# of Companies

32nd Annual Report 2019

UMER GROUP OF COMPANIES

BLESSED TEXTILES LIMITED

Vision

A Leader Company maintaining

an excellent Level of ethical and

Professional standards

Mission Statement

To become a top quality

Manufacturer of textile products

In the Local

&

International markets

Index

CORPORATE INFORMATION

Board of Directors	Mr. Muhammad Amin	Chief Executive /Director
	Mr. Khurrum Salim	Non Executive Director
	Mr. Bilal Sharif	Non Executive Director
	Mr. Muhammad Salim	Non Executive Director / Chairman
	Mrs. Samia Bilal	Non Executive Director
	Mr. Muhammad Shaheen	Executive Director
	Mr. Adil Shakeel	Executive Director
	Mr. Iqbal Mehboob	Independent Director
	Mr. Mustafa Tanvir	Independent Director
	Mr. Asif Elahi	Independent Director
Chief Financial Officer	Mr. Abdul Basit Janjua, FCA	
Company Secretary	Mr. Ghulam Mohiuddin , ACMA	
Audit Committee	Mr. Iqbal Mehboob	Chairman
	Mr. Bilal Sharif	Member
	Mr. Khurrum Salim	Member
Human Resource and Remuneration Committee	Mr. Iqbal Mehboob	Chairman
	Mr. Khurrum Salim	Member
	Mr. Adil Shakeel	Member
Auditors	M/s Rehman Sarfraz Rahim Rahim Iqbal Chartered Accountants 72-A, Faisal Town, Lahore.	
Legal Advisor	Mr. Shahid Pervaiz Jami	
Bankers	Bank Alfalah Limitied Dubai Islamic Bank Habib Bank Limited MCB Bank Limited Meezan Bank Limited Samba Bank Limited Standard Chartered Bank (Pakistan) Limited Bank Islami Pakistan Ltd Habib Metropolitan Bank Ltd United Bank Limited	
Share Registrar	Hameed Majeed Associates (Private) Limited 5th Floor Karachi Chamber, Karachi	
Registered Office	Umer House, 23/1, Sector 23, S. M. Farooq Road, Korangi Industrial Area, Karachi, Pakistan Tel : 021 35115177 - 80 ; Fax: 021 -35063002-3 Email: khioff@umergroup.com - Website: http://www.umergroup.com	
Liaison / Correspondence office	9th Floor, City Towers, 6-K, Main Boulevard Gulberg - II, Lahore, Pakistan. Tel : 042 111 130 130 ; Fax: 042 -35770015 Email: lhroff@umergroup.com Website: http://www.umergroup.com	
Mills At:	Spinning Unit & Weaving Unit are situated at:Feroz Watwan, Sheikhupura, Punjab. Tel: 056- 3731446-7	

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 32nd Annual General Meeting of the members of **Blessed Textiles Limited** will be held on Saturday 26th October 2019 at 10:00 AM., at the registered office of the company i.e. Umer House, 23/1, Sector 23, S. M. Farooq Road, Korangi Industrial Area, Karachi, to transact the following business:

Ordinary Business

1. To confirm the minutes of the Extra Ordinary General Meeting held on 29th December 2018.
2. To receive, consider and adopt the audited financial statements of the company for the year ended 30th June, 2019 together with the Auditors' and Directors' Report thereon.
3. To approve the cash dividend @ 198.00% (i.e. PKR 19.80 per share) for the year ended 30th June, 2019, as recommended by the Board of Directors.
4. To appoint the auditors for the next term i.e. year 2019-2020 and fix their remuneration. The retiring auditor M/S Rahman Sarfaraz Rahim Iqbal Rafiq, Chartered Accountants, being eligible, offer themselves for reappointment.
5. To transact any other business with the permission of the chairman.

Special Business:

6. To approve the enhancement in remuneration of the Chief Executive Officer and two Executive Directors of the company.
7. The board of directors accorded their approval for circulation of annual audited financial statements together with auditors report, directors' report, chairman's review report to every member of the company and every person who is entitled to receive notice of general meeting through electronically under provisions of section 223(6) of the Companies Act, 2017"Act".

Statement under section 134(3) of the Companies Act,2017 regarding Special Business

The statement sets out the material facts concerning the special business given in agenda item (6) of the notice intended to be transacted at the annual general meeting.

The shareholders approval is sought for enhancement in remuneration of the Chief Executive Officer and two Executive Directors of the company. The existing remuneration for each of the CEO and both the executive directors is PKR 650,000/- per month.

For this purpose, following ordinary resolution is proposed to be passed with or without modification by the shareholders at the annual general meeting of the company scheduled for 26th October, 2019.

"Resolved That, the company hereby approves the monthly remuneration of Mr. Muhammad Amin the Chief Executive Officer, a sum not exceeding PKR 800,000/-, Mr. Adil Shakeel the executive director a sum not exceeding PKR 800,000/- and Mr. Muhammad Shaheen the executive director a sum not exceeding PKR 1,000,000/-

The statement sets out the material facts concerning the special business given in agenda item (7) of the notice intended to be transacted at the annual general meeting.

The directors of the company accorded their approval for circulation of annual audited financial statements along with auditors report, directors' report, chairman's review report through electronically (CD,DVD,USB) at their registered address under provisions of section 223(6) of the Companies Act, 2017.

Accordingly, to validate the approval under "Act" the board of directors recommended the following ordinary resolution be passed at the annual general meeting of the company scheduled for 26th October, 2019.

"Resolved That, consent and approval of the members of the company be and is hereby accorded to validate the circulation of annual audited financial statements along with auditors report, directors' report, chairman's review report through electronically (CD,DVD,USB) at their registered address under provisions of section 223(6) of the Companies Act, 2017".

(By the order of the Board)

Karachi:

Dated: 26th September 2019

Ghulam Mohiuddin
Company Secretary

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. The Shares Transfer Books of the Company will remain closed from 18th October 2019 to 26th October, 2019 (both days inclusive). Transfers received in order at the registered office of the company i.e. Umer House, 23/I, Sector 23, S. M. Farooq Road, Korangi Industrial Area, Karachi by 17th October 2019 will be treated in time for the purpose of entitlement of dividend in respect of the period ended 30th June, 2019.

2. Members are requested to attend in person along with Computerized National Identity Card ("CNIC") or appoint some other member as proxy and send their proxy duly witnessed so as to reach the registered office of the company not later than 48 hours before the time of holding the meeting.

3. Pursuant to section 132(2) of Companies Act, 2017 the company shall facilitate its members to attend the annual general meeting through video-link by providing video-conference facility, if available, in the city where 10% or more shareholders of the company reside, provided that the Company receives their demand to participate in annual general meeting through video-link at least seven (07) days prior to the date of meeting.

   In this regard, it is requested to fill the following Form and submit at the registered address of the Company at least 10 days before holding of the Annual General Meeting:

   "I/We, ________ being a member of Blessed Textiles Limited, holder of ________ ordinary shares vide folio ______ hereby opt for video conference facility at _____________."

   ____

   Signature of Member

4. Any individual Beneficial Owner of CDC, entitled to attend and vote at this meeting, must bring his/her original CNIC or Passport, Account and participant's I.D. numbers, to prove his/her identity, and in case of proxy must enclose an attested copy of his/her CNIC or Passport. Representatives of corporate members should bring the usual documents required for such purpose. The account/ sub account holders of CDC will further have to follow the guidelines as laid down in Circular No. 1 of 2000 dated January 26, 2000 issued by Securities & Exchange Commission of Pakistan.

5. Section 242 of Companies Act 2017 which states that, "Any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders". In compliance of section 242 SECP issued a circular CLD/CCD/PR(11)/2017 No.18/2017 dated 1-Aug-17 requiring listed companies to obtain electronic dividend mandate from the Shareholders and in this regard a notice had already been sent to all the shareholders.

   Further, Securities and Exchange Commission of Pakistan (SECP) vide notification No. SRO 1145(1)2017 dated November 6, 2017 in terms of provision of section 242 of the Companies Act, 2017 issued regulations for distribution of dividends by the listed companies requiring entitled shareholders to provide valid information pertaining to designated bank account including name of bank , title of account , address of bank branch and international bank account number.

   In this regard we request all registered shareholders to provide the bank details in order to credit their cash dividends directly to their bank account, if declared. Also provide us verification of bank detail with your concern bank and submit to in case of book-entry securities in CDS, to CDS participants and in case of physical securities to the Company's Share Registrar.

6. In compliance of section 244 of Companies Act 2017 and SECP circular No. CLD/CCD/PR(11)/2017 Direction No.16 of 2017 dated 7-July -2017 regarding dividends, shares or modaraba certificates remains unclaimed or unpaid for a period of three years from the date it is due or payable shall be vested with Federal Government after complying the requirements of Companies Act 2017. In compliance of SRO 1013(1)/2017 dated 6th September, 2017 the claimant wise details of unclaimed shares, dividend or modarba certificates as on June 30, 2019 have been uploaded on our website: www.umergroup.com.

   In this regard, the said shareholders are requested to approach the Company Registered Office or Share Registrar Office with regard to any unclaimed dividend, shares or modarba certificates.

7. Members are requested to immediately inform of any change in their addresses and bank details to our share Registrar, Hameed Majeed Associates (Private) Limited.

NOTICE OF ANNUAL GENERAL MEETING

8. Pursuant to Notification vide SRO 787(1)/2014 of September 08, 2014, SECP has directed to facilitate the members of the company receiving Annual Financial Statements and Notices through electronic mail system (e-mail). We are pleased to offer this facility to our members who desire to receive Annual Financial Statements and Notices of the Company through e-mail in future. In this respect members are hereby requested to convey their consent via e-mail on a standard request form which is available at the Company website i.e. www.umergroup.com. Please ensure that your e-mail has sufficient rights and space available to receive such e-mail which may be larger than 2MB file in size. Further, it is the responsibility of the member to timely update the Share Registrar of any change in the registered e-mail address.

9. Pursuant to the provisions of the Finance Act 2019 effective July 1, 2019, the rates of deduction of income tax from dividend payments under section 150 of the Income Tax Ordinance, 2001 have been revised as follows:

   a. For filer of income tax return 15%

   b. For non-filers of income tax return 30%

   To enable the Company to make tax deduction on the amount of cash dividend @ 15% instead of 30%, shareholders whose names are not entered into the Active Taxpayers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered in ATL before the first day of book closure, otherwise tax on their cash dividend will be deducted @ 30% instead of 15%.

   Withholding Tax exemption from the dividend income, shall only be allowed if copy of valid tax exemption certificate or stay order from a competent court of law is made available to Hameed Majeed Associates (Private) Limited, by the first day of Book Closure.

   Further, according to clarification received from Federal Board of Revenue (FBR), with-holding tax will be determined separately on 'Filer/Non-Filer' status of Principal shareholder as well as joint holder(s) based on their shareholding proportions, in case of joint accounts.

   In this regard all shareholders who hold shares jointly are requested to provide shareholding proportions of Principal shareholder and Joint-holder(s) in respect of shares held by them (only if not already provided) to our Share Registrar, in writing.

   In the event of non-receipt of the information by 24th October 2019, each shareholder will be assumed to have equal proportion of shares and the tax will be deducted accordingly.

10. E-Voting, members can exercise their right to demand a poll subject to meeting requirements of Section 143 -145 of Companies Act, 2017 and applicable clauses of Companies (Postal Ballot) Regulations 2018.

CHAIRMAN REVIEW REPORT

As required under section 192(4) of Companies Act 2017 attached herewith a review report for the year ended June 30, 2019 by the chairman on overall performance and effectiveness of the board of Blessed Textiles Limited (Board) in achieving its objectives.

The management has implemented high corporate governance standard across the board through which it controlled and operated quite effectively. The company has made the rules and procedures for making decisions in corporate affairs to avoid any possibility of conflicts of interests between stakeholders primarily between shareholders and management or even amongst shareholders.

The Board has performed and discharge its duties as per provisions of Companies Act 2017(Act) , regulations under Code of Corporate Governance 2017 (Code), guidelines issued by Securities and Exchange Commission of Pakistan (SECP) and complying the requirements of listed companies as required by Pakistan Stock Exchange (PSX). In pursuant of regulation 10(V) of the Code, the Board has carried out its evaluation process internally and outcomes of the report were quite encouraging while comparing it with its peer organizations.

To be an effective in today's business world, the board must has diversity within its members to face ever increasingly complex and difficult matters. At Blessed Textiles Limited we believes that diverse board brings an expansive array of perspectives as a result of synergy that creates a powerful dynamic to meet the future challenges. By recognizing the fact that diversity on board increasing globally where we are not an exception, the reconstituted board of ten directors comprised of three non-executive, three independent, three executive & one female director with an appropriate fusion of age, gender & experience.

Both the human resource and audit committees to the Board chaired by an independent director and comprising of the majority of independent directors who proactively participates in committee proceedings. Besides, the human resource committee ensures that remuneration to executive directors and chief executive officer should commensurate with their skills, expertise and responsibility without compromising their independence.

The pervasiveness of risk in the workings of everyday business means that management must factor risk as an integral part of organizational strategy and should be aware of an environment where boards are increasingly being held accountable for managing risk. To mitigate the risk factor the Board has put in place extensive policies and procedures around risk that are consistent with the overall corporate strategy and risk appetite of the organization.

In line with directives issued by the SECP, the Board has devised a mechanism for redressal of any sort grievance of the shareholders by deputing an individual along with a company secretary who promptly responds to shareholders queries and routines issues. Besides, an extensive website is maintained to keep the shareholders abreast with corporate financial performance, notices, announcements.

Moreover, the entire reconstituted Board is accredited under the requirements of the Code for directors training program(DTP).

Karachi:
Date: 26th September 2019

Mohammad Salim
(Chairman)

Directors Report

Dear Members

The Directors of your Company are pleased to present herewith the audit report on financial statement of the Company for the year ended June 30, 2019.

Financial Representation

	Year ended June 30 2019 Rupees	Year ended June 30 2018 Rupees
Sales	12,346,174,829	10,257,434,039
Cost of goods sold	10,733,433,352	9,185,919,277
Gross profit	**1,612,731,477**	**1,071,514,762**
Other operating income	6,804,907	3,830,127
	1,619,536,384	**1,075,344,889**
Selling & Distribution cost	223,401,105	227,393,453
Administrative expenses	132,042,342	121,714,680
Other operating expenses	104,264,650	35,512,372
Finance cost	371,504,106	186,788,164
	831,212,203	**571,408,669**
Profit before tax	**788,324,181**	**503,936,220**
Provision for taxation		
Current year	130,161,231	133,637,362
Deferred	22,738,177	1,823,664
	152,899,408	135,461,026
Profit after tax	**635,424,733**	**368,475,194**
Earnings per share - basic and diluted	**98.79**	**57.29**

The revenue has increased from PKR 10,257.434 million to PKR 12,346.175 million showing the growth of 20.36% in total revenue during the current year ended June 30, 2019 as compared to corresponding year.

The gross profit to sales in current year is 13.06% as compared to previous year where it stood at 10.45% showing an increase of 2.62% during the corresponding period.

The company earned net profit after tax of PKR 635.425 million during the year ended June 30, 2019 as compared corresponding period where it stood at PKR 368.475 million.

