINGS PER SHARE***

Profit / (loss) for the year	***Rupees***	**17,633,101**	(40,346,211)
Weighted average number of ordinary shares	***Number***	**800,000**	800,000
Earning / (loss) per share - basic and diluted	***Rupees***	**22.04**	(50.43)

28.1. There is no dilutive effect on the basic profit / (loss) per share of the Company.

29. ***FINANCIAL RISK MANAGEMENT***

29.1. The Company has exposure to the following risks from its use of financial instruments:

Credit risk
Liquidity risk
Market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

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

The Company's risk management policies are established to identify and analyze 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 training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes shall be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks.

The Company's 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. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

29.2. Credit risk and concentration of credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties fail completely to perform as contracted. Out of the total financial assets of Rs. 155.81 million (2017: Rs. 147.58 million), the financial assets which are subject to credit risk amounted to Rs. 155.34 million (2017: Rs. 146.70 million). The Company manages credit risk in trade debts by assigning credit limits to its customers and thereby does not have significant exposure to any individual customer.

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

Financial assets

	2018	***2017***
	Rupees	***Rupees***
Deposits	**2,379,997**	2,379,997
Trade debts	**126,745,756**	142,818,029
Margin deposit	**5,000**	5,000
Loans and advances	**650,424**	1,108,106
Bank balances	**25,565,349**	390,255
	155,346,526	146,701,387

29.2.1 Credit risk related to receivables

The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure is continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management annually.

Trade debts consist of a large number of diversified Customers. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, provision is made. The Company does not have any significant credit risk exposure to any single counterparty or any Company of counterparties having similar characteristics. The Company defines counterparties as having similar characteristics if they are related entities.

29.2.2 Credit risk related to bank balances

In respect of bank balances, credit risk on bank balances is limited as they are placed with local banks having good credit ratings assigned by credit rating agencies.

	Rating		
	Short term	***Long term***	***Rating agency***
Allied Bank Limited	A1+	AAA	PACRA
Askari Bank Limited	A1+	AA	PACRA
Bank Al Habib Limited	A1+	AA+	PACRA
Habib Bank Limited	A1+	AAA	JCR-VIS
Habib Metropolitan Bank Limited	A1+	AA+	PACRA
National Bank of Pakistan	A1+	AAA	PACRA
MCB Bank Limited	A1+	AAA	PACRA
Standard Chartered Bank Limited	A1+	AAA	PACRA
Bank Al-Falah Limited	A1+	AA+	PACRA
Bank Islami Pakistan Limited	A1	A+	PACRA
Soneri Bank Limited	A1+	AA-	PACRA

29.3. Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities. Note 29.3.2 below sets out details of additional undrawn facilities that the Company has at its disposal to further reduce liquidity risk.

29.3.1 Liquidity and interest risk table

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

	Weighted Average effective rate	*Upto 1 year*	*1 - 5 years*	*Total*
June 30, 2018		***Rupees***	***Rupees***	***Rupees***
Financial liabilities				
Interest bearing				
Short term borrowings	7.01% to 7.92%	262,477,868	-	262,477,868
Non interest bearing				
Accrued markup		5,335,874	-	5,335,874
Trade and other payables		117,910,980	-	117,910,980
		385,724,722	-	**385,724,722**

	Weighted Average effective rate	*Upto 1 year*	*1 - 5 years*	*Total*
June 30, 2017		***Rupees***	***Rupees***	***Rupees***
Financial liabilities				
Interest bearing				
Short term borrowings	6.84% to 7.77%	213,937,660	-	213,937,660
Non interest bearing				
Accrued markup		3,979,734	-	3,979,734
Trade and other payables		101,865,239	-	101,865,239
		319,782,633	-	319,782,633

29.3.2 Financing facilities

Secured bank loan facilities with various maturity dates through to december 2018 and which may be extended by mutual agreement:

	2018	*2017*
	Rupees	*Rupees*
- amount used	**262,477,868**	213,937,660
- amount un-used	**397,522,132**	601,062,340

29.4. Market risk management

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

29.4.1 Interest rate risk management

Interest / markup rate risk arises from the possibility that changes in interest / markup rates will affect the value of financial instruments. The Company has significant amount of interest based financial assets and financial liabilities which are largely based on variable interest / markup rates, therefore the Company has to manage the related finance cost which exposes it to the risk of 3 months and 6 months KIBOR. Since the impact on interest rate exposure is significant to the Company, management is considering the alternative arrangement to manage interest rate exposure in future.

29.4.2 Interest rate sensitivity

If interest rates had been 100 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended June 30, 2018 would increase / decrease by Rs. 2.62 million (2017: Rs. 2.425 million). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

The Company does not recognized any fixed rate financial assets and liabilities at fair value through profit and loss therefore, a change in interest rate would not affect profit or loss.

29.4.3 Foreign exchange risk management

Foreign currency risk arises mainly where receivables and payables exist due to transactions with foreign undertakings and balances held in foreign currency. However, the Company is not exposed to foreign currency risk on assets and liabilities as it does not have foreign debtors or creditors.

29.4.4 Equity price risk management

The Company is not exposed to equity price risks arising from equity investments as the Company has no such investment held for trading purpose.

29.5. Determination of fair values

Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arms length transaction other than in a forced or liquidation sale.

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

29.6. Fair value estimation

IFRS 13 requires fair value measurement disclosures using following three level fair value hierarchy that reflects the significance of the inputs used in measuring fair value of financial instruments.