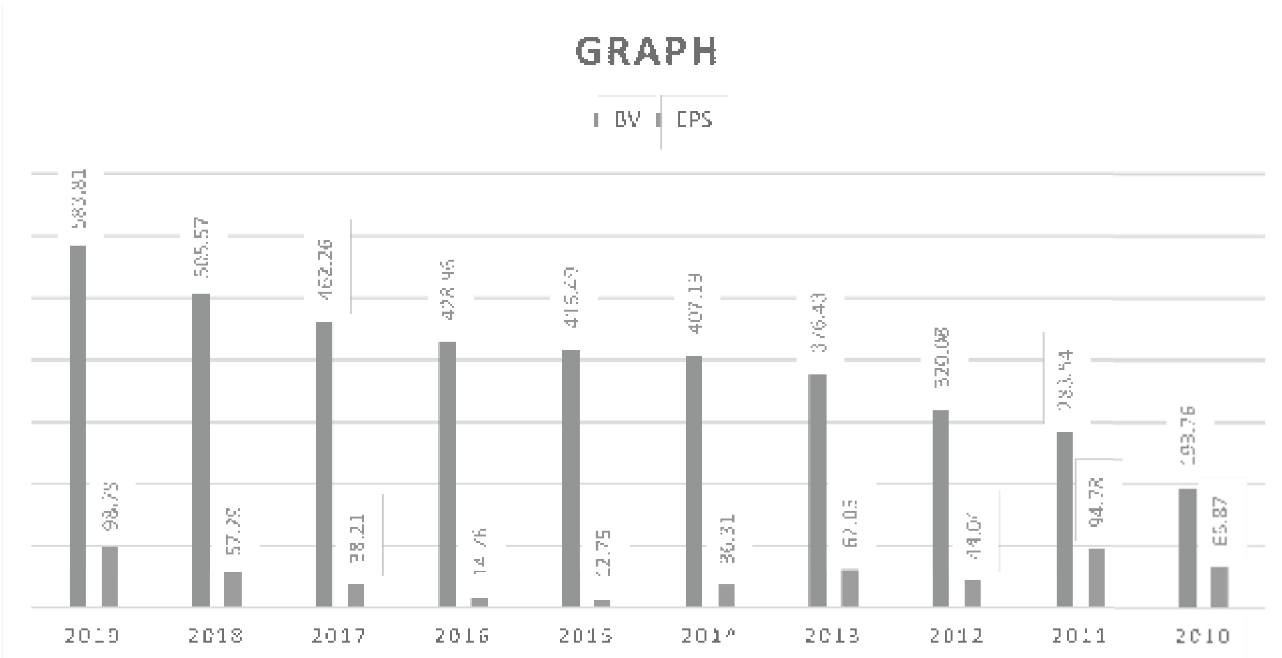
Dividend and General Reserves Appropriation

In the preceding year 2018 the dividend at 230.00% i.e PKR 23.00 per share has been paid by the company whereas for the current year the board of directors are pleased to recommend a final cash dividend of 198.00% i.e PKR 19.80 per share in line with the recommendation of audit committee for the approval shareholders in forthcoming annual general meeting scheduled on October 26, 2019.

Moreover, the directors proposed to transfer an amount of PKR 500.000 million to the general reserve to meet any unforeseen contingencies in future.

Earnings per Share and Break-up Value of Share

The earning per share for the year ended 30th June, 2019 is PKR 98.79 as compared to the year 30th June, 2018 where it stood at 57.29. Similarly, the breakup value per share for the year ended 30th June, 2019 is PKR 583.81 as compared to the corresponding year where it was stood at PKR 505.57.



Cash Flow Management

Working capital management has a significant role in the success of any business enterprise thus the company focuses on efficient working capital management ensuring and striving for optimum utilization of resources tied to working capital.

The current ratio during the year ended June 30, 2019 is 1.67 (2018:1.43) which is considered satisfactory for the company to pay its current obligation in time. During the current year the company has paid PKR 955.516 million and PKR 303.439 million on account of short term and long term finances respectively.

Moreover, during the year ended June 30, 2019 PKR 146.761 million has been paid as dividends to the shareholders.

Financing Structure

A decision on the components of capital structure for a company is of critical importance and have a potential impact on profitability and long term sustainability thus the structure has been maintained in such a way that it derives maximum advantage out of it and is able to adopt the dynamic business environment.

The gearing ratio is 1.11 during the current year ended June 30, 2019 as compared to corresponding year where it stands 1.54.

Balancing, Modernization & Replacement

The company incurred PKR 578.942 million during the current year for modernization of plant and machinery in order to cope up with the technological advancement around the globe.

Credit Rating

The final rating of A-/A 1 (Single A Minus / A-One) has been assigned to the company by the rating company Messer's JCR-VIS. The outlook on the assigned rating is “Stable”.

Financial Statements

As required under Companies Act 2017, listing regulations of PSX and directives issued by the SECP the Chief Executive Officer and Chief Financial Officer presented the financial statements of the company for the year ended June 30, 2019, duly endorsed under their respective signatures for consideration, approval and authorization by the board of directors for issuance and circulation.

The financial statements of the company have been duly audited by the auditors of the company, Rahman Sarfaraz Rahim Iqbal Rafiq, Chartered Accountants and the auditors have issued clean audit report on the financial statements for the year ended 30th June 2018 and clean review report on Statement of Code of Corporate Governance. These reports are attached with the financial statements.

Accounting Standards

The accounting policies of the Company fully reflect the requirements of the Companies Act, 2017 and such approved International Accounting Standards and International Financial Reporting Standards as have been notified under this Act as well as through directives issued by the Securities and Exchange Commission of Pakistan.

Economic Overview of Pakistan

During the fiscal year 2018-19, textile products worth US$13.329 billion exported as against the exports of US$13.520 billion of the corresponding period of last year. The textile exports from the country during financial year ended on June 30, 2019 was in dollar term reduced by 1.42pc as compared to the exports of the corresponding period of last. The textile group exports during the period from July-June, 2018-19 came down from US$ 13.520 billion to US$13.329 billion, showing an approximate reduction of US$0.191 billion during the period under review (Pakistan Bureau of Statistics).

The last fiscal year closed with one of the lowest gross domestic product (GDP) growth rates at 3.29 percent in a decade along with moderate inflation of 7.3% whereas current account deficit went down from 6.3% in fiscal year 2017-18 to 4.8% in 2018-19. Despite a massive depreciation of the rupee the export growth remained negative, albeit imports were compressed by around 7%.

The State Bank of Pakistan (SBP) has adopted an aggressive stance in raising the policy rate in quick successions resulting in the benchmark rate stand at 13.25%, which will create problems for the dominant borrower ie the government. Under the EFF, the government has started borrowing from commercial banks, which will further increase the cost of borrowing whereas banks became risk averse owing to adverse economic circumstances start parking their liquidity in treasury bills and bonds.

Since 2008, the successive governments have remained under the IMF programmes and they have resorted to commercial bank borrowing which not only increased their cost of borrowing but also reduced the fiscal space. Furthermore, this depicts that the government has been serving the financial interest since banks do not invest in real sectors of the economy. As a result, the financial sector progresses at the cost of real sector. Firms operating in the real sector of the economy resort to borrowing when they expect the economy to improve in future but owing to high interest rates, the firms become cautious in their investment decisions as the high cost of borrowing renders projects unfeasible. On the other hand, banks too became wary of the fact that many firms will not be able to make interest payments and there are chances of default will be higher.

Implication

Earlier, governments controlled Pak Rupee devaluation by injecting foreign loans which resulted influx of imports into Pakistani markets and made our exportable items expensive internationally. The past government also took heavy loans from local banks and increased their spending which has resulted in an increased money supply. Due to this cosmetic positive scenario of economy where inflation was around 3%, SBP discount rate was too low resulting lower finance cost of businesses.

Currently, the headline inflation is in double digits at 10.4 percent which is highest in last six years, mainly due to the economic policies of the incumbent government including rupee devaluation and increase in energy costs whereas the core inflation is still around 8 percent. It is expected that headline inflation will further increase in the coming months and even the impact of imported inflation will be felt in future due to around 52percent depreciation of the rupee in the last 20 months.

On the contrary, the incumbent government has been trying to curb inflation through demand compression and encouraging banking transactions though it will be difficult to implement it in letter and

spirit for a developing country like Pakistan where cash transactions are normal in an informal sector. However, the policy rate has reached a level which is not justifiable at the moment which is not feasible for business environment rather the SBP could have moved gradually to increase the policy rate.

In short, we can say that, the economy is griping macroeconomic stabilization through imposition of fiscal and financial discipline in line with the directives of IMF programme. The new government seems quite conservative in its approach to loosening the purse strings on development expenditure and this cautious approach may hamper the economic progression while going forward.

Compliance with Code of Corporate Governance

The Statement of Compliance with the Code of Corporate Governance is annexed.

Statement on Corporate and Financial Reporting Framework

The Directors of your company are aware of their responsibilities under Companies Act 2017, Regulations under Code of Corporate Governance 2017, Rule Book of the Pakistan Stock Exchange Limited and directives issued by Securities & Exchange Commission of Pakistan. As a part of the compliance to the regulators we confirm the following:

- These financial statements, prepared by the management of the company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of account of the company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
- The system of internal control was sound in design and has been effectively implemented and monitored.
- There were no significant doubts upon the company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- We have prepared and circulated a Code of Conduct and business strategy among directors and employees.
- The Board of Directors has adopted a vision and mission statement and a statement of overall corporate strategy.
- All the directors have attended its general meeting unless preclude due to reasonable reason.
- All the directors are assigned with their responsibilities, roles, remuneration, powers and obligation at the commencement of their terms in accordance with Code of Corporate Governance, Companies Act and Article of Association.
- All the directors of the Company are accredited / exempted under Directors Training Program (DTP) as required by the Code of Corporate Governance regulation.
- There has been a proper updated record of the significant policies duly approved by the board of directors on human resource, whistle blower, procurement, communication mechanism with stakeholders, environment, health and safety, director's remuneration, anti-money laundering and risk management etc.
- As required by the Code of Corporate Governance and Companies Act 2017, we have included the following information in this report:
    - Statement of pattern of shareholding has been given separately.
    - Statement of shares held by associated undertakings and related persons.
    - Statement of the board meetings and annual general meeting held during the year and attendance by each director has been given separately.
    - Chairman review report under the provisions of section 192(4) of the Companies Act.
    - Statement of compliance duly signed by the chairman under regulation 40 of the Code.
- Key operating and financial statistics for last six years. Information about taxes and levies had been adequately disclosed in the annexed audited financial statements.
- The company strictly follow the guidelines issued by SECP on prohibition of insider trading for listed companies and no trading in the Company's shares was carried by its Directors, CEO, CFO, Company Secretary, Head of Internal Audit and their spouses and minor children except as disclosed in pattern of shareholding.

Pattern of Shareholding

The pattern of shareholding and additional information regarding pattern of shareholding is attached separately.

Related Party

There is a robust policy in place for all related party transactions (RPT) in pursuant to SRO 768(1)2018 notification the guidelines issued by Securities and Exchange Commission of Pakistan have been duly incorporated in the policy with regard to transactions and maintenance of records.

Board Evaluation

The company has opted to conduct evaluation process of the board internally in compliance of the regulation 10(3)(v) of code of corporate governance 2017 for assessing the board performance, members of the board and its committee members.

A comprehensive review has been carried out entailing statutory documents, the minutes of board and committee meetings, policies currently in place and other ancillary documents, questionnaires, interactions with the board and committees members.

Elections of Directors and Reconstitution of Board

The elections were held during the year and board was reconstituted on December 29, 2018 in which all the contesting members were duly elected unopposed. The appointments of independent, executive, non-executive and female directors have been made in strict compliance of the regulations issued under code of corporate governance.

Board Composition

As required under regulation 36 of CCG 2017 the board of nine directors is comprised as follows;

Sr No	Category	Gender		Total
		Male	Female	
(i)	Independent Director	3	0	3
(ii)	Executive Directors	3	0	3
(ii)	Non- Executive Directors	3	1	4

Board and Audit Committee Meetings

- All the directors, eligible to attend the meeting have attended the annual general meeting of the company held on October 25, 2018 in person under regulation 10(6) of the Code of Corporate Governance.

- Following are the number of meeting held and attended by board of directors, audit committee and human resource & remuneration committee during 2018-19:

Name of Directors	Board of Directors		Committees			
			Audit		Human Resource and Remuneration	
	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
Mr. Mohammad Salim	4	4	-	-	-	-
Mr. Mohammad Sharif	2	2	-	-	-	-
Mr. Mohammad Shaheen	4	4	-	-	-	-
Mr. Khurrum Salim	4	4	6	6	2	2
Mr. Bilal Sharif	4	4	6	6	-	-
Mr. Mohammad Amin	4	4	-	-	-	-

Name of Directors	Board of Directors		Committees			
			Audit		Human Resource and Remuneration	
	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
Mr. Adil Shakeel	4	4	-	-	2	2
Mr. Hamza Shakeel	2	2	-	-	-	-
Mr. Iqbal Mehboob	4	4	6	6	2	2
Mr. Asif Elahi	2	2	-	-	-	-
Mr. Mustafa Tanvir	2	2	-	-	-	-
Mrs. Samia Bilal	2	2	-	-	-	-

Audit Committee

The audit committee comprises of three members of which chairman is an independent director whereas all the other are non-executive directors and discharge its responsibilities under terms of reference assigned by the board of directors.

The appointment of financial literate member has been made in line with regulation 28(1)(c) of chapter X in the Code of Corporate Governance, 2017.

The meetings of audit committee were held at regular intervals in compliance with the Regulation 28(2) of chapter X in the Code of Corporate Governance, 2017 (Code) to review the both interim and annual financial statements before the approval of board of directors along with an additional meetings once a year with an external auditors without the CFO and other with an internal auditor without the presence of the CFO and external auditor.

An audit committee is one of the major operating committees of a company's board of directors that is in charge of overseeing financial reporting and disclosures, monitoring of accounting policies, oversight of any external auditors, regulatory compliance and the discussion of risk management policies with management.

Audit committees maintain communication with the company's chief financial officer (CFO) and head of internal audit. The committee also has the authority to initiate special investigations in cases where it is determined that accounting practices are problematic or suspected and an internal auditor assists the committee in such efforts.

Human Resource and Remuneration Committee

The human resource and remuneration committee (HRRC) is comprised of three members of which all are non-executive directors whereas chairman is an independent director. The HRRC review compliance with any legislative guidelines relating to compensation and benefits, review compliance with employment, labor and human rights legislation.

The HRRC on behalf of the Board of Directors oversee and administer the company's human resource policies, plans, and procedures, review, approve, or recommend for Board approval, decisions relating to the fair and competitive compensation of executives, directors, committee members and other key personnel.

Corporate Social Responsibility Policy

The companies CSR strategies encourage the company to make a positive impact on the environment and stakeholders including consumers, employees, investors, communities, and society by engaging in philanthropic contribution for the benefit of the society, initiating community support investment and educational programs, recognizing the need to protect the natural environment by following best practices for waste disposal, recycling , energy conservation and utilizing environmentally-friendly technologies.

The company arranges reforestation excursions at regular intervals to create awareness.

Health, Safety and Environment Policy

The company is strongly committed towards health and safety at work and strictly adhere to the rules and regulations for managing health and safety effectively and minimizing all sorts of negative impact to optimized sustainable environment.

The company's health, safety and environment policy statement demonstrate a pleasant and workable environment by making every possible effort to remove or reduce the risks to the health, safety of all workers, contractors and visitors, and anyone else who may be affected by business operations and ensuring the compliance towards health, safety and environment legislation.

Directors Remuneration Policy

The feature of executive director's remuneration policy is prepared and recommended by human resource and remuneration committee (HRRC) to the board subject to the provisions of the Companies Act 2017, Companies' Article of Association and Code of Corporate Governance Regulations.

The remuneration of the executive directors is determined by considering the market competitiveness which is identical in akin companies, whilst also considering level of competencies, experience, scope of the board assignments and yearly meetings.

The executive directors entitled for the fixed monthly remuneration recommended by HRRC which is approved in the board meeting, followed by the approval of members in General Meeting.

No fee or remuneration has been paid either to non-executive or independent directors.

Auditors

The present auditors M/s Rahman Sarfaraz Rahim Iqbal Rafiq, Chartered Accountants shall retire on the conclusion of the annual general meeting scheduled on October 26, 2019. Being eligible, they have offered themselves for re-appointment. The audit committee has suggested the appointment of aforesaid M/s Rahman Sarfaraz Rahim Iqbal Rafiq, Chartered Accountants, as external auditor for the year ended 30th June 2020. The external auditors, M/s Rahman Sarfaraz Rahim Iqbal Rafiq, Chartered Accountants have been given satisfactory rating under the quality review program of the Institute of Chartered Accountants of Pakistan and the firm and all its partner are in compliance with the International Federation of Accountants' Guidelines on the Code of Ethics as adopted by Institute of Chartered Accountants of Pakistan. The Board of Directors also recommended the appointment of M/s Rahman Sarfaraz Rahim Iqbal Rafiq, Chartered Accountants, as external auditor for the year ended 30th June 2020.