Information about fair value hierarchy and asset classified under the hierarchy as follows.

- Level 1; Quoted prices (unadjusted) in active market for identical assets or liabilities.

- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. drive from prices). The Company has no items to report in this level.

- Level 3: Inputs for asset or liability that are not based on observable market data (unobservable inputs).

29.6.1 Fair value of non-financial asset measured at fair value

Fair value of property, plant and equipment

The company's Land-Freehold, Building on Free-hold Land, Plant & Machinery, Electric Installation and Power House at revalued amount, being fair value at the date of revaluation, less any subsequent depreciation and subsequent impairment losses, if any. The fair value measurement of the company's Free-hold Land, Plant & Machinery, Electric Installation and Power House as at June 30, 2016 were Performed by M/s. K. G. Traders (Private) Limited (valuer), independent valuer not related to the company. The valuer is listed on panel of Pakistan Banks Association and they have proper qualification and experience in the fair value measurement of property, plant and equipment.

	Level 1	Level 2	Level 3	Total
		----------Rupees----------		
As at June 30, 2018				
Land- Freehold	-	**356,125,000**	-	**356,125,000**
Building on freehold land	-	**95,495,673**	-	**95,495,673**
Plant & machinery	-	**266,367,862**	-	**266,367,862**
Power house				
- Building on freehold land	-	**7,539,142**	-	**7,539,142**
- Generators	-	**89,586,163**	-	**89,586,163**
- Electric installation	-	**8,543,562**	-	**8,543,562**

	Level 1	Level 2	Level 3	Total
		----------Rupees----------		
As at June 30, 2017				
Land- Freehold	-	356,125,000	-	356,125,000
Building on freehold land	-	100,521,761	-	100,521,761
Plant & machinery	-	280,387,223	-	280,387,223
Power house				
- Building on freehold land	-	7,935,939	-	7,935,939
- Generators	-	94,301,224	-	94,301,224
- Electric installation	-	10,051,250	-	10,051,250

There were no transfer between levels of fair value hierarchy during the year.

29.7. Financial instruments by category

The Company finances its operation through equity, borrowings and management of working capital with a view to maintaining an approximate mix between various sources of finance to minimize risk. Taken as a whole, the Company's risk arising from financial instruments is limited as there is no significant exposure to price and cash flow risk in respect of such instruments.

The accounting policies for financial instruments have been applied for line items as below:

June 30, 2018	***Loans and receivables***	***Held to maturity***	***Total June 30, 2018***
		----------Rupees----------	
Assets as per statement of financial position			
Deposits	2,379,997	-	**2,379,997**
Trade debts	126,745,756	-	**126,745,756**
Margin deposit	5,000		**5,000**
Loans and advances	650,424	-	**650,424**
Cash and bank balances	26,033,472	-	**26,033,472**
	155,814,649	-	**155,814,649**

Liabilities as per statement of financial position	***Financial Liabilities measured at amortized cost Rupees***	***Total June 30, 2018 Rupees***
Short term borrowings	262,477,868	**262,477,868**
Trade and other payables	117,910,980	**117,910,980**
Interest and mark-up accrued on loans	5,335,874	**5,335,874**
	385,724,722	**385,724,722**

June 30, 2017	*Loans and receivables*	*Held to maturity*	*Total June 30, 2017*
		----------Rupees----------	
Assets as per statement of financial position			
Long term deposits	2,379,997	-	2,379,997
Trade debts	142,818,029	-	142,818,029
Margin deposit	5,000	-	5,000
Loans and advances	1,108,106	-	1,108,106
Cash and bank balances	1,280,832	-	1,280,832
	147,591,964	-	147,591,964

	Financial Liabilities measured at amortized cost	*Total June 30, 2017*
	Rupees	*Rupees*
Liabilities as per statement of financial position		
Short term borrowings	213,937,660	213,937,660
Trade and other payables	101,865,239	101,865,239
Interest and mark-up accrued on loans	3,979,734	3,979,734
	319,782,633	319,782,633

30. CAPITAL MANAGEMENT DISCLOSURE

The Company's objectives, policies and processes for managing capital are as follows:

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

- The Company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

- Consistently with others in the industry, the company monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt divided by adjusted capital. Net debt is calculated as total debt (as shown in the balance sheet) less cash and cash equivalents. Adjusted capital comprises all components of equity (i.e., share capital and unappropriated profit).

- The debt-to-adjusted capital ratios at June 30, 2018 and June 30, 2017 were as follows:

	2018	*2017*
	Rupees	*Rupees*
Total debt	**262,477,868**	213,937,660
Less: Cash and cash equivalents	**(26,033,472)**	(1,280,832)
Net debt	**236,444,396**	212,656,828
Total equity	**828,134,365**	807,453,346
Adjusted capital	**1,064,578,761**	1,020,110,174
Debt-to-adjusted capital ratio	**22.21%**	20.85%

31. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

Particulars	Managerial remuneration		Utilities	
	2018	2017	2018	2017
	---------- Rupees ----------			
Chief Executive	**4,359,677**	4,200,000	**1,427,194**	1,293,185
Directors	**8,066,129**	7,800,000	**539,743**	705,571
Executive	**1,600,000**	1,600,000	**-**	-
	14,025,806	13,600,000	**1,966,937**	1,998,756

31.1.

Particular	No of persons	
	2018	2017
Chief Executive	1	1
Directors	2	2
Executive	1	1

31.2. During the year, meeting fee of Rs. 460 ,000 was paid to the directors. (2017: Rs. 330,000)

31.3. The Chief Executive and directors are also provided with the Company owned and maintained cars and telephones at their residences.

32. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings, directors of the Company and key management personnel. The Company in the normal course of business carries out transactions with various related parties. There are no related party transections except for the remuneration of directors and key management personnel as disclosed in note 31.

33. PLANT CAPACITY AND ACTUAL PRODUCTION

		2018	2017
Number of spindles installed and worked		**30,592**	30,592
Number of shifts worked		**1,060**	1,070
Capacity of yarn at 20's count on the basis of utilization	*Kgs*	**13,164,469**	13,213,585
Actual production of yarn at 20's count	*Kgs*	**13,102,052**	12,882,613

It is difficult to describe precisely the production capacity in spinning mills since it fluctuates widely depending on various factors such as count of yarn spun, spindles speed, twist and raw materials used, etc. It also varies according to the pattern of production adopted in a particular year.

34. NUMBER OF EMPLOYEES

	At year end		Average	
	2018	2017	2018	2017
Head office	**22**	22	**22**	22
Plant	**793**	799	**774**	813
	815	821	**796**	835

35. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	2017 Rupees	Cash flow	2018 Rupees
Short term borrowings	**213,937,660**	**48,540,208**	**262,477,868**

36. CORRESPONDING FIGURES

The preparation and presentation of these financial statements for the year ended June 30, 2018 is in accordance with requirements in Companies Act, 2017. The fourth schedule to the Companies Act, 2017 has introduced certain presentation and classification requirements for the elements of financial statements. Accordingly, the corresponding figures have been rearranged and reclassified, wherever considered necessary, to comply with the requirements of Companies Act, 2017. Following major reclassifications due to Companies Act, 2017 together with other changes have been made during the year:

Reclassified from	Reclassified to	Reason	Rupees
Trade and other payables	Unclaimed dividend (Presented on face of statement of financial position)	Companies Act, 2017	637,147

37. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were approved and authorized for issue by the Board of Directors of the Company in its meeting held on October 4, 2018.

38. GENERAL

Figures in the financial statements have been rounded-off to the nearest rupee except stated otherwise.

Sd/-	Sd/-	Sd/-
Mian Tanvir Ahmad Sheikh	Mian Muhammad Alamgir Jamil Khan	Sohail Nadeem
Chief Executive Officer	Director	Chief Financial Officer

PATTERN OF SHAREHOLDING OF THE SHAREHOLDERS OF THE COMPANY AS ON JUNE 30, 2018

Number of Shareholders	Shareholding From	To	Total Shares held	Percentage of Total Capital
112	1	100	5,501	0.69
21	101	500	5,117	0.64
6	501	1,000	5,200	0.65
9	1,001	5,000	27,111	3.39
8	5,001	10,000	70,526	8.82
1	10,001	15,000	10,064	1.26
7	15,001	20,000	126,360	15.80
3	20,001	25,000	63,644	7.96
4	25,001	30,000	111,756	13.97
2	30,001	35,000	64,316	8.04
1	35,001	40,000	35,560	4.45
2	40,001	45,000	88,006	11.00
0	45,001	50,000	0	0.00
3	50,001	70,000	186,839	23.35
---			---	---
179			**800,000**	**100.00**

Serial Number	Categories of Shareholders	Number of Shareholders	Number of Shares held	Percentage
1	Individuals	173	799,745	99.97
2	Joint Stock Companies	2	150	0.02
3	Investment Companies	2	100	0.01
4	Others	2	5	0.00
	TOTAL	**179**	**800,000**	**100**

PATTERN OF SHAREHOLDING
AS ON JUNE 30, 2018

ADDITIONAL INFORMATION

Shareholders' Category	Number of Shareholders	Number of Shares Held
Associated Companies, Undertakings and Related Parties		Nil
Central Depository Company of Pakistan Limited	37	2,751
NIT and ICP		
Investment Corporation of Pakistan	2	100
DIRECTORS		
Mian Muhammad Jamil	1	61,000
Mrs. Nusrat Jamil	1	65,376
Mian Tanvir Ahmad Sheikh	1	20,070
Mian Tauqir Ahmad Sheikh	1	34,166
Mian Anis Ahmad Sheikh	1	35,560
Mian Muhammad Bilal Ahmad Sheikh	1	44,156
Mian Muhammad Alamgir Jamil Khan	1	60,463
Mian Muhammad Umar Farooq Sheikh	1	43,850
Mr. Javed Musarrat	1	2,500
Mr. Abdul Rehman Qureshi	1	2,500
Mr. Imran Hussain	1	2,500
CHIEF EXECUTIVE OFFICERS		
Mian Tanvir Ahmad Sheikh	1	20,070
Directors'/C.E.O's Spouses & Minor Children	6	85,623
Executives		Nil
Public Sector Companies and Corporations		Nil
Shareholders holding 5% or more voting interest		
Mian Muhammad Jamil	1	61,000
Mrs. Nusrat Jamil	1	65,376
Mian Muhammad Alamgir Jamil Khan	1	60,463
Mian Muhammad Bilal Ahmad Sheikh	1	44,156
Mian Muhammad Umar Farooq Sheikh	1	43,850
General Public	94	10,517

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED
PATTERN OF SHAREHOLDING
AS ON JUNE 30, 2018

Number of Shareholders	Shareholding From	To	Total Shares held
31	1	100	734
5	101	500	1,067
1	501	1,000	950
---			---
37			**2,751**