Material Changes and Commitments

No material changes and commitments affecting the financial position of the Company have occurred between the end of financial year of the Company to which the balance sheet relates and the date of report of directors' report.

Acknowledgement

I am highly indebted to Board of Directors, valued shareholders, customers, bankers, suppliers and other stakeholders for their support, trust and confidence. I also appreciate to all employees for their loyalty dedication and hard work which enabled the Company to achieve its objectives.

For and on behalf of the Board

Muhammad Amin **Chief Executive**	**Mohammad Salim** **Director**

Karachi: 26th September 2019

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

The statement is being presented to comply with the requirement of regulation 40 contained in Code of Corporate Governance, 2017 for the purpose of establishing a framework of good corporate governance, whereby a company quoted at Pakistan Stock Exchange Limited is managed in compliance with best practices of corporate governance.

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

1. The total number of directors are ten (10) as per the following:

   a. Male : Nine (9)
   b. Female : One (1)

2. The composition of board is as follows:

Sr	Category	Name
a)	Independent Directors	Mr. Iqbal Mehboob Mr. Asif Elahi Mr. Mustafa Tanvir
b)	Executive Directors	Mr. Muhammad Amin Mr. Muhammad Shaheen Mr. Adil Shakeel
c)	Non- Executive Directors	Mr. Muhammad Salim Mr. Khurrum Salim Mr. Bilal Sharif Mrs. Samia Bilal

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 and, in his absence, by a director elected by the board for this purpose. The board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of board.

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

9. All the directors on the Board are accredited / exempted from directors training programs.

   The Board has arranged directors training program during the financial year for the following:

   Mrs. Samia Bilal - (Non-Executive Director)

10. The board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

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

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

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

Audit Committee

Name	Designation
Mr. Iqbal Mehboob	Chairman - Independent Director
Mr. Bilal Sharif	Member - Non- Executive Director
Mr. Khurram Salim	Member - Non- Executive Director

Human Resource & Remuneration Committee

Name	Designation
Mr. Iqbal Mehboob	Chairman - Independent Director
Mr. Khurram Salim	Member - Non- Executive Director
Mr. Adil Shakeel	Member - Non- Executive Director

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

14. The frequency of meetings of the audit and human resource committees were as per following:

Name of Committee	Frequency of Meeting
Audit Committee	Quarterly
HR and Remuneration Committee	Half Yearly
Nomination Committee	Not applicable
Risk Management Committee	Not applicable

15. The board has set up an effective internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.

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

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

For and on behalf of the Board

Karachi:
Date: 26th September 2019

Mohammad Salim
(Chairman)

Russell Bedford
taking you further

Rahman Sarfaraz Rahim Iqbal Rafiq
Chartered Accountants

72-A, Faisal Town,
Lahore - 54770, Pakistan.

T: +92 42 35160430 - 32
F: +92 42 35160433
E: lahore@rsrir.com
W: www.rsrir.com

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of BLESSED TEXTILES LIMITED

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

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 ['the Regulations'] prepared by the Board of Directors of **BLESSED TEXTILES LIMITED** for the year ended **June 30, 2019** in accordance with the requirements of regulation 40 of the Regulation.

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

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

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended **June 30, 2019.**

RAHMAN SARFARAZ RAHIM IQBAL RAFIQ
Chartered Accountants

Lahore: ***September 26, 2019***

Russell Bedford
taking you further

Rahman Sarfaraz Rahim Iqbal Rafiq
Chartered Accountants

72-A, Faisal Town,
Lahore - 54770, Pakistan.

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E: lahore@rsrir.com
W: www.rsrir.com

INDEPENDENT AUDITOR'S REPORT

To the members of BLESSED TEXTILES LIMITED
Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **BLESSED TEXTILES LIMITED** ['the Company'], which comprise the statement of financial position as at **June 30, 2019**, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including 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, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2019 and of the profit, other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

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

Key audit matter	How our audit addressed the matter
1. First time adoption of IFRS 9 – Financial Instruments	
As referred to in note 3 to the financial statements, the Company has adopted IFRS 9 - 'Financial Instruments'. The new standard requires the Company to make allowance for impairment of financial assets using Expected Credit Loss ['ECL'] approach as against the Incurred Loss Model previously applied by the Company. Determination of ECL for financial assets requires significant judgment and assumptions including consideration of factors such as historical credit loss experience and forward-looking macro-economic information. We have considered the first time application of IFRS 9 requirements as a key audit matter due to significance of the change in accounting methodology and involvement of estimates and judgments in this regard.	Our key procedures to review the application of IFRS 9 included, amongst others, review of the methodology developed and applied by the Company to estimate the ECL in relation to financial assets. We also considered and evaluated the assumptions used in applying the ECL methodology based on historical information and qualitative factors as relevant for such estimates. Further, we assessed the integrity and quality of the data used for ECL computation based on the accounting records and information system of the Company as well as the related external sources as used for this purpose. We checked the mathematical accuracy of the ECL model by performing recalculation on test basis. In addition to above, we assessed the adequacy of disclosures in the financial statements of the Company regarding application of IFRS 9 as per the requirements of the above standard.

Key audit matter	How our audit addressed the matter
2. Inventory valuation	
Stock in trade amounts to Rs 3,245 million as at the reporting date. The valuation of stock in trade at cost has different components, which includes judgment in relation to the allocation of labour and overheads which are incurred in bringing the stock to its present location and condition. Judgment has also been applied by management in determining the Net Realizable Value ['NRV'] of stock in trade. The estimates and judgments applied by management are influenced by the amount of direct costs incurred historically, expectations of repeat orders to utilize the stock in trade, sales contracts in hand and historically realized sales prices. The significance of the balance coupled with the judgment involved has resulted in the valuation of stock in trade being identified as a key audit matter. The disclosures in relation to stock in trade are included in note 21.	To address the valuation of stock in trade, we assessed historical costs recorded in the valuation of stock in trade; testing on a sample basis with purchase invoices. We tested the reasonability of assumptions applied by the management in allocating direct labour and direct overhead costs to stock in trade. We also assessed management's determination of the net realizable value of stock in trade by performing tests on the sales prices secured by the Company for similar or comparable items of stock in trade.

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is **ZUBAIR IRFAN MALIK.**

RAHMAN SARFARAZ RAHIM IQBAL RAFIQ
Chartered Accountants

Lahore: ***September 26, 2019***

STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2019

	Note	2019	2018
		Rupees	Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital			
6,500,000 (2018: 6,500,000) ordinary shares of Rs. 10 each		**65,000,000**	65,000,000
Issued, subscribed and paid-up capital	7	**64,320,000**	64,320,000
General reserve	8	**3,500,000,000**	3,000,000,000
Accumulated profit		**190,768,762**	187,484,648
TOTAL EQUITY		**3,755,088,762**	3,251,804,648
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term finances - *secured*	9	**1,600,161,851**	1,543,019,632
Long term payables	10	**226,379,287**	186,820,521
Employees retirement benefits	11	**118,103,558**	126,056,944
Deferred taxation	12	**243,408,108**	217,070,897
		2,188,052,804	2,072,967,994
CURRENT LIABILTIES			
Trade and other payables	13	**544,232,849**	487,985,016
Unclaimed dividend		**5,053,216**	3,877,973
Accrued interest/markup	14	**75,540,323**	38,781,113
Short term borrowings	15	**2,190,946,621**	3,146,462,335
Current portion of non-current liabilities	16	**369,637,092**	303,439,273
		3,185,410,101	3,980,545,710
TOTAL LIABILITIES		**5,373,462,905**	6,053,513,704
CONTINGENCIES AND COMMITMENTS	17		
TOTAL EQUITY AND LIABILITIES		**9,128,551,667**	9,305,318,352

The annexed notes from 1 to 52 form an integral part of these financial statements.

Karachi:
Date: 26th September 2019

Muhammad Amin
Chief Executive

Mohammad Salim
Director

Abdul Basit Janjua
Chief Financial Officer

STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2019

	Note	2019 Rupees	2018 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	18	**3,781,059,749**	3,595,552,344
Long term deposits	19	**14,394,095**	14,144,095
		3,795,453,844	3,609,696,439
CURRENT ASSETS			
Stores, spares and loose tools	20	**93,566,497**	71,765,436
Stock in trade	21	**3,245,348,436**	3,893,102,492
Trade debts	22	**971,214,665**	926,183,117
Advances, prepayments and other receivables	23	**149,907,892**	150,108,121
Sales tax refundable		**215,340,953**	180,087,987
Advance income tax	24	**355,547,385**	334,546,794
Bank balances	25	**302,171,995**	139,827,966
		5,333,097,823	5,695,621,913
TOTAL ASSETS		**9,128,551,667**	9,305,318,352

The annexed notes from 1 to 52 form an integral part of these financial statements.

Karachi: Date: 26th September 2019	**Muhammad Amin** **Chief Executive**	**Mohammad Salim** **Director**	**Abdul Basit Janjua** **Chief Financial Officer**

STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2019

	Note	2019 Rupees	2018 Rupees
Sales - *net*	26	**12,346,174,829**	10,257,434,039
Cost of sales	27	**(10,733,443,352)**	(9,185,919,277)
Gross profit		**1,612,731,477**	1,071,514,762
Distribution cost	28	**(223,401,105)**	(227,393,453)
Administrative expenses	29	**(132,042,342)**	(121,714,680)
Other expenses	30	**(104,264,650)**	(35,512,372)
		(459,708,097)	(384,620,505)
		1,153,023,380	686,894,257
Other income	31	**6,804,907**	3,830,127
Operating profit		**1,159,828,287**	690,724,384
Finance cost	32	**(371,504,106)**	(186,788,164)
Profit before taxation		**788,324,181**	503,936,220
Taxation			
Provision for current tax	33	**(130,161,231)**	(133,637,362)
Provision for deferred tax	34	**(22,738,177)**	(1,823,664)
		(152,899,408)	(135,461,026)
Profit after taxation		**635,424,773**	368,475,194
Earnings per share - *basic and diluted*	35	**98.79**	57.29

The annexed notes from 1 to 52 form an integral part of these financial statements.

Karachi: Date: 26th September 2019	**Muhammad Amin** **Chief Executive**	**Mohammad Salim** **Director**	**Abdul Basit Janjua** **Chief Financial Officer**

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2019

	Note	2019	2018
		Rupees	*Rupees*
Items that may be reclassified subsequently to profit or loss		-	-
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit obligation	*11.1*	**19,394,375**	10,261,427
Taxation relating to items that will not be reclassified	*12.1*	**(3,599,034)**	(1,800,970)
		15,795,341	8,460,457
Other comprehensive income		**15,795,341**	8,460,457
Profit after taxation		**635,424,773**	368,475,194
Total comprehensive income		**651,220,114**	376,935,651

The annexed notes from 1 to 52 form an integral part of these financial statements.

Karachi:
Date: 26th September 2019

Muhammad Amin
Chief Executive

Mohammad Salim
Director

Abdul Basit Janjua
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2019

	Note	Share capital	Revenue Reserves		
		Issued subscribed and paid-up capital	General reserve	Accumulated profit	Total equity
		Rupees	*Rupees*	*Rupees*	*Rupees*
Balance as at July 01, 2017		64,320,000	2,800,000,000	108,958,561	2,973,278,561
Comprehensive income					
Profit after taxation		-	-	368,475,194	368,475,194
Other comprehensive income		-	-	8,460,457	8,460,457
Total comprehensive income		-	-	376,935,651	376,935,651
Transaction with owners					
Final dividend @ 153% i.e. Rs. 15.30 per ordinary share		-	-	(98,409,564)	(98,409,564)
Other changes					
Profit transferred to general resevre		-	200,000,000	(200,000,000)	-
Balance as at June 30, 2018		64,320,000	3,000,000,000	187,484,648	3,251,804,648
Balance as at July 01, 2018		**64,320,000**	**3,000,000,000**	**187,484,648**	**3,251,804,648**
Comprehensive income					
Profit after taxation		**-**	**-**	**635,424,773**	**635,424,773**
Other comprehensive income		**-**	**-**	**15,795,341**	**15,795,341**
Total comprehensive income		**-**	**-**	**651,220,114**	**651,220,114**
Transaction with owners					
Final dividend @ 230% i.e. Rs. 23.0 per ordinary share		**-**	**-**	**(147,936,000)**	**(147,936,000)**
Other changes					
Profit transferred to general resevre		-	500,000,000	(500,000,000)	-
Balance as at June 30, 2019		**64,320,000**	**3,500,000,000**	**190,768,762**	**3,755,088,762**

The annexed notes from 1 to 52 form an integral part of these financial statements.

Karachi:
Date: 26th September 2019

Muhammad Amin
Chief Executive

Mohammad Salim
Director

Abdul Basit Janjua
Chief Financial Officer

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019

	Note	2019 Rupees	2018 Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Cash generated from/(used in) operations	36	**2,187,905,623**	(1,133,924,678)
Payments for:			
Employees retirement benefits		**(27,412,125)**	(26,768,075)
Interest/markup/profit		**(308,153,275)**	(156,982,075)
Income tax		**(151,161,822)**	(107,245,141)
Net cash generated from/(used in) operating activities		**1,701,178,401**	(1,424,919,969)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		**(578,941,580)**	(90,851,780)
Proceeds from disposal of property, plant and equipment		**19,088,500**	7,150,000
Long term deposit made		**(250,000)**	-
Long term deposit refunded		**-**	10,000
Net cash used in investing activities		**(560,103,080)**	(83,691,780)
CASH FLOW FROM FINANCING ACTIVITIES			
Long term finances obtained		**426,779,283**	28,868,000
Repayment of long term finances		**(303,439,245)**	(221,741,940)
Net (decrease)/increase in short term borrowings		**(955,515,714)**	1,903,661,341
Dividend paid		**(146,760,757)**	(97,790,180)
Net cash (used in)/generated from financing activities		**(978,936,433)**	1,612,997,221
NET INCREASE IN CASH AND CASH EQUIVALENTS		**162,138,888**	104,385,472
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		**205,141**	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		**139,827,966**	35,442,494
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	37	**302,171,995**	139,827,966

The annexed notes from 1 to 52 form an integral part of these financial statements.

Karachi:	**Muhammad Amin**	**Mohammad Salim**	**Abdul Basit Janjua**
Date: 26th September 2019	**Chief Executive**	**Director**	**Chief Financial Officer**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

1 LEGAL STATUS AND OPERATIONS

Blessed Textiles Limited ['the Company'] was incorporated in Pakistan as a Public Limited Company under the repealed Companies Ordinance, 1984 and is listed on Pakistan Stock Exchange Limited. The Company is primarily engaged in the manufacture and sale of yarn and woven fabric, however, it is also engaged in the generation of electricity for self consumption. The registered office of the Company is situated at Umer House, 23/1, Sector 23, S.M. Farooq Road, Korangi Industrial Area, Karachi. The manufacturing facility is located at 18 KM, Feroze Wattoan, Sheikhupura Road, District Sheikhupura in the Province of Punjab.

2 BASIS OF PREPARATION

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'] issued by the International Accounting Standards Board ['IASB'] as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards ['IFAS'] issued by Institute of Chartered Accountants of Pakistan 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 and IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except for employees retirement benefits liabilities measured at present value and certain financial instruments measured at fair value/amortized cost. In these financial statements, except for the amounts reflected in the statement of cash flows, all transactions have been accounted for on accrual basis.

2.3 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Subsequently, actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

2.3.1 Critical accounting judgements

Judgments made by management in the application of accounting and reporting standards that have significant effect on the financial statements and estimates with a risk of material adjustment in subsequent years are as follows:

(a) Business model assessment (see note 6.5.2)

The Company classifies its financial assets on the basis of the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. The Company determines the business model at a level that reflects how financial assets are managed to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed.

(b) Depreciation method, rates and useful lives of operating fixed assets (see note 6.1.1)

The Company reassesses useful lives, depreciation method and rates for each item of operating fixed assets annually by considering expected pattern of economic benefits that the Company expects to derive from that item.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

(c) *Expected credit losses and impairment of financial assets (see note 6.21.1)*

The Company recognizes a loss allowance for expected credit losses on financial assets carried at amortized cost on date of inital recognition. The amount of expected credit losses is updated on each reporting date to reflect the changes in credit risk since initial recognition of the respective financial asset. Estimating expected credit losses and changes there in requires taking into account qualitative and quantitative forward looking information.