Categories of Shareholders	Number	Shares Held	Percentage
Individuals	33	2,596	94.37
Joint Stock Companies	2	150	5.45
Others	2	5	0.18
	37	**2,751**	**100.00**

www.jamapunji.pk
Jama Punji
سرمایہ کاری سمجھداری کے ساتھ
Be aware, Be alert, Be safe
Learn about investing at www.jamapunji.pk
Key features:
Licensed Entities Verification
Scam meter*
Jamapunji games*
Tax credit calculator*
Company Verification
Insurance & Investment Checklist
FAQs Answered
Stock trading simulator (based on live feed from KSE)
Knowledge center
Risk profiler*
Financial calculator
Subscription to Alerts (event notifications, corporate and regulatory actions)
Jamapunji application for mobile device
Online Quizzes
jamapunji.pk
@jamapunji_pk
*Mobile apps are also available for download for android and ios devices
Jama Punji is an Investor Education Initiative of Securities and Exchange Commission of Pakistan
SECP

حصص داری کا اسلوب:

کمپنی کا 30 جون 2018ء کا حصص داری کا اسلوب لف کر دیا گیا ہے۔

سٹاف اور لیبر کے ساتھ تعلقات:

آپ کے ڈائریکٹران اس بات کی اطلاع دیتے ہوئے خوشی محسوس کرتے ہیں کہ پورے سال لیبر اور سٹاف کے درمیان خوش گوار تعلقات استوار رہے۔

اکنالجمنٹ (سراھنا):

آپ کے ڈائریکٹران میسرز حبیب بنک لمیٹڈ، میسرز بنک الحبیب لمیٹڈ، میسرز حبیب میٹروپولیٹن بنک لمیٹڈ اور میسرز یونائیٹڈ بنک لمیٹڈ کے تعاون کو سراہتے ہیں اور اس امید و خواہش کا اظہار کرتے ہیں کہ تمام بنک مستقبل میں بھی اس تعاون کو جاری رکھیں گے۔

آپ کے ڈائریکٹران کمپنی کے تمام ملازمین کی انتھک محنت کو بھی سراہتے ہیں۔

بورڈ آف ڈائریکٹرز

دستخط

مسز نصرت جمیل۔ چیئرپرسن

ملتان ۔04 اکتوبر 2018ء

میاں محمد بلال احمد شیخ	3
میاں محمد عالمگیر جمیل خان	5
میاں محمد عمر فاروق شیخ	4
مسٹر جاوید مسرت	4
مسٹر عبدالرحمٰن قریشی	1
مسٹر عمران حسین	1

سال مختتمہ 30 جون 2018ء کے دوران آڈٹ کمیٹی کی چار (4) اجلاس منعقد ہوئے ہر ایک ممبر کی حاضری درج ذیل ہے:

ممبر کا نام	حاضری
میاں انیس احمد	4
مسز نصرت جمیل	4
مسٹر جاوید مسرت	4

2 جون 2018ء کو آڈٹ کمیٹی کی دوبارہ تشکیل کی گئی ہے۔ مسٹر جاوید مسرت، خودمختار ڈائریکٹر کو میاں انیس احمد شیخ کی جگہ چیئرمین آڈٹ کمیٹی مقرر کیا گیا ہے۔

ایچ آر اینڈ آر کمیٹی کی سال کے دوران ایک (1) اجلاس منعقد ہوا۔ ہر ایک ممبر کی حاضری درج ذیل ہے۔

ممبر کا نام	حاضری
میاں محمد جمیل	1
میاں انیس احمد شیخ	1
مسز نصرت جمیل	1

2 جون 2018ء کو ایچ آر اینڈ آر کمیٹی کی دوبارہ تشکیل کی گئی ہے۔ مسٹر عبدالرحمٰن قریشی، خودمختار ڈائریکٹر کو میاں محمد جمیل کی جگہ چیئرمین ایچ آر اینڈ آر کمیٹی مقرر کیا گیا ہے۔

بورڈ کی ترکیب

کمپنی کے بورڈ آف ڈائریکٹرز دس (10) مرد حضرات اور ایک (1) خاتون پر مشتمل ہے۔ جن کی تفصیل درج ذیل ہے۔

خودمختار ڈائریکٹرز	3
دیگر غیر انتظامی ڈائریکٹرز	5
انتظامی ڈائریکٹر	3
ڈائریکٹر کی کل تعداد	11

آڈیٹرز:

ڈی لائیٹ یوسف عادل چارٹرڈ اکاؤنٹینٹس، ملتان ریٹائر ہو گئے ہیں اور انہوں نے اپنی فرم کو دوبارہ تعیناتی کے لیے پیش کیا ہے۔

مالیاتی نتائج کی پیشکش :

کمپنی کے تیار کردہ مالیاتی نتائج واضح طور پر کمپنی کے معاملات، پیداوار کے نتائج، نقدی بہاؤ اور ایکوئٹی میں تبدیلیوں کو ظاہر کرتے ہیں۔

اکائونٹس کی کُتب:

کمپنی نے صحیح اکاؤنٹس کی کُتب مرتب کی ہوئی ہیں۔

اکائونٹنگ پالیساں:

مالیاتی نتائجکی تیاری میں اکاؤنٹنگ پالیسیوں کو تسلسل سے لاگو کیا جاتا ہے۔

بین الاقوامی اکائونٹنگ معیار کے ساتھ مطابقت :

مالیاتی نتائجکی تیاری میں پاکستان میں رائج بین الاقوامی اکاؤنٹنگ معیار کو لاگو کیا جاتا ہے۔

اندرونی نگرانی کا نظام:

کمپنی کا اندرونی نگرانی کا نظام اچھا بنایا گیا ہے اور اسے مئوثر طور پر لاگو و جانچا جاتا ہے۔

ہمیشہ جاری رہنے والا کاروبار:

کمپنی کی مالی حالت نہ صرف اچھی ہے بلکہ اس بات کو یقینی بناتی ہے کہ اس کا کاروبار پروان چڑھتا رہے گا۔

کوئی پرانے بقایاجات نہیں ہیں:

عمومی اور روزمرہ بقایاجات کے علاوہ ٹیکس، محصول اور وصولیوں کی مد میں کوئی پرانے بقایاجات نہیں ہیں۔

فنانشل ہائی لائٹس:

سابقہ چھ سالوں کا بنیادی پیداواری اور مالیاتی مواد ضمیمہ ایک میں دیا گیا ہے۔

بورڈ کے اجلاس:

سال مختتمہ 30 جون 2018ء کے دوران بورڈ آف ڈائریکٹرز کے پانچ (5) اجلاس منعقد ہوئے۔ ہر ایک ڈائریکٹر کی حاضری نیچے دی گئی ہے۔

ڈائریکٹر کا نام	تعداد حاضری اجلاس
میاں محمد جمیل	5
میاں تنویر احمد شیخ	4
مسز نصرت جمیل	5
میاں توقیر احمد شیخ	5
میاں انیس احمد شیخ	4

سالانہ منافع/(خسارہ)	17,633,101	(40,346,211)
خسارہ فی حصص۔ بنیادی وڈائی لیوٹڈ	22.04	(50.43)

مستقبل کے رُجحانات:

آنے والے دنوں میں ٹیکسٹائل سیکٹر کا مستقبل مشکل میں دکھائی دیتا ہے۔ان حالات میں پوری انڈسٹری کی نگاہیں نئی حکومت کی طرف لگی ہوئی ہیں کہ وہ پاکستان کی ٹیکسٹائل انڈسٹری کی حمایت کرے اوراس انڈسٹری کو عالمی سطح پر مسابقتی بنائے۔ٹیکسٹائل انڈسٹری کے موجودہ حالات میں اور درپیش مسائل کو مدِنظر رکھتے ہوئے اس امر کی سختی سے سفارش کی جاتی ہے کہ ٹیکسٹائل انڈسٹری کو ملک بھر میں بجلی اور گیس/آر ایل این جی کے کم ریٹ دیئے جائیں تا کہ پنجاب کی ٹیکسٹائل انڈسٹری دوسرے صوبوں کے انڈسٹری سے موازنہ کر سکے۔

کمپنی اپنی ملز کی جدید تقاضوں (بی ایم آر) پر ہم آہنگی کے لیے کوشاں ہے۔اس مقصد کے لیے کمپنی نے اپنی پرانی میشنری کو موثر میشنری سے تبدیل کرنے کے انتظامات کر رہی ہے تا کہ یارن کی کوالٹی اور مقدار بہتر ہو جائے۔ ملز کے یونٹ نمبر 1 کے بیک پروسس، رنگ اور آٹو وانڈنگ ڈیپارٹمنٹس میں تبدیلی اور اضافے کے لیے میسرز بینک الحبیب لیمیٹڈ کے ذریعے لیٹر آف کریڈٹ حاصل کیئے گئے ہیں۔ آپ کے ڈائریکٹروں کو یقین ہے کہ میشنری کے اس اضافے/ تبدیلی سے نہ صرف کمپنی کے یارن کی کوالٹی بہتر ہوگی بلکہ کمپنی کی پیداوار کی مقدار بھی بڑھے گی۔ نتیجتاً کمپنی کے استحکام میں اضافہ ہوگا۔

ڈیویڈنڈ:

کمپنی کے بورڈ آف ڈائریکٹرز نے اپنے اجلاس منعقدہ 4 اکتوبر 2018ء کو کمپنی کے منافع برائے سال مختتمہ 30 جون 2018ء میں سے حصص داران کو نقد منافع منقسیمہ بحساب 37.50 فیصد (3.75 روپے فی شیئر) دینے کو تجویز دی ہے۔

کمپنی کے چیف ایگزیکٹو اور دو کل وقتی ڈائریکٹروں کے مشاہروں میں نظرثانی

کمپنی کے غیر معمولی سالانہ اجلاس عام منعقدہ 25 مئی 2018ء میں عام قرارداد کے ذریعے کمپنی کے چیف ایگزیکٹو اور دو کل وقتی ڈائریکٹروں کے مشاہروں میں 30 مئی 2018ء سے بشمول دیگر مراعات کے اضافہ کیا گیا جس کی تفصیل درج ذیل ہے۔

چیف ایگزیکٹو آفیسر کا مشاہرہ	۔	مبلغ -/500,000 روپے ماہانہ
ڈائریکٹر مارکیٹنگ اور سیلز	۔	مبلغ -/500,000 روپے ماہانہ
ڈائریکٹر پروڈکشن	۔	مبلغ -/400,000 روپے ماہانہ

آئی ایس او 9001:2015 کیو ایم ایس سنداور آئی ایس او 14001:2015 ای ایم ایس سند

آپ کے ڈائریکٹران اس بات کا اظہار کرتے ہوئے خوشی محسوس کرتے ہیں کہ کمپنی نے کامیابی کے ساتھ آئی ایس او 9001:2015 کوالٹی منیجمنٹ سسٹم اور آئی ایس او 14001:2015 ماحولیاتی منیجمنٹ سسٹم کی اسناد کو جاری رکھا ہوا ہے۔