(d) *Recoverable amount and impairment of non-financial assets (see note 6.21.2)*

The management of the Company reviews carrying amounts of its non-financial assets for possible impairment and makes formal estimates of recoverable amount if there is any such indication.

(e) *Obligation under defined benefit plan (see note 6.4.2)*

The Company's obligation under the defined benefit plan is based on assumptions of future outcomes, the principal ones being in respect of increases in remuneration, remaining working lives of employees and discount rates to be used to determine present value of defined benefit obligation. These assumptions are determined periodically by independent actuaries.

(f) *Taxation (see note 6.160)*

The Company takes into account the current income tax law and decisions taken by appellate and other relevant legal forums while estimating its provision for current tax. Provision for deferred tax is estimated after taking into account historical and expected future turnover and profit trends and their taxability under the current tax law.

(g) *Provisions (see note 6.11)*

Provisions are based on best estimate of the expenditure required to settle the present obligation at the reporting date, that is, the amount that the Company would rationally pay to settle the obligation at the reporting date or to transfer it to a third party.

(h) *Net realizable values of stock in trade (see note 6.3)*

The Company estimates net realizable values of its stock in trade as the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

2.3.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are as follows:

(a) *Calculation of impairment allowance for expected credit losses on financial assets (see note 6.21.1)*

When measuring expectied credit losses on financial assets the Company uses reasonable and supportable forward looking information as well as historical data to calculate the difference between the contractual cash flows due and those that the Company would expect to receive, taking into account cash flows from collateral and integral credit enhancements, if any. Probability of default constitutes a key input in measuring expected credit losses. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. If the expected credit loss rates on trade debts past due had been 10% higher/lower as at the reporting date, the loss allowance on financial assets would have been higher/lower by Rs. 8,253,416.

2.4 Functional currency

These financial statements have been prepared in Pak Rupees which is the Company's functional currency.

2.5 Date of authorization for issue

These financial statements were authorized for issue on September 26, 2019 by the Board of Directors of the Company.

3 NEW AND REVISED STANDARDS, INTERPRETATIONS AND AMENDMENTS EFFECTIVE DURING THE YEAR.

The following new and revised standards, interpretations and amendments are effective in the current year but are either not relevant to the Company or their application does not have any material impact on the financial statements of the Company other than presentation and disclosures, except as stated otherwise.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

3.1 IFRS 9 - Financial Instruments

IFRS 9 introduces new requirements for the classification and measurement of financial assets and financial liabilities, impairment of financial assets and general hedge accounting. The Company has applied IFRS 9 in accordance transitions provision set out in the standard.

The date of initial application of IFRS 9 (the date on which the Company has assessed its existing financial assets and financial liabilities in terms of the requirements of IFRS 9) is June 30, 2019. Accordingly, the Company has applied the requirements IFRS 9 to instruments that continue to be recognized as at June 30, 2019. Comparative amounts in relation to instruments that continue to be recognized as at June 30, 2019 have not been restated as allowed by IFRS 9.

Classification and measurement

The classification and measurement requirements for financial liabilities have been substantially carried forward from IAS 39. All recognized financial assets that are within the scope of IFRS 9 are required to be measured subsequently at amortized cost or fair value on the basis of the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Specifically:

- Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cashflows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at amortized cost and accordingly classified as 'financial assets at amortized cost'
- Financial assets that are held within a business model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding subsequently measured at fair value through other comprehensive income and accordingly classified as 'financial assets at fair value through other comprehensive income [FVTOCI]'
- All other financial instruments are subsequently measured at fair value through profit or loss and accordingly classified as 'financial assets at fair value through profit or loss [FVTPL]'

Despite the foregoing, the Company may make an irrevocable election/designation at initial recognition of financial asset:

- To present subsequent changes in fair value of an equity instrument that is not held for trading nor contingent consideration recognized by an acquirer in a business combination in other comprehensive income and classify it as FVTOCI
- To designate a debt instrument that meets the amortized cost or FVTOCI criteria as measured art FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

When a financial asset measured at FVTOCI is derecognized, the cumulative gain or loss recognized in other comprehensive income is reclassified to profit or loss as a reclassification adjustment except for equity instruments measured at FVTOCI, where the cumulative gain or loss previously recognized in other comprehensive income is subsequently transferred to accumulated profits.

The Company has reviewed and assessed the existing financial assets as at June 30, 2019 based on facts and circumstances that existed at that date and concluded that initial application of IFRS 9 has had the following impact on the Company's financial assets as regards their classification and measurement.

	IAS 39	IFRS 9
Long term finances	Financial liabilities at amortized cost	Financial liabilities at amortized cost
Short term borrowings	Financial liabilities at amortized cost	Financial liabilities at amortized cost
Accrued interest/markup/interest	Financial liabilities at amortized cost	Financial liabilities at amortized cost
Trade creditors	Financial liabilities at amortized cost	Financial liabilities at amortized cost
Accrued liabilities	Financial liabilities at amortized cost	Financial liabilities at amortized cost
Unclaimed dividend	Financial liabilities at amortized cost	Financial liabilities at amortized cost
Long term deposits	Loans and receivables	Financial assets at amortized cost
Trade debts	Loans and receivables	Financial assets at amortized cost
Advances to employees	Loans and receivables	Financial assets at amortized cost
Security deposits	Loans and receivables	Financial assets at amortized cost
Bank balances	Loans and receivables	Financial assets at amortized cost

Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires the Company to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. Therefore, it is no longer necessary for a credit loss to have occurred before the same is recognized.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

IFRS 9 requires the Company to measure the loss allowance for financial instrument at an amount equal to lifetime expected credit losses if the credit risk has increased significantly since initial recognition, or if the financial instrument is a purchased or originated credit impaired financial asset. However, if the credit risk on a financial instrument has not increased significantly since initial recognition, except for a purchased or originated credit-impaired financial asset, the Company is required to measure the loss allowance for that financial asset at an amount equal to 12-months expected credit loss. IFRS also requires a simplified approach for measuring the loss allowance at an amount equal to lifetime expected credit losses for trade receivables, contract assets and lease receivables in certain circumstances.

3.2 IFRS 15 - Revenue from Contracts with Customers

IFRS 15 - Revenue from Contracts with Customers' supersedes IAS 11 - Construction Contracts, IAS 18 - Revenue and related interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgment, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The Company has reviewed it existing accounting policy for revenue recognition in light of the requirements of IFRS 15 and has concluded that it is already in line with the requirements of the new standard and thus no change in accounting policy or to the amounts reported in these financial statements is required.

3.3 Clarifications to IFRS 15 - Revenue from Contracts with Customers

IFRS 15 - Revenue from Contracts with Customers have been amended to clarify three aspects of the standard (identifying performance obligations, principal versus agent considerations, and licensing) and to provide some transition relief for modified contracts and completed contracts.

3.4 IFRIC 22 - Foreign Currency Transactions and Advances Consideration

The interpretation addresses the 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. It specifically considers:

- Whether tax treatments should be considered collectively
- Assumptions for taxation authorities' examinations
- The determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- The effect of changes in facts and circumstances

3.5 Classification and Measurement of Share-based Payment Transactions (Amendments to IFRS 2 - Share-based Payment)

IFRS 2 - Share-based Payment have been amended to clarify the standard in relation to the accounting for cash-settled share-based payment transactions that include a performance condition, the classification of share-based payment transactions with net settlement features, and the accounting for modifications of share-based payment transactions from cash-settled to equity-settled.

3.6 Applying IFRS 9 - Financial Instruments with IFRS 4 - Insurance Contracts (Amendments to IFRS 4 - Insurance Contracts)

IFRS 4 Insurance Contracts have been amended to provide two options for entities that issue insurance contracts within the scope of IFRS 4:

- an option that permits entities to reclassify, from profit or loss to other comprehensive income, some of the income or expenses arising from designated financial assets; this is the so-called overlay approach;
- an optional temporary exemption from applying IFRS 9 for entities whose predominant activity is issuing contracts within the scope of IFRS 4; this is the so-called deferral approach

The application of both approaches is optional and an entity is permitted to stop applying them before the new insurance contracts standard is applied.

3.7 Transfers of Investment Property (Amendments to IAS 40 - Investment Property)

IAS 40 - Investment Property have following amendments:

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

- Paragraph 57 have been amended to state that an entity shall transfer a property to, or from, investment property when, and only when, there is evidence of a change in use. A change of use occurs if property meets, or ceases to meet, the definition of investment property. A change in management's intentions for the use of a property by itself does not constitute evidence of a change in use.

- The list of examples of evidence in paragraph 57(a) – (d) is now presented as a non-exhaustive list of examples instead of the previous exhaustive list.

3.8 Annual Improvements to IFRS Standards 2014–2016 Cycle (IFRS 1 - First-time Adoption of International Financial Reporting Standards and IAS 28 - Investments in Associates and Joint Ventures)

Annual improvements makes amendments to the following standards:

- IFRS 1 - Deletes the short-term exemptions in paragraphs E3–E7 of IFRS 1, because they have now served their intended purpose.

- IAS 28 - Clarifies that the election to measure at fair value through profit or loss an investment in an associate or a joint venture that is held by an entity that is a venture capital organisation, or other qualifying entity, is available for each investment in an associate or joint venture on an investment-by-investment basis, upon initial recognition.

4 NEW AND REVISED STANDARDS, INTERPRETATIONS AND AMENDMENTS NOT YET EFFECTIVE.

The following standards, interpretations and amendments are in issue which are not effective as at the reporting date and have not been early adopted by the Company.

	Effective date (annual periods beginning on or after)
IFRS 16 - Leases (2016)	January 01, 2019
IFRS 17 - Insurance contracts (2017)	January 01, 2021
Sale or contribution of assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 - Consolidated Financial Statements and IAS 28 - Investments in Associates and Joint Ventures).	Deferred Indefinitely
IFRIC 23 - Uncertainty over Income Tax Treatments	January 01, 2019
Prepayment Features with Negative Compensation (Amendments to IFRS 9 - Financial Instruments)	January 01, 2019
Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28 - Investments in Associates and Joint Ventures)	January 01, 2019
Annual Improvements to IFRS Standards 2015 – 2017 Cycle	January 01, 2019
Plan Amendment, Curtailment or Settlement (Amendments to IAS 19 - Employee Benefits)	January 01, 2019
Amendments to References to the Conceptual Framework in IFRS Standards	January 01, 2020
Definition of a Business (Amendments to IFRS 3 - Business Combinations)	January 01, 2020
Definition of Material (Amendments to IAS 1 - First-time Adoption of International Financial Reporting Standards and IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors)	January 01, 2020

Other than afore mentioned standards, interpretations and amendments, IABS has also issued the following standards which have not been notified by the Securities and Exchange Commission of Pakistan ['SECP']:

IFRS 1 - First Time Adoption of International Financial Reporting Standards
IFRS 14 - Regulatory Defferal Accounts
IFRS 17 – Insurance contracts (2017)

The Company intends to adopt these new and revised standards, interpretations and amendments on their effective dates, subject to, where required, notification by Securities and Exchange Commission of Pakistan under section 225 of the Companies Act, 2017 regarding their adoption. The management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the Company's financial statements other than in presentation/disclosures.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2019

5 CHANGES IN ACCOUNTING POLICIES

The adoption of new and revised standards, interpretations and amendments effective during the year has resulted in changes to accounting policies as follows:

Impairment of financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of the asset.
An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment loss in respect of a financial asset measured at fair value is determined by reference to that fair value. All impairment losses are recognized in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. An impairment loss is reversed only to the extent that the financial asset's carrying amount after the reversal does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

The Company recognizes a loss allowance for expected credit losses on financial assets carried at amortized cost on date of inital recognition. The amount of expected credit losses is updated on each reporting date to reflect the changes in credit risk since initial recognition of the respective financial asset.
Impairment is recognized at an amount equal to lifetime expected credit losses for financial assets for which credit risk has increased significantly since initial recognition. For financial assets for which credit risk is low, impairment is recognized at an amount equal to twelve months' expected credit losses, with the exception of trade debts, for which the Company recognises lifetime expected credit losses estimated using internal credit risk grading based on the Company's historical credit loss experience, adjusted for factors that are specific to debtors, general economic conditions, and an assessment for both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.
All impairment losses are recognized in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. An impairment loss is reversed only to the extent that the financial asset's carrying amount after the reversal does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.
The Company writes off a financial asset when there is information indicating that the counter-party is in severe financial condition and there is no realistic prospect of recovery. Any recoveries made post write-off are recognized in profit or loss.

6 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except for the changes referred to in note 5.

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6.1 Property, plant and equipment

6.1.1 Operating fixed assets

Operating fixed assets are accounted for under the cost model and are measured at cost less accumulated depreciation and accumulated impairment losses with the exception of freehold land, which is stated at cost less accumulated impairment losses. Cost comprises purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, and includes other costs directly attributable to the acquisition or construction, erection and installation.

Major renewals and improvements to operating fixed assets are recognized in the carrying amount if it is probable that the embodied future economic benefits will flow to the Company and the cost of renewal or improvement can be measured reliably. The cost of the day-to-day servicing of operating fixed assets are recognized in profit or loss as incurred.

The Company recognizes depreciation in profit or loss by applying reducing balance method over the useful life of each operating fixed asset using rates specified in note 18.1 to the financial statements. Depreciation on additions to operating fixed assets is charged from the month in which the item becomes available for use. Depreciation is discontinued from the month in which it is disposed or classified as held for disposal.

An operating fixed asset is de-recognized when permanently retired from use. Any gain or loss on disposal of operating fixed assets is recognized in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

6.1.2 Capital work in progress

Capital work in progress is stated at cost less identified impairment loss, if any, and includes the cost of material, labour and appropriate overheads directly relating to the construction, erection or installation of an item of operating fixed assets. These costs are transferred to operating fixed assets as and when related items become available for intended use.

6.1.3 Spare parts held exclusively for capitalization

These are carried at cost less accumulated impairment. Cost is determined using moving average, except for items in transit, which are carried at invoice price plus related costs incurred upto the reporting date.

6.2 Stores, spares and loose tools

These are generally held for internal use and are valued at cost. Cost is determined on the basis of moving average except for items in transit, which are valued at invoice price plus related cost incurred up to the reporting date. For items which are considered obsolete, the carrying amount is written down to nil. Spare parts held exclusively for capitalization are classified as property, plant and equipment.

6.3 Stock in trade

These are valued at lower of cost and net realizable value, with the exception of stock of waste which is valued at net realizable value. Cost is determined using the following basis:

Raw material	Moving average cost
Work in process	Average manufacturing cost
Finished goods	Average manufacturing cost
Stock in transit	Invoice price plus related cost incurred up to the reporting date

Average manufacturing cost in relation to work in process and finished goods consists of direct material, labour and an appropriate proportion of manufacturing overheads.

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

6.4 Employee benefits

6.4.1 Short-term employee benefits

The Company recognizes the undiscounted amount of short term employee benefits to be paid in exchange for services rendered by employees as a liability after deducting amount already paid and as an expense in profit or loss unless it is included in the cost of inventories or property, plant and equipment as permitted or required by the accounting and reporting standards as applicable in Pakistan. If the amount paid exceeds the undiscounted amount of benefits, the excess is recognized as an asset to the extent that the prepayment would lead to a reduction in future payments or cash refund.

6.4.2 Post-employment benefits

The Company operates an unfunded gratuity scheme (defined benefit plan) for all its employees who have completed the minimum qualifying service period. Liability is adjusted on each reporting date to cover the obligation and the adjustment is charged to income statement with the exception of remeasurements which are recognized in other comprehensive income. The amount recognized on statement of financial position represents the present value of defined benefit obligation.

6.5 Financial instruments

6.5.1 Recognition

A financial instrument is recognized when the Company becomes a party to the contractual provisions of the instrument.

6.5.2 Classification

The Company classifies its financial assets on the basis of the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. Financial liabilities are classified in accordance with the substance of contractual provisions. The Company determines the classification of its financial instruments at initial recognition as follows:

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

(a) Financial assets at amortized cost

These are financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cashflows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial liabilities at amortized cost

These are financial liabilities which are not derivates, financial guarantee contracts, commitments to provide loans at below-market interest rate, contingent consideration payable to an acquirer in a business combination or financial liabilities that arise when transfer of a financial asset does not qualify for derecognition.