کوڈ آف کارپوریٹ گورننس کی پیروی

آپ کے ڈائریکٹران یہ رپورٹ کر کے خوشی کا اظہار کرتے ہیں کہ کمپنی سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی متعارف کردہ کوڈ آف کارپوریٹ گورننس کی پیروی کر رہی ہے۔ کوڈ آف کارپوریٹ گورننس کے مطابق اہم بیانات درج ذیل ہیں۔

ڈائریکٹران کی رپورٹ

شروع کرتا ہوں اللہ کے نام سے جو بڑا مہربان اور نہایت رحم کرنے والا ہے۔

محترم حصص داران!

یہ میرے لیے اعزاز کی بات ہے کہ میں کمپنی کی 61ویں سالانہ رپورٹ بشمول آڈٹ شدہ حسابات ونتائج برائے مالیاتی سال مختتمہ 30 جون 2018ء پیش کر رہا ہوں۔

کارکردگی:

اللہ تعالیٰ کے فضل سے پیش کردہ مالیاتی سال کی رپورٹ کے مطابق کمپنی کی کارکردگی تسلی بخش رہی۔ دوران سال ملز کی پیداوار پولیسٹر کاٹن یارن تھی۔ پیش کردہ مالیاتی سال کے دوران دھاگے کی کل پیداوار بیس سنگل کاؤنٹ کی بنیاد پر 13,102,051.53 کلوگرام (حقیقی پیداوار 8,207,710.56 کلوگرام) جو کہ پچھلے سال میں 13,024,171.86 کلوگرام (حقیقی پیداوار 8,267,268.24 کلوگرام) تھی۔ موجودہ مالیاتی سال کے دوارن یارن کے نرخ بہتر ہوئے باوجود یہ کہ بجلی اور گیس ر آر ایل این جی کے ٹیرف کی شرح میں اضافہ ہوا، تاہم بہتر تقابلی منافع حاصل ہوا۔ موجودہ مالیاتی سال آمدنی (سیلز) کے کل محصولات مبلغ 2,168,465,319 روپے (8,284,641.12 کلوگرام) ہیں جو کہ پچھلے سال مبلغ 1,966,036,666 روپے (8,423,533.44 کلوگرام) تھے۔ کمپنی کا ابتدائی منافع مبلغ 124,872,086 روپے ہے جو کہ پچھلے سال مبلغ 49,054,839 روپے تھا۔ کل منافع بعد از ٹیکس مبلغ 17,633,101 روپے ہے جب کہ پچھلے سال کل خسارہ بعد از ٹیکس مبلغ 40,346,211 روپے تھا۔ موجودہ مالیاتی سال مختتمہ 30 جون 2018ء اور پچھلے مالیاتی سال کے متناسب مالیاتی نتائج اکاؤنٹنگ ھیڈز کی ترتیب کے ساتھ ذیل میں دیے گئے ہیں۔

اکاؤنٹس:

	سال مختتمہ 30 جون 2018ء	سال مختتمہ 30 جون 2017ء
	روپے	روپے
آمدنی (سلیز۔نیٹ)	2,168,465,319	1,966,036,666
لاگت فروخت کردہ اشیاء	(2,043,593,233)	(1,916,981,827)
ابتدائی منافع	124,872,086	49,054,839
دیگر آمدنی ر(اخراجات)	-	(2,316,945)
	124,872,086	46,737,894
ترسیل و مارکیٹنگ اخراجات	(14,817,005)	(12,492,485)
انتظامی اخراجات	(50,239,918)	(45,799,646)
آپریٹنگ اخراجات	(2,684,132)	-
فنانس لاگت	(21,114,699)	(20,562,389)
منافع ر(خسارہ) قبل از ٹیکس	36,016,332	(32,116,626)
ٹیکس کی پیش بینی		
موجودہ		
- برائے سال	(27,105,816)	(18,214,931)
- پچھلے سال	965,453	-
موخر ٹیکس	7,757,132	9,985,346
	(18,383,231)	(8,229,585)

(vi)۔ ممبران وڈیو کانفرنس کی سہولت حاصل کر سکتے ہیں جن شہروں میں ممبران کا جغرافیائی پھیلاؤ زیادہ ہے۔ اس مقصد کیلئے سالانہ اجلاسِ عام کے انعقاد سے دس (10) دن قبل ذیل میں دی گئی منشاء کمپنی کے رجسٹرڈ پتہ پر پہنچ جانی چاہیے۔

میں/ہم _____ کا/کی رہائشی _____ ممبر میسرز اللہ وسایا ٹیکسٹائل اینڈ فنشنگ ملز لمیٹڈ، حاملِ عام حصص _____

بمطابق رجسٹرڈ فولیو نمبر/سی ڈی سی اکاؤنٹ نمبر _____ وڈیو کانفرنس کی سہولت کا انتخاب کرتا/کرتی ہوں جو کہ _____ شہر میں ہو۔

ممبر کے دستخط _____

اگر کمپنی نے مجموعی دس (10) فیصد یا اس سے زائد ممبران کی منشاء وصول پائی جو کہ کمپنی کے سالانہ اجلاسِ عام سے دس دن قبل کمپنی کو وصول ہوئیں تو پھر کمپنی اس شہر میں وڈیو کانفرنس کی سہولت فراہم کرے گی بشرطیکہ اس شہر میں یہ سہولت موجود ہو۔

(vii)۔ منافع منقسمہ (ڈیوڈنڈ) کی آدائیگی کے لیے حصص داران کے کمپیوٹرائزڈ شناختی کارڈ (CNIC) لازمی درکار ہے۔ اس لیے حصص داران سے درخواست ہے کہ وہ اپنے کمپیوٹرائزڈ شناختی کارڈ کی نقل (اگر ابھی جمع نہیں کرائی) شیئر رجسٹرار کو جمع کروادیں۔ مستند کمپیوٹرائزڈ شناختی کارڈ (CNIC) کی عدم دستیابی کی صورت میں کمپنی ایس ای سی پی کے ایس آر او نمبر 831(I)/2012 بتاریخ 5 جولائی 2012ء کے تحت اِن حصص داران کی منافع منقسمہ کی ادائیگی روک لی جائے گی۔

(viii)۔ کمپنیز ایکٹ 2017ء کے سیکشن نمبر 242 اور ایس آر او نمبر 1145(I)/2017 بتاریخ 6 نومبر 2017ء اور کمپنیز (منافع منقسمہ) قواعد وضوابط 2017ء کے تحت حصص داران اپنا نقد منافع منقسمہ بجائے ڈیوڈنڈ وارنٹس کے براہِ راست بینک اکاؤنٹس میں وصول کرنے کے لئے لازمی طور پر اپنے بینک اکاؤنٹس کی تفصیلات جمع کرائیں۔ بصورتِ دیگر کمپنیز ایکٹ 2017ء کے سیکشن (3)243 کے تحت بینک اکاؤنٹس کی تفصیلات کی عدم موجودگی کے باعث کمپنی اس بات کی پابند ہوگی کہ وہ ان حصص داران کو منافع منقسمہ کی ترسیل روک دیں گے۔

جن حصص داران نے ابھی تک بین الاقوامی اکاؤنٹ نمبر (IBAN) نہیں جمع کروائے ان سے درخواست ہے کہ کمپنی کی ویب سائٹ پر الیکٹرانک ڈیوڈنڈ مینڈیٹ فارم موجود ہے اس فارم کی پُر شدہ کاپی بمع کمپیوٹرائزڈ شناختی کارڈ کی کاپی کے کمپنی کے شیئر رجسٹرار میسرز حمید مجید ایسوسی ایٹس (پرائیوٹ) لمیٹڈ، ایچ۔ ایم ہاؤس، 7 بنک سکوائر، لاہور بھجوادیں۔

سی ڈی سی حصص داران اپنے الیکٹرانک مینڈیٹ فارم براہِ راست اپنے بروکر/امیدوار/سی ڈی سی اکاؤنٹ سروسز کو فراہم کریں۔

اطلاع سالانہ اجلاسِ عام

بذریعہ نوٹس ہٰذا مطلع کیا جاتا ہے کہ اللہ وسایا ٹیکسٹائل اینڈ فنشنگ ملز لمیٹڈ کا 61واں سالانہ اجلاسِ عام بروز ہفتہ 27 اکتوبر 2018ء بوقت 03:30 بجے سہ پہر کمپنی کے رجسٹرڈ آفس اللہ وسایا سکوائر، ممتاز آباد انڈسٹریل ایریا، وہاڑی روڈ، ملتان، پاکستان میں مندرجہ ذیل امور کی انجام دہی کیلئے منعقد ہوگا۔

1۔ 25 مئی 2018ء کمپنی کے منعقدہ غیر معمولی اجلاس عام کی کاروائی کی توثیق۔

2۔ سال مختتمہ 30 جون 2018ء کے آڈٹ شدہ حسابات، ڈائریکٹروں، آڈیٹروں اور چیئرپرسن کے جائزہ کی رپوٹوں پر غور وخوض اور منظوری۔

3۔ سال مختتمہ 30 جون 2018ء کی بابت 37.50 فیصد نقد منافع منقسم بحساب 3.75 روپے فی شیئر کی حصص داران کو ادائیگی کے لیے بورڈ کے ڈائریکٹروں کی سفارش منظور کرنا۔

4۔ 30 جون 2019ء کو ختم ہونے والے مالیاتی سال کیلئے کمپنی کے آڈیٹر کا تقرر جو کہ آئندہ اجلاسِ عام کے انعقاد تک آڈٹ کی ذمہ داری سنبھالیں گے اور ان کے مشاہرے کا تعین کیا جائے گا۔ بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی کی سفارش پر 30 جون 2019ء کو ختم ہونے والے مالیاتی سال کیلئے میسرز ڈی لائیٹ یوسف عادل چارٹرڈ اکاؤنٹینٹس کا نام بطور بیرونی آڈیٹر تجویز کیا ہے۔ میسرز ڈی لائیٹ یوسف عادل چارٹرڈ اکاؤنٹینٹس ریٹائر ہو رہے ہیں اور انہوں نے دوبارہ تعیناتی کیلئے اپنی خدمات پیش کی ہیں۔