6.5.3 Measurement

The particular measurement methods adopted are disclosed in individual policy statements associated with each financial instrument.

6.5.4 Derecognition

A financial asset is derecognized when the Company's contractual rights to the cash flows from the financial assets expire or when the Company transfers the financial asset to another party without retaining control of substantially all risks and rewards of the financial asset. A financial liability is derecognized when the Company's obligations specified in the contract expire or a discharged or cancelled.

6.5.5 Off-setting

A financial asset and financial liability is offset and the net amount reported in the statement of financial position if the Company has legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

6.5.6 Regular way purchases or sales of financial assets

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. Regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

6.6 Ordinary share capital

Ordinary share capital is recognized as equity. Transaction costs directly attributable to the issue of ordinary shares are recognized as deduction from equity.

6.7 Loans and borrowings

Loans and borrowings are classified as 'financial liabilities at amortized cost'. On initial recognition, these are measured at cost, being fair value at the date the liability is incurred, less attributable transaction costs. Subsequent to initial recognition, these are measured at amortized cost with any difference between cost and value at maturity recognized in the profit or loss over the period of the borrowings on an effective interest basis.

6.8 Finance leases

Leases in terms of which the Company assumes substantially all risks and rewards of ownership are classified as finance leases. Assets subject to finance lease are classified as 'operating fixed assets'. On initial recognition, these are measured at cost, being an amount equal to the lower of its fair value and the present value of minimum lease payments. Subsequent to initial recognition, these are measured at cost less accumulated depreciation and accumulated impairment losses. Depreciation, subsequent expenditure, de-recognition, and gains and losses on de-recognition are accounted for in accordance with the respective policies for operating fixed assets. Liabilities against assets subject to finance lease are classified as 'financial liabilities at amortized cost' ' respectively, however, since they fall outside the scope of measurement requirements of IFRS 9, these are measured in accordance with the requirements of IAS 17. On initial recognition, these are measured at cost, being their fair value at the date of commencement of lease, less attributable transaction costs. Subsequent to initial recognition, minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Deposits against finance leases, subsequent to initial recognition are carried at cost.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

6.9 Operating leases

Leases that do not transfer substantially all risks and rewards of ownership are classified as operating leases. Payments made under operating leases are recognized in profit or loss on a straight line basis over the lease term.

6.10 Trade and other payables

6.10.1 Financial liabilities

These are classified as 'financial liabilities at amortized cost'. On initial recognition, these are measured at fair value at the date the liability is incurred, less attributable transaction costs. Subsequent to initial recognition, these are measured at amortized cost using the effective interest method, with interest recognized in profit or loss.

6.10.2 Non-financial liabilities

These, both on initial recognition and subsequently, are measured at cost.

6.11 Provisions and contingencies

Provisions are recognized when the Company has a legal and constructive obligation as a result of past events and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provision is recognized at an amount that is the best estimate of the expenditure required to settle the present obligation at the reporting date. Where outflow of resources embodying economic benefits is not probable, or where a reliable estimate of the amount of obligation cannot be made, a contingent liability is disclosed, unless the possibility of outflow is remote.

6.12 Trade and other receivables

6.12.1 Financial assets

These are classified as 'financial assets at amortized cost'. On initial recognition, these are measured at fair value at the date of transaction, plus attributable transaction costs, except for trade debts that do not have a significant financing compenent, which are measured at undiscounted invoice price. Subsequent to initial recognition, these are measured at amortized cost using the effective interest method, with interest recognized in profit or loss.

6.12.2 Non-financial assets

These, both on initial recognition and subsequently, are measured at cost.

6.13 Revenue

Revenue is measured at the fair value of the consideration received or receivable, net of returns allowances, trade discounts and rebates, and represents amounts received or receivable for goods and services provided and other income earned in the normal course of business. Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the Company, and the amount of revenue and the associated costs incurred or to be incurred can be measured reliably.

Revenue from different sources is recognized as follows:

The Company recognizes revenue primparily from contracts with customer for sale of goods. Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with customer. The Company recognizes revenue when risks and rewards incidental to the ownership of goods are transferred to the customer.

Export rebate is recognized at the same time when revenue from export sales is recognized.

Interest income is recognized using effective interest method.

6.14 Comprehensive income

Comprehensive income is the change in equity resulting from transactions and other events, other than changes resulting from transactions with shareholders in their capacity as shareholders. Total comprehensive income comprises all components of profit or loss and other comprehensive income ['OCI']. OCI comprises items of income and expense, including reclassification adjustments, that are not recognized in profit or loss as required or permitted by accounting and reporting standards as applicable in Pakistan, and is presented in 'statement of comprehensive income'.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

6.15 Borrowing costs

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 asset is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss as incurred.

6.16 Income tax

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

6.16.1 Current taxation

Current tax is the amount of tax payable on taxable income for the year and any adjustment to the tax payable in respect of previous years. Provision for current tax is based on current rates of taxation in Pakistan after taking into account tax credits, rebates and exemptions available, if any. The amount of unpaid income tax in respect of the current or prior periods is recognized as a liability. Any excess paid over what is due in respect of the current or prior periods is recognized as an asset.

6.16.2 Deferred taxation

Deferred tax is accounted for using the' balance sheet approach' providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. In this regard, the effects on deferred taxation of the portion of income that is subject to final tax regime is also considered in accordance with the treatment prescribed by The Institute of Chartered Accountants of Pakistan. Deferred tax is measured at rates that are expected to be applied to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the reporting date. A deferred tax liability is recognized for all taxable temporary differences. A deferred tax asset is recognized for deductible temporary differences to the extent that future taxable profits will be available against which temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

6.17 Earnings per share ['EPS']

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by adjusting basic EPS by the weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares and post-tax effect of changes in profit or loss attributable to ordinary shareholders of the Company that would result from conversion of all dilutive potential ordinary shares into ordinary shares.

6.18 Cash and cash equivalents

Cash and cash equivalents for the purpose of statement of cash flows comprise cash in hand and cash at banks.

6.19 Operating segment

The Company is a single operating segment based on internal reporting to the Board of Directors of the Company.

6.20 Foreign currency transactions and balances

Transactions in foreign currency are translated to the functional currency of the Company using exchange rate prevailing at the date of transaction. Monetary assets and liabilities denominated in foreign currency are translated to the functional currency at exchange rate prevailing at the reporting date. Non-monetary assets and liabilities denominated in foreign currency that are measured at fair value are translated to the functional currency at exchange rate prevailing at the date the fair value is determined. Non-monetary assets and liabilities denominated in foreign currency that are measured at historical cost are translated to functional currency at exchange rate prevailing at the date of initial recognition. Any gain or loss arising on translation of foreign currency transactions and balances is recognized in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

6.21 Impairment

6.21.1 Financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets carried at amortized cost on date of inital recognition. The amount of expected credit losses is updated on each reporting date to reflect the changes in credit risk since initial recognition of the respective financial asset.

Impairment is recognized at an amount equal to lifetime expected credit losses for financial assets for which credit risk has increased significantly since initial recognition. For financial assets for which credit risk is low, impairment is recognized at an amount equal to twelve months' expected credit losses, with the exception of trade debts, for which the Company recognises lifetime expected credit losses estimated using internal credit risk grading based on the Company's historical credit loss experience, adjusted for factors that are specific to debtors, general economic conditions, and an assessment for both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

All impairment losses are recognized in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. An impairment loss is reversed only to the extent that the financial asset's carrying amount after the reversal does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

The Company writes off a financial asset when there is information indicating that the counter-party is in severe financial condition and there is no realistic prospect of recovery. Any recoveries made post write-off are recognized in profit or loss.

6.21.2 Non-financial assets

The carrying amount of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present values using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit.

An impairment loss is recognized if the carrying amount of the asset or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of cash generating units are allocated to reduce the carrying amounts of the assets in a unit on a pro rata basis. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used in determining the recoverable amount. An impairment loss is reversed only to that extent that the asset's carrying amount after the reversal does not exceed the carrying amount that would have been determined, net of depreciation and amortization, if no impairment loss had been recognized.

6.22 Dividend distribution to ordinary shareholders

Dividend to ordinary shareholders is recognized as a deduction from accumulated profit in statement of changes in equity and as a liability, to the extent it is unclaimed/unpaid, in the Company's financial statements in the year in which the dividends are approved by the Company's shareholders.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

		2019 Rupees	2018 Rupees
7	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL**		
	Ordinary shares of Rs. 10 each 6,432,000 (2018: 6,432,000) shares issued for cash	**64,320,000**	64,320,000
		64,320,000	64,320,000

8 GENERAL RESERVE

General reserve is primarily being maintained to have adequate resources for future requirements and business operations.

		Note	2019 Rupees	2018 Rupees
9	**LONG TERM FINANCES - *SECURED***			
	These represent long term finances utilized under interest/markup arrangements from banking companies			
	Term Finances ['TF']			
	TF - I	*9.1*	**249,186,460**	425,082,796
	TF - II	*9.2*	**3,990,290**	6,806,954
	TF - III	*9.3*	**7,702,583**	10,783,615
	TF - IV	*9.4*	**10,855,438**	15,197,614
	TF - V	*9.5*	**5,451,536**	8,566,704
	TF - VI	*9.6*	**3,675,000**	5,775,000
	TF - VII	*9.7*	**11,513,000**	15,353,000
	TF - VIII	*9.8*	**7,692,800**	10,257,200
	TF - IX	*9.9*	**9,648,200**	12,863,800
	TF - X	*9.10*	**5,983,312**	6,382,200
	TF - XI	*9.11*	**3,674,061**	3,919,000
	TF - XII	*9.12*	**5,119,485**	5,284,630
	TF - XIII	*9.13*	**9,072,000**	9,072,000
	TF - XIV	*9.14*	**13,001,000**	-
	TF - XV	*9.15*	**6,800,000**	-
			353,365,165	535,344,513

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

	Note	2019	2018
		Rupees	Rupees
Long Term Financing Facilities ['LTFF']			
LTFF - I	9.16	**184,651,310**	212,007,062
LTFF - II	9.17	**191,296,685**	219,636,937
LTFF - III	9.18	**184,857,185**	212,243,437
LTFF - IV	9.19	**15,132,656**	16,141,500
LTFF - V	9.20	**9,287,325**	9,586,916
LTFF - VI	9.21	**24,330,900**	24,330,900
LTFF - VII	9.22	**40,340,000**	40,340,000
LTFF - VIII	9.23	**9,770,624**	10,422,000
LTFF - IX	9.24	**4,940,550**	5,269,920
LTFF - X	9.25	**3,173,044**	3,275,400
LTFF - XI	9.26	**27,685,809**	28,578,900
LTFF - XII	9.27	**209,178,797**	215,926,500
LTFF - XIII	9.28	**100,105,781**	103,335,000
LTFF - XIV	9.29	**164,767,829**	170,082,920
LTFF - XV	9.30	**11,069,000**	11,069,000
LTFF - XVI	9.31	**14,159,000**	14,159,000
LTFF - XVII	9.32	**14,709,000**	14,709,000
LTFF - XVIII	9.33	**11,700,000**	-
LTFF - XIX	9.34	**10,947,000**	-
LTFF - XX	9.35	**41,642,000**	-
LTFF - XXI	9.36	**96,437,000**	-
LTFF - XXII	9.37	**11,465,000**	-
LTFF - XXV	9.38	**227,883,283**	-
LTFF - XXVI	9.39	**5,083,000**	-
LTFF - XXVII	9.40	**1,821,000**	-
		1,616,433,778	1,311,114,392
		1,969,798,943	1,846,458,905
Current maturity presented under current liabilities	16	**(369,637,092)**	(303,439,273)
		1,600,161,851	1,543,019,632

9.1 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at three months KIBOR plus 0.45% per annum (2018: three months KIBOR plus 0.45% per annum), payable quarterly. The finance is repayable in seventy two equal monthly instalments with the first instalment due in December 2014.

9.2 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at three months KIBOR plus 0.45% per annum (2018: three months KIBOR plus 0.45% per annum), payable quarterly. The finance is repayable in seventy two equal monthly instalments with the first instalment due in December 2014.

9.3 The finance has been obtained from Meezan Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries profit at three months KIBOR plus 0.65% per annum (2018: three months KIBOR plus 0.65% per annum), payable quarterly. The finance is repayable in twenty four equal quarterly instalments with the first instalment due in January 2016.

9.4 The finance has been obtained from Meezan Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries profit at three months KIBOR plus 0.65% per annum (2018: three months KIBOR plus 0.65% per annum), payable quarterly. The finance is repayable in twenty four equal quarterly instalments with the first instalment due in January 2016.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2019

9.5 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at three months KIBOR plus 0.45% per annum (2018: three months KIBOR plus 0.45% per annum), payable quarterly. The finance is repayable in twenty four equal quarterly instalments with the first instalment due in June 2015.

9.6 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at three months KIBOR plus 0.45% per annum (2018: three months KIBOR plus 0.45% per annum), payable quarterly. The finance is repayable in twenty four equal quarterly instalments with the first instalment due in June 2015.

9.7 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at three months KIBOR plus 0.45% per annum (2018: three months KIBOR plus 0.45% per annum), payable quarterly. The finance is repayable in twenty four equal quarterly instalments with the first instalment due in September 2016.

9.8 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at three months KIBOR plus 0.45% per annum (2018: three months KIBOR plus 0.45% per annum), payable quarterly. The finance is repayable in twenty four equal quarterly instalments with the first instalment due in September 2016.

9.9 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at three months KIBOR plus 0.45% per annum (2018: three months KIBOR plus 0.45% per annum), payable quarterly. The finance is repayable in twenty four equal quarterly instalments with the first instalment due in September 2016.

9.10 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carried interest/markup at three months KIBOR plus 0.4% per annum (2018: three months KIBOR plus 0.4% per annum), payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in March 2019.

9.11 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carried interest/markup at three months KIBOR plus 0.4% per annum (2018: three months KIBOR plus 0.4% per annum), payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in February 2019.

9.12 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carried interest/markup at three months KIBOR plus 0.4% per annum (2018: three months KIBOR plus 0.4% per annum), payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in April 2019.

9.13 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carried interest/markup at three months KIBOR plus 0.4% per annum (2018: three months KIBOR plus 0.4% per annum), payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in September 2019.

9.14 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at three months KIBOR plus 0.4% per annum, payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in May 2021.

9.15 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at three months KIBOR plus 0.4% per annum, payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in August 2021.

9.16 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at 2.4% per annum (2018: 2.4% per annum per annum), payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in May 2018.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

9.17 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at 2.4% per annum (2018: 2.4% per annum), payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in June 2018.

9.18 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at 2.4% per annum (2018: 2.4% per annum), payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in June 2018.

9.19 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at 2.4% per annum (2018: 2.4% per annum), payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in February 2019.

9.20 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at 2.4% per annum (2018: 2.4% per annum), payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in April 2019.

9.21 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at 2.4% per annum (2018: 2.4% per annum), payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in July 2019.

9.22 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at 2.4% per annum (2018: 2.4% per annum), payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in July 2019.

9.23 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at 2.4% per annum (2018: 2.4% per annum), payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in February 2019.

9.24 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at 2.4% per annum (2018: 2.4% per annum), payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in March 2019.

9.25 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at 2.4% per annum (2018: 2.4% per annum), payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in April 2019.

9.26 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at 2.4% per annum (2018: 2.4% per annum), payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in April 2019.

9.27 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at 2.4% per annum (2018: 2.4% per annum), payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in April 2019.

9.28 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at 2.4% per annum (2018: 2.4% per annum), payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in May 2019.

9.29 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at 2.4% per annum (2018: 2.4% per annum), payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in June 2019.

9.30 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at 2.4% per annum (2018: 2.4% per annum), payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in July 2019.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

9.31 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at 2.4% per annum (2018: 2.4% per annum), payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in November 2019.

9.32 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at 2.4% per annum (2018: 2.4% per annum), payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in December 2019.

9.33 The finance has been obtained from MCB Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at 2.4% per annum, payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in January 2021.