5۔ چیئرپرسن کی اجازت سے دیگر امور پر کاروائی۔

بحکم بورڈ آف ڈائریکٹرز

ملتان.....مورخہ 4 اکتوبر 2018ء

محمد اسمٰعیل۔ کمپنی سیکرٹری

نوٹ:-

(i)۔ کمپنی کی حصص کی منتقلی کی کتب 20 اکتوبر 2018ء تا 27 اکتوبر 2018ء (بشمول دونوں دن) بند رہیں گی۔ حصص کی منتقلیاں جو کہ مورخہ 19 اکتوبر 2018ء کو کاروباری دن کے اختتام سے قبل کمپنی کے شیئر رجسٹرار آفس، میسرز حمید مجید ایسوسی ایٹس (پرائیوٹ) لمیٹڈ، ایچ۔ ایم ہاؤس، 7 بنک سکوائر، لاہور میں پہنچ جائیں گی، قبل از وقت شمار ہوں گی۔

(ii)۔ اجلاس ہٰذا میں شرکت اور ووٹ دینے کا استحقاق رکھنے والا ممبر اپنی جگہ پر ووٹ دینے اور شرکت کرنے کیلئے کسی دوسرے ممبر کو اپنا پراکسی مقرر کر سکتا ہے۔ پراکسی کا ممبر ہونا لازمی ہے۔ پراکسی کے موثر ہونے کیلئے ضروری ہے کہ پراکسی فارم پر -/5 روپے کا رسیدی ٹکٹ چسپاں ہو، علاوہ ازیں پراکسی فارم پر ممبر اور ایک گواہ کے بھی دستخط ہوں جو کہ اجلاس کے آغاز سے 48 گھنٹے قبل کمپنی کے رجسٹرڈ آفس میں پہنچ جائیں۔

(iii)۔ سی ڈی سی حصص داران جو اس اجلاس میں شرکت اور ووٹ دینے کا استحقاق رکھتے ہوں ان کے لیے ضروری ہے کہ اپنی شناخت کیلئے کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ ہمراہ لائیں اور پراکسی کی صورت میں کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ کی مصدقہ نقل لف کریں۔ کارپوریٹ ممبرز کے نمائندگان معمول کی ضروری دستاویزات اپنے ہمراہ لائیں۔

(iv)۔ ممبران کی آسانی کیلئے ایک معیاری درخواست فارم (Standard Request Form) کمپنی کی ویب سائٹ (www.allawasaya.com) پر دے دیا گیا ہے۔ جو ممبران سالانہ آڈٹ شدہ مالیاتی نتائج کی وصولی بذریعہ سی ڈی/ڈی وی ڈی/ریوالیس بی کی بجائے ہارڈ کاپی وصول کرنا چاہتے ہیں وہ اپنی درخواست کمپنی سیکرٹری کے ڈاک کے پتہ پر یا ای میل ایڈریس secretary@allawasaya.com کے ذریعے بھیج سکتے ہیں۔

(v)۔ ممبران سے التماس ہے کہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (S.E.C.P) کے حکم کے مطابق اپنے کمپیوٹرائزڈ قومی شناختی کارڈ کی غیر منسوخ شدہ مصدقہ کاپی جمع کروائیں، اگر ابھی تک نہیں جمع کروائی اور اگر پتہ میں کوئی تبدیلی ہو تو کمپنی کو فوراً مطلع کریں۔

پراکسی فارم

میں مسمّٰی رمسمّاۃ (نام وفولیونمبر).....ساکن .....
بحیثیت ممبر اللہ وسایا ٹیکسٹائل اینڈ فنشنگ ملز لمیٹڈ، مسمّٰی رمسمّاۃ (نام وفولیونمبر).....
ساکن..... کوبطورِمختار(پراکسی)مقررکرتارکرتی ہوں تاکہ وہ میری جگہ اورمیری
طرف سے کمپنی کے اجلاسِ عام رسالانہ رغیرمعمولی اجلاس ..... (یا جوبھی صورتِ حال ہو) جو
بتاریخ..... بروز .....منعقد ہو رہا ہے۔ میں اور اِس کے کسی ملتوی شدہ اجلاس میں ووٹ
ڈالے۔

دستخط بتاریخ..... ۲۰۱۸ء

پانچ روپے کا رسیدی ٹکٹ چسپاں کریں۔

گواہ:

نام----------

پتہ----------

شناختی کارڈ نمبر----------

دستخط----------

اہم نوٹ : پُرشدہ مکمل پراکسی فارم اجلاس کے آغاز سے ۴۸ گھنٹے قبل کمپنی کے رجسٹرڈ آفس واقع اللہ وسایا سکوائر، ممتاز آباد انڈسٹریل ایریا، وہاڑی روڈ، ملتان، پاکستان میں پہنچ جانا چاہیے۔

FORM OF PROXY

I, ... FOLIO NO. .....

.....

of .....

being a member of ALLAWASAYA TEXTILE & FINISHING MILLS LIMITED, hereby

appoint ..... FOLIO NO. .....

of .....

as my proxy in my absence to attend and vote for me and on my behalf at the (Ordinary or / and Extraordinary as the case may be) General Meeting of the Company to be held on the ..... and at any adjournment thereof.

As witness my hand this

day of 2018

Please affix Rs. 5/-
Revenue Stamps

Signed by the said

In presence of

Witness:

Name:_____

Address:_____

CNIC No.:_____

Signature:_____

IMPORTANT

This form of proxy, duly completed, must be deposited at the Company's Registered office at Allawasaya Square, Mumtazabad Industrial Area, Vehari Road, Multan not less than 48 hours before the time for holding the meeting.

www.allawasaya.com

Allawasaya Square
Mumtazabad Industrial Area
Vehari Road Multan - PAKISTAN
Ph # : +92 61 423 3624 - 3 Lines
Fax # : +92 61 652 5202
E-mail: atm@allawasaya.com