9.34 The finance has been obtained from Meezan Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at 3.5% per annum, payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in December 2020.

9.35 The finance has been obtained from Meezan Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at 3.5% per annum, payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in December 2020.

9.36 The finance has been obtained from Meezan Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at 3.5% per annum, payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in December 2020.

9.37 The finance has been obtained from Meezan Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at 3.5% per annum, payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in December 2020.

9.38 The finance has been obtained from Meezan Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at 3.5% per annum, payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in May 2021.

9.39 The finance has been obtained from Meezan Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at 3.5% per annum, payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in August 2021.

9.40 The finance has been obtained from Meezan Bank Limited to finance capital expenditure and is secured by charge over operating fixed assets of the Company. The finance carries interest/markup at 3.5% per annum, payable quarterly. The finance is repayable in thirty two equal quarterly instalments with the first instalment due in September 2021.

9.41 For mortgages and charges on assets as security for liabilities, refer to note 43 to the financial statements.

	Note	**2019**	2018
		Rupees	*Rupees*
10 LONG TERM PAYABLES			
These include the following:			
Infrastructure Cess	*10.1*	**98,205,748**	73,370,210
Gas Infrastructure Development Cess	*10.2*	**128,173,539**	113,450,311
		226,379,287	186,820,521

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

10.1 Infrastructure tax

Sindh Infrastructure Cess was levied by Excise and Taxation Officer ['ETO'] Government of Sindh on movement of imported goods entering the Sindh Province from outside Pakistan and Punjab Infrastructure Tax levied by ETO Government of Punjab on movement of imported goods entering the Punjab Province from outside Pakistan . The Company has obtained stay on the recovery of these levies by respective ETOs. During the pendency of final judgement on this, the Hounrable Courts granting stay have directed the petitioners to pay 50% of liability for levies to ETOs and to arrange bank gaurantees for the remaining amount in favour of ETOs. The liability represents 50% of levies against which guarantees have been arranged in favour of ETO (see note 17.1.1).

10.2 Gas Infrastructure Development Cess

Gas Infrastructure Development Cess ['GIDC'] was levied by Sui Northern Gas Pipelines Limited ['SNGPL'] and Sui Southern Gas Pipelines Limited ['SSGCL']. The Company and others have filed a suit before the Lahore High Court ['LHC'] and Sindh High Court ['SHC'] challenging the levy. The LHC & SHC have granted the stay in favour of the Company and directed SNGPL and SSGC to avoid collection of GIDC. The liability represents amount of GIDC payable against which the Company has obtained stay order.

11 EMPLOYEES RETIREMENT BENEFITS

The Company operates an unfunded gratuity scheme, a defined benefit plan, for all its employees who have completed the minimum qualifying service period. Under the scheme, the Company pays a lump-sum benefit equal to last drawn monthly gross salary for each year of service to scheme members whereas the members of the scheme are not required to make any contributions to the scheme. The scheme is administered by the management of the Company under the supervision and directions of the Board of Directors of the Company. The amount recognized on statement of financial position represents present value of defined benefit obligation.

		Note	**2019**	2018
			Rupees	*Rupees*
11.1	**Movement in present value of defined benefit obligation**			
	As at beginning of the year		**126,056,944**	108,130,060
	Charged to profit or loss for the year	*11.2*	**38,853,114**	54,956,386
	Benefits paid during the year		**(27,412,125)**	(26,768,075)
	Remeasurements recognized in other comprehensive income	*11.4*	**(19,394,375)**	(10,261,427)
	As at end of the year		**118,103,558**	126,056,944
11.2	**Charge to profit or loss**			
	Current service cost		**27,559,925**	49,410,435
	Interest cost		**11,293,189**	8,764,007
			38,853,114	54,956,386
11.3	**The charge to profit or loss has been allocated as follows**			
	Cost of sales	*27.2*	**31,767,376**	49,409,972
	Administrative and general expenses	*29.1*	**7,085,738**	5,545,951
			38,853,114	54,955,923
11.4	**Remeasurements recognized in other comprehensive income**			
	Actuarial gain arising from:			
	Changes in financial assumptions		**-**	-
	Experience adjustments		**(19,394,375)**	(10,261,427)
			(19,394,375)	(10,261,427)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

11.5 Principal actuarial assumptions

Present value of defined benefit obligation has been determined using projected unit credit method. The liability as at the reporting date is based on actuarial valuation carried out by independent actuaries, Najeeb Consultants (Private) Limited. The principal assumptions used in determining present value of defined benefit obligation are:

	2019	2018
Discount rate	**14.25%**	9.25%
Expected rate of increase in salary	**12.00%**	10.00%

11.6 Average duration of the defined benefit obligation

The average duration of the defined benefit obligation is six years

11.7 Expected charge to profit or loss for the next financial year

The expected charge to profit or loss for the year ending June 30, 2020 amounts to Rs. 49.229 million.

11.8 Sensitivity analysis

An analysis of sensitivity for discount rate and expected rate of increase in salary used to determine the present value of defined benefit obligation as at the reporting date showing how the defined benefit obligation would have been affected by changes in relevant actuarial assumption that were reasonably possible at that date is as follows:

	2019		2018	
	Change in actuarial assumption	**Defined benefit obligation**	Change in actuarial assumption	Defined benefit obligation
		Rupees		*Rupees*
Discount rate	+ 1%	114,117,284	+ 1%	111,652,360
	- 1%	122,289,735	- 1%	143,618,255
Expected rate of increase in salary	+ 1%	122,337,208	+ 1%	144,094,103
	- 1%	114,003,457	- 1%	111,024,511

A change in expected remaining working lives of employees is not expected to have a material impact on the present value of defined benefit obligation. Accordingly, the sensitivity analysis for the same has not been carried out.

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of defined benefit obligation as at the reporting date has been calculated using projected unit credit method, which is the same as that applied in calculating the defined benefit obligation to be recognized in these financial statements.

11.9 Risk factors

The defined benefit plan exposes the Company to the following actuarial risks:

Interest risk: The discount rate used in determination of present value of defined benefit obligation has been determined by reference to market yield at the reporting date on corporate bonds as the private sector bond market is sufficiently developed in Pakistan. An increase in market yield resulting in a higher discount rate will decrease the defined benefit liability.

Longevity risk: The present value of defined benefit obligation is calculated by reference to the best estimate of the expected remaining working lives of employees. An increase in the expected remaining working lives will increase the defined benefit obligation. However, the increase is not expected to be material.

Salary risk: The present value of defined benefit obligation is calculated by reference to future salaries of employees. An increase in salary of employees will increase the defined benefit obligation.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

12 DEFERRED TAXATION

Deferred tax liability	*12.1*	**280,659,129**	244,494,606
Deferred tax asset	*12.1*	**(37,251,021)**	(27,423,709)
		243,408,108	217,070,897

12.1 Recognized deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	2019			
	As at July 01, 2018 *Rupees*	**Recognized in profit or loss** *Rupees*	**Recognized in OCI** *Rupees*	**As at June 30, 2019** *Rupees*
Deferred tax liabilities				
Operating fixed assets	**244,494,606**	**36,164,523**	**-**	**280,659,129**
`	**244,494,606**	**36,164,523**	**-**	**280,659,129**
Deferred tax assets				
Employees retirement benefits	**(22,125,847)**	**(3,389,782)**	**3,599,034**	**(21,916,595)**
Impairment allowance for expected credit losses	**(5,297,862)**	**(10,036,564)**	**-**	**(15,334,426)**
	(27,423,709)	**(13,426,346)**	**3,599,034**	**(37,251,021)**
	217,070,897	**22,738,177**	**3,599,034**	**243,408,108**

	2018			
	As at July 01, 2017 *Rupees*	Recognized in profit or loss *Rupees*	Recognized in OCI *Rupees*	As at June 30, 2018 *Rupees*
Deferred tax liabilities				
Operating fixed assets	236,775,544	7,719,062	-	244,494,606
	236,775,544	7,719,062	-	244,494,606
Deferred tax assets				
Employees retirement benefits	(18,044,264)	(5,882,553)	1,800,970	(22,125,847)
Impairment allowance for expected credit losses	(5,285,017)	(12,845)	-	(5,297,862)
	(23,329,281)	(5,895,398)	1,800,970	(27,423,709)
	213,446,263	1,823,664	1,800,970	217,070,897

12.2 Deferred tax arising from timing differences pertaining to income from business is provided for only that portion of timing differences that represent income taxable under normal provisions of the Income Tax Ordinance, 2001 ['the Ordinance'] as revenue from export sales of the Company is subject to taxation under the final tax regime, while the remaining portion of revenue attracts assessment under normal provisions of the Ordinance. These differences are calculated at that proportion of total timing differences that the local sales, other than the indirect exports taxable under section 154 (3) of the Ordinance, bear to the total sales revenue based on historical and future trends. Deferred tax has been calculated at 29% (2018: 29%) of the timing differences so determined based on tax rates notified by the Government of Pakistan for future tax years.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

		Note	2019 Rupees	2018 Rupees
13	**TRADE AND OTHER PAYABLES**			
	Trade creditors - *Unsecured*		**172,483,346**	225,895,934
	Accrued liabilities		**286,681,689**	203,440,186
	Advances from customers - *Unsecured*		**13,573,422**	11,683,046
	Workers' Profit Participation Fund	*13.1*	**42,075,183**	27,111,848
	Workers' Welfare Fund	*13.2*	**25,318,717**	16,456,456
	Other payables - *Unsecured*		**4,100,492**	3,397,546
			544,232,849	487,985,016
13.1	**Workers' Profit Participation Fund**			
	As at beginning of the year		**27,111,848**	20,154,971
	Charged to profit or loss for the year	*30*	**42,075,183**	27,111,848
	Interest on funds utilized by the Company	*13.1.1*	**2,242,037**	2,288,367
	Paid during the year		**(29,353,885)**	(22,443,338)
	As at end of the year		**42,075,183**	27,111,848

13.1.1 Interest is charged at 172.5% (2018: 114.75%) per annum.

		2019	2018
13.2	**Workers' Welfare Fund**		
	As at beginning of the year	**16,456,456**	8,555,932
	Charged to profit or loss for the year	**8,862,261**	7,900,524
	As at end of the year	**25,318,717**	16,456,456

13.2.1 The Honourable Supreme Court of Pakistan vide its judgement dated November 10, 2016 dismissed Civil Appeal no 1049 to 1055 of 2011 rendenring amendments in Workers' Welfare Fund Ordinance, 1971 brought through Finance Act 2006 and 2008 unlawful and ultravires the Constitution of Islamic Republic of Pakistan. The Company continues to recognize the related liability in order to have sufficient provision in its books should the same becomes payable in future.

		Note	2019 Rupees	2018 Rupees
14	**ACCRUED INTEREST/MARKUP**			
	Long term finances		**25,452,721**	17,616,459
	Short term borrowings		**50,087,602**	21,164,654
			75,540,323	38,781,113
15	**SHORT TERM BORROWINGS**			
	These represent short term finances utilized under interest/markup arrangements from banking companies.			
	Running finances	*15.1*	**1,355,946,621**	1,222,386,261
	Term loans	*15.1*	**835,000,000**	1,924,076,074
			2,190,946,621	3,146,462,335

15.1 These facilities have been obtained from various banking companies for working capital requirements and are secured by charge over all present and future current assets of the Company and demand promissory notes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

Interest/markup/profit on money market loans is payable along with principal on maturity and that on running finances is payable quarterly. These finances carry markup/profit at rates ranging from one to six months KIBOR plus 0.1% to 1.25% per annum (2018: one to six months KIBOR plus 0.1% to 1.25% per annum).

The aggregate available short term funded facilities amounts to Rs. 6,545 million (2018: Rs. 6,215 million) out of which Rs. 4,354 million (2018: Rs. 3,069 million) remained unavailed as at the reporting date.

15.2 For mortgages and charges on assets as security for liabilities, refer to note 43 to the financial statements.

		Note	2019	2018
			Rupees	Rupees
16	**CURRENT PORTION OF NON-CURRENT LIABILITIES**			
	Long term finances	9	**369,637,092**	303,439,273
			369,637,092	303,439,273

17 **CONTINGENCIES AND COMMITMENTS**

17.1 **Contingencies**

17.1.1 Guarantees issued by banks on behalf of the Company as at the reporting date amount to Rs. 335.453 (2018: Rs. 212.537 million), however the Company has already recognized related liability amounting to Rs. 99.45 million (2018: Rs. 73.37 million). See note 10.1.

17.1.2 Bills discounted/negotiated as at the reporting date amount to Rs. 1,233.61 million (2018: Rs. 613.268 million).

17.1.3 The Company has issued post dated cheques collectively amounting to Rs. 179.598 million (2018: Rs. 223.913 million) in favour of Sales Tax Department in lieu of levies under various statutory notifications and these are likely to be released after fulfilment of the terms of related notifications.

		Note	2019	2018
			Rupees	Rupees
17.2	**Commitments**			
17.2.1	Commitments under irrevocable letters of credit for:			
	- purchase of property, plant and equipment		**278,668,314**	15,044,611
	- purchase of stores, spare and loose tools		**2,815,985**	43,783,091
	- purchase of raw material		**107,528,236**	1,678,378,680
			389,012,535	1,737,206,382
18	**PROPERTY, PLANT AND EQUIPMENT**			
	Operating fixed assets	18.1	**3,744,096,165**	3,592,585,178
	Capital work in progress	18.2	**36,963,584**	2,967,166
			3,781,059,749	3,595,552,344

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2019

18.1 Operating fixed assets

	2019										
	COST						DEPRECIATION				Net book value as at June 30, 2019
	As at July 01, 2018	Additions	Disposals	Transfers	As at June 30, 2019	Rate	As at July 01, 2018	For the year	Adjustment	As at June 30, 2019	
	Rupees	*Rupees*	*Rupees*	*Rupees*	*Rupees*	%	*Rupees*	*Rupees*	*Rupees*	*Rupees*	*Rupees*
Freehold land	**89,694,237**	**-**	**-**	**-**	**89,694,237**	**-**	**-**	**-**	**-**	**-**	**89,694,237**
Buildings on freehold land	**983,756,789**	**-**	**-**	**33,375,046**	**1,017,131,835**	**5-10**	**481,871,683**	**45,403,385**	**-**	**527,275,068**	**489,856,767**
Plant and machinery	**4,881,944,052**	**-**	**(88,463,528)**	**471,008,337**	**5,264,488,861**	**10**	**2,116,286,126**	**294,352,458**	**(70,228,816)**	**2,340,409,768**	**2,924,079,093**
Equipment and other assets	**103,788,811**	**4,925,397**	**-**	**-**	**108,714,208**	**25-35**	**90,927,481**	**6,944,590**	**-**	**97,872,071**	**10,842,137**
Electric installations	**321,865,115**	**-**	**-**	**12,961,169**	**334,826,284**	**10**	**139,922,267**	**18,537,183**	**-**	**158,459,450**	**176,366,834**
Office equipment - *head office*	**1,022,341**	**2,497,180**	**-**	**-**	**3,519,521**	**10**	**571,876**	**63,379**	**-**	**635,255**	**2,884,266**
Office equipment - *factory*	**4,296,441**	**3,690,654**	**-**	**-**	**7,987,095**	**10**	**2,100,972**	**219,547**	**-**	**2,320,519**	**5,666,576**
Furniture and fixtures - *head office*	**199,098**	**-**	**-**	**-**	**199,098**	**10**	**167,394**	**3,170**	**-**	**170,564**	**28,534**
Furniture and fixtures - *factory*	**7,271,397**	**732,810**	**-**	**-**	**8,004,207**	**10**	**5,444,994**	**220,760**	**-**	**5,665,754**	**2,338,453**
Vehicles	**78,753,300**	**15,754,569**	**(4,639,003)**	**-**	**89,868,866**	**20**	**42,713,610**	**8,942,224**	**(4,126,236)**	**47,529,598**	**42,339,268**
	6,472,591,581	**27,600,610**	**(93,102,531)**	**517,344,552**	**6,924,434,212**		**2,880,006,403**	**374,686,696**	**(74,355,052)**	**3,180,338,047**	**3,744,096,165**

	2018										
	COST						DEPRECIATION				Net book value as at June 30, 2018
	As at July 01, 2017	Additions	Disposals	Transfers	As at June 30, 2018	Rate	As at July 01, 2017	For the year	Adjustment	As at June 30, 2018	
	Rupees	*Rupees*	*Rupees*	*Rupees*	*Rupees*	%	*Rupees*	*Rupees*	*Rupees*	*Rupees*	*Rupees*
Freehold land	87,092,737	2,601,500	-	-	89,694,237	-	-	-	-	-	89,694,237
Buildings on freehold land	937,506,373	-	-	46,250,416	983,756,789	5-10	434,512,128	47,359,555	-	481,871,683	501,885,106
Plant and machinery	4,854,942,407	-	(20,064,037)	47,065,682	4,881,944,052	10	1,826,343,333	306,047,595	(16,104,802)	2,116,286,126	2,765,657,926
Equipment and other assets	93,054,402	10,734,409	-	-	103,788,811	25-35	86,260,262	4,667,219	-	90,927,481	12,861,330
Electric installations	321,435,115	-	-	430,000	321,865,115	10	119,742,230	20,180,037	-	139,922,267	181,942,848
Office equipment - *head office*	1,022,341	-	-	-	1,022,341	10	521,826	50,050	-	571,876	450,465
Office equipment - *factory*	3,041,565	1,254,876	-	-	4,296,441	10	1,961,605	139,367	-	2,100,972	2,195,469
Furniture and fixtures - *head office*	199,098	-	-	-	199,098	10	163,872	3,522	-	167,394	31,704
Furniture and fixtures - *factory*	6,971,397	300,000	-	-	7,271,397	10	5,267,062	177,932	-	5,444,994	1,826,403
Vehicles	81,331,408	8,386,850	(10,964,958)	-	78,753,300	20	43,072,939	8,039,333	(8,398,662)	42,713,610	36,039,690
	6,386,596,843	23,277,635	(31,028,995)	93,746,098	6,472,591,581		2,517,845,257	386,664,610	(24,503,464)	2,880,006,403	3,592,585,178

18.1.1 Free hold land of the Company is located at Ferozewattoan, Sheikhupura with a total area of 739 Kanal, 6 Marla (2018: 739 Kanal, 6 Marla).

18.1.2 Transfers represent transfers from capital work in progress on related assets becoming available for use.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

18.1.3 Disposal of operating fixed assets

	2019						
Particulars	Cost	Accumulated depreciation	Net book value	Disposal proceeds	Gain/(loss) on disposal	Mode of disposal	Particulars of buyer
	Rupees	*Rupees*	*Rupees*	*Rupees*	*Rupees*		
Plant and machinery							
Gen Set	40,078,688	29,996,488	10,082,200	9,800,000	(282,200)	Negotiation	Tariq Glass Industries Limited
Folding Machine	87,455	71,478	15,977	25,000	9,023	Negotiation	Shaheen Industries, Faisalabad
Loepfe Yarn Master	1,669,214	1,432,342	236,872	240,000	3,128	Negotiation	Amjad Ali, Faisalabad
Uster Quantum Clearer	1,085,046	834,524	250,522	252,500	1,978	Negotiation	Amjad Ali, Faisalabad
Auto Cone (64 Spindles) Savio Orion-M	15,070,566	11,851,950	3,218,616	3,225,000	6,384	Negotiation	Amjad Ali, Faisalabad
Auto Cone (64 Spindles) Savio Orion-M	11,558,660	9,547,537	2,011,123	2,014,000	2,877	Negotiation	Amjad Ali, Faisalabad
Cheese Winder SSM CW1-D	2,807,646	2,453,322	354,324	450,000	95,676	Negotiation	Muhammad Aftab, Gujranwala
Two for One Volkman VTS-08	2,807,646	2,453,322	354,324	380,000	25,676	Negotiation	Muhammad Aftab, Gujranwala
Two for One Volkman VTS-08	2,807,646	2,453,322	354,324	380,000	25,676	Negotiation	Muhammad Aftab, Gujranwala
Two for One Volkman VTS-08	2,807,646	2,453,322	354,324	380,000	25,676	Negotiation	Muhammad Aftab, Gujranwala
Two for One Volkman VTS-08	2,807,646	2,453,322	354,324	380,000	25,676	Negotiation	Muhammad Aftab, Gujranwala
Two for One Volkman VTS-08	2,807,646	2,453,322	354,324	380,000	25,676	Negotiation	Muhammad Aftab, Gujranwala
Aqua Splicer 4923 B	2,068,023	1,774,565	293,458	400,000	106,542	Negotiation	Muhammad Aftab, Gujranwala
	88,463,528	70,228,816	18,234,712	18,306,500	71,788		
Vehicles							
Road Prince RP 70 LEX - 10 - 7962	42,500	35,605	6,895	7,000	105	Negotiation	Ahmed Ghazali, Lahore
Honda Civic LEA - 07 - 5238	1,533,110	1,420,512	112,598	200,000	87,402	Negotiation	Aftab Usman, Lahore
Toyota Hilux LZW - 3017	1,246,193	1,181,109	65,084	200,000	134,916	Negotiation	Amjad Hanif, Lahore
Suzuki Cultus LEE - 2062	942,100	754,406	187,694	200,000	12,306	Negotiation	Muhammad Rafay Dar, Lahore
Suzuki Cultus LED - 10 - 7193	875,100	734,604	140,496	175,000	34,504	Negotiation	Nadeem Akhtar, Lahore
	4,639,003	4,126,236	512,767	782,000	269,233		
	93,102,531	74,355,052	18,747,479	19,088,500	341,021		

	2018						
	Cost	Accumulated depreciation	Net book value	Disposal proceeds	Gain on disposal	Mode of disposal	Particulars of buyer
	Rupees	*Rupees*	*Rupees*	*Rupees*	*Rupees*		
Plant and machinery							
Drawing RSB-51	1,603,501	1,375,462	228,039	300,000	71,961	Negotiation	Abdul Hafeez, Faisalabad
Looms	18,460,536	14,729,340	3,731,196	3,750,000	18,804	Negotiation	Bismillah Industries, Faisalabad
	20,064,037	16,104,802	3,959,235	4,050,000	90,765		
Vehicles							
Suzuki Cultus	560,950	535,174	25,776	150,000	124,224	Negotiation	Amir Ali, Lahore
Suzuki Cultus	1,051,490	529,390	522,100	400,000	(122,100)	Negotiation	Masood Akhtar, Kasur
Toyota Hilux	918,818	868,305	50,513	150,000	99,487	Negotiation	Abdul Raziq, Peshawar
Toyota Hilux	884,940	824,127	60,813	150,000	89,187	Negotiation	Ghulam Muhammad, Sargodha
Honda Civic	2,000,210	1,576,803	423,407	500,000	76,593	Negotiation	Bilal Riaz, Narowal
Honda Civic	2,166,000	1,395,867	770,133	850,000	79,867	Negotiation	Nadeem Akhtar Bhutta, Lahore
Honda Civic	2,000,210	1,568,501	431,709	500,000	68,291	Negotiation	Moin Amjad, Sheikhupura
Toyota Corolla	1,382,340	1,100,495	281,845	400,000	118,155	Negotiation	Mrs. Mussarat Gul, Sheikhupura
	10,964,958	8,398,662	2,566,296	3,100,000	533,704		
	31,028,995	24,503,464	6,525,531	7,150,000	624,469		

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

		Note	2019	2018
			Rupees	*Rupees*
18.1.3	The depreciation charge for the year has been allocated as follows:			
	Cost of sales	27	**363,279,856**	378,095,353
	Administrative expenses	29	**11,406,840**	8,569,257
			374,686,696	386,664,610

18.2 Capital work in progress

	2019			
	As at July 01, 2018	**Additions**	**Transfers**	**As at June 30, 2019**
	Rupees	***Rupees***	***Rupees***	***Rupees***
Building on freehold land	**2,105,485**	**53,553,712**	**(33,375,046)**	**22,284,151**
Plant and machinery	**861,681**	**484,826,089**	**(471,008,337)**	**14,679,433**
Electric installations	**-**	**12,961,169**	**(12,961,169)**	**-**
	2,967,166	**551,340,970**	**(517,344,552)**	**36,963,584**

	2018			
	As at July 01, 2017	Additions	Transfers	As at June 30, 2018
	Rupees	*Rupees*	*Rupees*	*Rupees*
Building on freehold land	29,126,292	19,229,609	(46,250,416)	2,105,485
Plant and machinery	12,827	47,914,536	(47,065,682)	861,681
Electric installations	-	430,000	(430,000)	-
	29,139,119	67,574,145	(93,746,098)	2,967,166

19 LONG TERM DEPOSITS

These have been deposited with various utility companies. These are classified as 'financial assets at amortized cost' under IFRS 9 which are required to be carried at amortized cost. However, these, being held for an indefinite period with no fixed maturity date, are carried at cost as their amortized cost is impracticable to determine.

		2019	2018
		Rupees	*Rupees*
20	**STORES, SPARES AND LOOSE TOOLS**		
	Stores, spares and loose tools	**93,566,497**	71,765,436
		93,566,497	71,765,436

20.1 It is impracticable to distinguish stores, spares and loose tools, each from the other.

20.2 There are no spare parts held exclusively for capitalization as at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

		Note	2019	2018
			Rupees	*Rupees*
21	**STOCK IN TRADE**			
	Raw material		**2,749,053,891**	3,368,819,505
	Work in process		**123,824,916**	109,149,164
	Finished goods	*21.1*	**372,469,629**	415,133,823
			3,245,348,436	3,893,102,492

21.1 Stock of finished goods includes stock of waste valued at Rs. 867,457 (2018: Rs. 1,414,266). The entire stock of waste is valued at net realizable value.

21.2 Entire stock in trade as at June 30, 2018, with exception of stock of waste, is carried at cost being lower than net realizable value, except as specified in note 21.3.

21.3 Raw material includes cotton valued at net realizable value of Rs. 477.258 million (2018: Rs. nil) which resulting in a write down of Rs. 238.629 million (2018: Rs. nil) recognized in cost of sales.

		Note	2019	2018
			Rupees	*Rupees*
22	**TRADE DEBTS**			
	Local - *unsecured*		**644,959,199**	510,608,960
	Foreign - *secured*	*22.1*	**408,789,625**	445,759,909
			1,053,748,824	956,368,869
	Impairment allowance for expected credit loss	*22.2*	**(82,534,159)**	(30,185,752)
			971,214,665	926,183,117

22.1 These are secured through letters of credit.

		Note	2019	2018
			Rupees	*Rupees*
22.2	**Impairment allowance for expected credit loss**			
	As at beginning of the year		**30,185,752**	30,735,752
	Recognized during the year	*30*	**52,827,206**	-
	Reversed during the year	*31*	**(478,799)**	(550,000)
	As at end of the year		**82,534,159**	30,185,752
23	**ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES**			
	Advances to suppliers		**2,572,444**	39,545,259
	Advances to employees	*23.1*	**16,981,488**	9,184,188
	Prepayments		**2,055,932**	2,096,397
	Security deposits	*23.2*	**97,629,246**	70,031,650
	Letters of credit		**5,350,183**	-
	Other receivables - *unsecured*	*23.3*	**25,318,599**	29,250,627
			149,907,892	150,108,121

23.1 These represent advances to employees against future salaries and post-employment benefits. No advances have been given to any of the directors of the Company.

23.2 These include Rs. 97,629,246 (2018: Rs. 70,026,650) deposited with a banking company against bank guarantees and carry return at rates ranging from 4.5% to 10.25% (2018: 4.5% to 6%) per annum.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

		Note	2019 Rupees	2018 Rupees
23.3	**Particulars of other receivables**			
	Other receivables		**25,418,182**	29,350,210
	Impairment allowance for doubtful receivables		**(99,583)**	(99,583)
			25,318,599	29,250,627
24	**CURRENT TAXATION**			
	Advance income tax/income tax refundable		**487,184,570**	476,113,290
	Income tax payable	*33*	**(131,637,185)**	(141,566,496)
			355,547,385	334,546,794

		2019 Rupees	2018 Rupees
25	**BANK BALANCES**		
	Current accounts - *local currency*	**301,514,357**	139,177,549
	Current accounts - *foreign currency*	**657,638**	650,417
		302,171,995	139,827,966

26 SALES - *NET*

	2019 Local Rupees	2019 Export Rupees	2019 Total Rupees
Yarn	**4,800,479,027**	**3,735,371,016**	**8,535,850,043**
Fabric	**2,258,931,382**	**983,002,096**	**3,241,933,478**
Cotton and polyester	**384,572,664**	**-**	**384,572,664**
Waste and other	**108,394,642**	**-**	**108,394,642**
	7,552,377,715	**4,718,373,112**	**12,270,750,827**
Duty drawback on export	**-**	**76,660,404**	**76,660,404**
Sales tax	**(1,236,402)**	**-**	**(1,236,402)**
	7,551,141,313	**4,795,033,516**	**12,346,174,829**

	2018 Local Rupees	2018 Export Rupees	2018 Total Rupees
Yarn	3,877,187,359	3,455,536,841	7,332,724,200
Fabric	2,285,110,437	327,732,553	2,612,842,990
Cotton and polyester	172,721,930	-	172,721,930
Waste and other	89,772,222	-	89,772,222
	6,424,791,948	3,783,269,394	10,208,061,342
Duty drawback on export	-	49,794,756	49,794,756
Sales tax	(442,059)	-	(422,059)
	6,424,369,889	3,833,064,150	10,257,434,039

26.1 Payments from customers against sale of goods is typically due at the end of credit period ranging from 30 days to 90 days.

26.2 Sales for the year include Rs. 6,157,722 (2018: Rs. 3,287,317) against advances from customers at the beginning of the year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

		Note	2019 Rupees	2018 Rupees
27	**COST OF SALES**			
	Raw material consumed	27.1	**7,974,868,993**	6,753,923,305
	Stores, spares and loose tools consumed		**262,514,335**	233,814,708
	Salaries, wages and benefits	27.2	**575,302,020**	614,807,904
	Fee and subscription		**391,050**	258,945
	Fuel and power		**1,061,744,310**	979,631,752
	Insurance		**25,647,843**	15,749,565
	Vehicle running and maintenance		**9,220,803**	8,756,953
	Rent, rates and taxes		**352,026**	469,971
	Repair and maintenance		**15,095,080**	8,187,710
	Communication		**831,484**	824,396
	Traveling, conveyance and entertainment		**1,483,116**	1,617,466
	Depreciation	18.1.3	**363,279,856**	378,095,353
	Others		**2,295,857**	2,050,288
	Manufacturing cost		**10,293,026,773**	8,998,188,316
	Work in process			
	As at beginning of the year		**109,149,164**	93,614,949
	As at end of the year		**(123,824,916)**	(109,149,164)
			(14,675,752)	(15,534,215)
	Cost of goods manufactured		**10,278,351,021**	8,982,654,101
	Finished goods			
	As at beginning of the year		**415,133,823**	410,342,285
	Purchased during the year		**29,892,826**	42,576,810
	Loss due to theft		**-**	(5,859,629)
	As at end of the year		**(372,469,629)**	(415,133,823)
			72,557,020	31,925,643
	Cost of cotton/polyester sold	27.3	**382,535,311**	171,339,533
			10,733,443,352	9,185,919,277
27.1	**Raw material consumed**			
	As at beginning of the year		**3,368,819,505**	1,317,562,405
	Purchased during the year		**7,738,277,196**	8,985,311,473
	Sold during the year		**(383,173,817)**	(180,131,068)
	As at end of the year		**(2,749,053,891)**	(3,368,819,505)
			7,974,868,993	6,753,923,305

27.2 These include charge in respect of employees retirement benefits amounting to Rs. 31,767,376 (2018: Rs. 49,409,972).

		2019 Rupees	2018 Rupees
27.3	**Cost of cotton/polyester sold**		
	Cost of purchase	**379,099,931**	169,188,756
	Salaries, wages and benefits	**99,000**	432,000
	Loading and unloading	**26,045**	11,389
	Insurance	**856,061**	362,174
	Finance cost	**2,454,274**	1,345,214
		382,535,311	171,339,533

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

		Note	2019 Rupees	2018 Rupees
28	**DISTRIBUTION COST**			
	Export			
	Ocean freight and forwarding		**83,212,213**	78,693,589
	Export development surcharge		**12,257,010**	9,171,630
	Sales promotion		**70,705**	-
	Commission		**82,525,501**	94,029,563
	Others		**1,058,473**	1,101,365
			179,123,902	182,996,147
	Local			
	Inland transportation		**3,156,432**	3,178,034
	Commission		**40,409,062**	40,926,317
	Others		**711,709**	292,955
			44,277,203	44,397,306
			223,401,105	227,393,453
29	**ADMINISTRATIVE EXPENSES**			
	Directors' remuneration	*44*	**23,400,000**	23,400,000
	Salaries and benefits	*29.1*	**67,290,662**	60,959,535
	Traveling, conveyance and entertainment		**4,863,932**	5,462,209
	Printing and stationery		**744,524**	2,052,134
	Communication		**1,190,675**	1,225,747
	Vehicles running and maintenance		**6,111,665**	4,777,503
	Legal and professional		**1,081,895**	1,012,500
	Auditor's remuneration	*29.2*	**1,538,500**	1,448,500
	Fee and subscription		**4,146,577**	2,722,554
	Repair and maintenance		**-**	304,750
	Depreciation	*18.1.3*	**11,406,840**	8,569,257
	Rent, rates and utilities		**9,033,579**	7,578,099
	Oracle license and support fee		**334,272**	856,216
	Others		**899,221**	1,345,676
			132,042,342	121,714,680

29.1 These include charge in respect of employees retirement benefits amounting to Rs. 7,085,738 (2018: Rs. 5,545,951).

		Note	2019 Rupees	2018 Rupees
29.2	**Auditor's remuneration**			
	Annual statutory audit		**1,350,000**	1,260,000
	Limited scope review		**128,500**	128,500
	Review report on corporate governance		**50,000**	50,000
	Out of pocket expenses		**10,000**	10,000
			1,538,500	1,448,500

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

		Note	2019 Rupees	2018 Rupees
30	**OTHER EXPENSES**			
	Loss on financial instruments			
	Impairment allowance for expected credit losses	22.2	**52,827,206**	-
	Other expenses			
	Workers' Profit Participation Fund	13.1	**42,075,183**	27,111,848
	Workers' Welfare Fund	13.2	**8,862,261**	7,900,524
	Donations		**500,000**	500,000
			51,437,444	35,512,372
			104,264,650	35,512,372
31	**OTHER INCOME**			
	Gain on financial instruments			
	Reversal of impairment allowance for expected credit losses	22.2	**478,799**	550,000
	Exchange gain		**205,141**	123,603
	Return on bank deposits		**5,779,946**	2,532,055
			6,463,886	3,205,658
	Other income			
	Gain on disposal of property, plant and equipment	18.1.3	**341,021**	624,469
			6,804,907	3,830,127
32	**FINANCE COST**			
	Interest/markup/profit on borrowings:			
	long term finances		**79,263,775**	74,703,343
	short term borrowings		**265,648,710**	90,196,589
			344,912,485	164,899,932
	Interest on workers' profit participation fund	13.1	**2,242,037**	2,288,367
	Bank charges and commission	32.2	**24,349,584**	19,599,865
			371,504,106	186,788,164

32.1 Interest/markup/profit amounting to Rs. 2,025,552 (2018: Rs. 181,512) was capitalized during the year as part of cost of property, plant and equipment.

32.2 These include letters of credit discounting charges amounting to Rs. 21,750,527 (2018: Rs. 16,137,695).

		Note	2019 Rupees	2018 Rupees
33	**PROVISION FOR CURRENT TAX**			
	Current year	33.1	**131,637,185**	141,566,496
	Prior year		**(1,475,954)**	(7,929,134)
			130,161,231	133,637,362

33.1 Provision for current tax has been made in accordance with Section 18 and 154 of the Income Tax Ordinance, 2001 ['the Ordinance'].

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

		Unit	2019	2018
33.2	**Reconciliation between average effective tax rate and applicable tax rate**			
	Profit before taxation	*Rupees*	**788,324,181**	503,936,220
	Provision for taxation	*Rupees*	**152,899,408**	135,461,026
	Average effective tax rate	%	**19.40**	26.88
	Tax effects of:			
	Adjustments for prior years	%	**0.19**	1.57
	Income chargeable to tax at different rates	%	**(6.37)**	1.00
	Deferred taxation	%	**(2.88)**	(0.36)
	Tax credit	%	**18.67**	0.91
	Applicable tax rate	%	**29.00**	30.00

33.3 Assessments upto assessment year 2002-2003 have been finalized under the relevant provisions of the Repealed Income Tax Ordinance, 1979.

33.4 Assessments upto tax year 2018 have been finalized under relevant provisions of Income Tax Ordinance, 2001.

		Note	2019 Rupees	2018 Rupees
34	**PROVISION FOR DEFERRED TAX**			
	Attributable to origination and reversal of temporary differences		**22,738,177**	8,938,539
	Attributable to changes in tax rates		**-**	(7,114,875)
			22,738,177	1,823,664

		Unit	2019	2018
35	**EARNINGS PER SHARE - *BASIC AND DILUTED***			
	Profit attributable to ordinary shareholders	*Rupees*	**635,424,773**	368,475,194
	Weighted average number of ordinary shares outstanding during the year	*No. of shares*	**6,432,000**	6,432,000
	Earnings per share - *basic and diluted*	*Rupees*	**98.79**	57.29

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

		2019	2018
		Rupees	*Rupees*
36	**CASH GENERATED FROM/(USED IN) OPERATIONS**		
	Profit before taxation	**788,324,181**	503,936,220
	Adjustments for non-cash and other items		
	Interest/markup/profit on borrowings	**344,912,485**	164,899,932
	Gain on disposal of property, plant and equipment	**(341,021)**	(624,469)
	Foreign exchange gain	**(205,141)**	-
	Impairment allowance for expected credit losses	**52,827,206**	-
	Reversal of impairment allowance for expected credit losses	**(478,799)**	-
	Provision for employees retirement benefits	**38,853,114**	54,956,386
	Depreciation	**374,686,696**	386,664,610
		810,254,540	605,896,459
		1,598,578,721	1,109,832,679
	Changes in working capital		
	Stores, spares and loose tools	**(21,801,061)**	619,374
	Stock in trade	**647,754,056**	(2,071,582,853)
	Trade debts	**(97,379,955)**	(403,023,983)
	Advances, prepayments and other receivables	**200,229**	(58,611,837)
	Sales tax refundable	**(35,252,966)**	84,600,719
	Trade and other payables	**56,247,833**	140,375,738
	Long term payables - *Sindh Infrastructure Cess*	**14,723,228**	20,099,144
	Long term payables - *Gas Infrastructure Development Cess*	**24,835,538**	43,766,341
		589,326,902	(2,243,757,357)
	Cash generated from/(used in) operations	**2,187,905,623**	(1,133,924,678)
37	**CASH AND CASH EQUIVALENTS**		
	Bank balances	**302,171,995**	139,827,966
		302,171,995	139,827,966

38 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties from the Company's perspective comprise associated companies and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and includes the Chief Executive and Directors of the Company. The details of Company's related parties, with whom the Company had transactions during the year or has balances outstanding as at the reporting date are as follows:

Name of related party	**Nature of relationship**	**Basis of relationship**	**Aggregate %age of shareholding in the Company**
Faisal Spinning Mills Limited	Associated company	Common directorship	18.49%
Bhanero Textiles Mills Limited	Associated company	Common directorship	N/A
Bhanero Energy Limited	Associated company	Common directorship	N/A
Admiral (Private) Limited	Associated company	Common directorship	N/A
Mohammad Amin	Key management personnel	Chief executive officer	4.39%
Adil Shakeel	Key management personnel	Director	4.12%
Mohammad Shaheen	Key management personnel	Director	1.07%

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

Transactions with key management personnel are limited to payment of short term employee benefits only. The Company in the normal course of business carries out various transactions with associated companies and continues to have a policy whereby all such transactions are carried out on commercial terms and conditions which are equivalent to those prevailing in an orderly transaction between market participants at the date of transaction.

There are no balances with related parties as at the reporting date. Names, basis of relationship, details of transactions with associated undertakings & related parties is as follows:

		2019	2018
		Rupees	*Rupees*
38.1 Transactions with related parties			
Nature of relationship	**Nature of transactions**		
Associated companies	Sale of yarn	**1,042,970,227**	937,798,495
	Sale of fabric	**6,183,657**	-
	Sale of cotton	**376,089,802**	148,806,516
	Purchase of cotton	**43,267,548**	142,455,718
	Purchase of yarn	**299,491,637**	276,459,700
	Purchase of fabric	**6,196,798**	24,960,505
	Purchase of machinery	**-**	409,500
	Purchase of electricity	**103,602,079**	644,403,256
	Services received	**309,000**	309,000
Key management personnel	Short term employee benefits	**23,400,000**	23,400,000

39 FINANCIAL INSTRUMENTS

The carrying amounts of the Company's financial instruments by class and category are as follows:

	Note	2019	2018
		Rupees	*Rupees*
39.1 Financial assets			
Financial assets at amortized cost			
Long term deposits	*19*	**14,394,095**	14,144,095
Trade debts	*22*	**971,214,665**	926,183,117
Advances to employees	*23*	**16,981,488**	9,184,188
Security deposit	*23*	**97,629,246**	70,031,650
Bank balances	*25*	**302,171,995**	139,827,966
		1,402,391,489	1,159,371,016
39.2 Financial liabilities			
Financial liabilities at amortized cost			
Long term finances	*9*	**1,969,798,943**	1,846,458,905
Short term borrowings	*15*	**2,190,946,621**	3,146,462,335
Accrued interest/markup/profit	*14*	**75,540,323**	38,781,113
Trade creditors	*13*	**171,238,840**	225,895,934
Accrued liabilities	*13*	**286,681,689**	203,440,186
Unclaimed dividend	*13*	**5,053,216**	3,877,973
		4,699,259,632	5,464,916,446

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

40 FINANCIAL RISK EXPOSURE AND MANAGEMENT

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk, interest rate risk and price risk). These risks affect revenues, expenses and assets and liabilities of the Company.

The Board of Directors has the overall responsibility for establishment and oversight of risk management framework. The Board of Directors has developed a risk policy that sets out fundamentals of risk management framework. The risk policy focuses on unpredictability of financial markets, the Company's exposure to risk of adverse effects thereof and objectives, policies and processes for measuring and managing such risks. The management team of the Company is responsible for administering and monitoring the financial and operational financial risk management throughout the Company in accordance with the risk management framework.

The Company's exposure to financial risks, the way these risks affect the financial position and performance, and forecast transactions of the Company and the manner in which such risks are managed is as follows:

40.1 Credit risk

Credit risk is the risk of financial loss to the Company, if the counterparty to a financial instrument fails to meet its obligations.

40.1.1 Credit risk management practices

In order to minimise credit risk, the Company has adopted a policy of only dealing with credit worthty counterparties and limiting significant exposure to any single counterparty. The Company only transacts with counterparties that have reasonably high external credit ratings. Where an external rating is not available, the Company uses an internal credit risk grading mechanism. Particularly for customers, a dedicated team responsible for the determination of credit limits uses a credit scoring system to assess the potential as well as existing customers' credit quality and assigns or updates credit limits accordingly. The ageing profile of trade debts and individually significant balances, along with collection activities are reviewed on a regular basis. High risk customers are identified and restrictions are placed on future trading, including suspending future shipments and administering dispatches on a prepayment basis or confirmed letters of credit.

The Company reviews the recoverable amount of each financial asset on an individual basis at each reporting date to ensure that adequate loss allowance is made in accordnace with the assessment of credit risk for each financial asset.

The Company considers a financial asset to have low credit risk when the asset has reasonably high external credit rating or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has no past due amounts or otherwise there is no significant increase in credit risk if the amounts are past due in the normal course of business based on history with the counterparty.

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial asset at the reporting date with the risk of a default occurring on the financial asset at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Irrespective of the outcome of the above assessment, the Company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Company has reasonable and supportable information that demonstrates otherwise. This is usually the case with various customers of the Company where the Company has long standing business relationship with these customers and any amounts that are past due by more than 30 days in the normal course of business are considered 'performing' based on history with the customers. Therefore despite the foregoing, the Company considers some past due trade debts to have low credit risk where the debtor has a good history of meeting its contractual cash flow obligations and is expected to maintain the same in future.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk.

The Company considers 'default' to have occurred when the financial asset is credit-impaired. A financial asset is ocnsidered to be credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

The Company writes off a financial asset when there is information indicating that the counter-party is in severe financial condition and there is no realistic prospect of recovery.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

The Company's credit risk grading framework comprises the following categories:

Category	Description	Basis for recognizing ECL
Performing	The counterparty has low credit risk	Trade debts: Lifetime ECL Other assets: Twelve month ECL
Doubtful	Credit risk has increased significantly since initial recognition	Lifetime ECL
In default	There is evidence indicating the assets is credit-impaired	Lifetime ECL
Write-off	There is no realistic prospect of recovery	Amount is written-off

40.1.2 Exposure to credit risk

Credit risk principally arises from debt instruments held by the Company as at the reporting date. The maximum exposure to credit risk as at the reporting date is as follows:

	Note	**2019**	2018
		Rupees	*Rupees*
Financial assets at amortized cost			
Long term deposits	*19*	**14,394,095**	14,144,095
Trade debts	*22*	**1,053,748,824**	956,368,869
Advances to employees	*23*	**16,981,488**	9,184,188
Security deposits	*23*	**97,629,246**	70,031,650
Bank balances	*25*	**302,171,995**	139,827,966
		1,484,925,648	1,189,556,768

40.1.3 Credit quality and impairment

Credit quality of financial assets is assessed by reference to external credit ratings, where available, or to internal credit risk grading. The credit quality of the Company's financial assets exposed to credit risk is as follows:

	Note	External credit rating	Internal credit risk grading	12-month or life-time ECL	Gross carrying amount	Loss allowance
Long term deposits	*19*	N/A	Performing	12-month ECL	14,394,095	-
Trade debts	*22*	N/A	Performing	Lifetime ECL	1,022,533,222	51,318,557
	22	N/A	In-default	Lifetime ECL	31,215,602	31,215,602
					1,053,748,824	82,534,159
Advances to employees	*23*	N/A	Performing	Lifetime ECL	16,981,488	-
Security deposit	*23*	A1 - A1+	N/A	12-month ECL	97,629,246	-
Bank balances	*25*	A1 - A1+	N/A	12-month ECL	302,171,995	-
					1,484,925,648	82,534,159

(a) **Long term deposits**

Long term deposits comprise security deposits placed with various utility companies. These deposits are placed for an indefinite period without any fixed maturity and will be due for refund only if the Company ceases to use the underlying services. Therefore, no credit risk has been associated with these financial assets and acordingly no loss allownace has been made

(b) **Trade debts**

For trade debts, the Company has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. The Company determines the expected credit losses on trade debts by using internal credit risk gradings. As at the reporting date, trade debts amounting to Rs. 31.22 million are considered to be credit impaired and thus 'in-default'. All other trade debts are considered 'performing' including those past due amounting to Rs. 179.36 million as there is no significant increase in credit risk in respect of these debts since initial recognition. The ageing analysis of trade debts as at the reporting date is as follows:

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

	Note	2019	2018
		Rupees	*Rupees*
Neither past due nor impaired		**843,169,570**	487,462,287
Past due by upto 30 days		**122,247,154**	301,620,981
Past due by 31 days to 180 days		**56,081,276**	136,531,630
Past due by 180 days or more		**32,250,824**	30,753,971
		1,053,748,824	956,368,869

(c) **Advanes to employees**

Advances to employees have been given against future salaries and post-employment benefits. Accordingly, these are considered to have no credit risk.

(d) **Security deposits**

These are deposited with a banking company against bank guarantees. The bankers of the Company have reasonably high credit ratings as determined by various indpendent credit rating agencies. Due to long standing business relationships with these counterparties and considering their strong financial standing, management does not expect any credit loss.

(e) **Bank balances**

The bankers of the Company have reasonably high credit ratings as determined by various indpendent credit rating agencies. Due to long standing business relationships with these counterparties and considering their strong financial standing, management does not expect any credit loss.

40.1.4 Concentrations of credit risk

There are no significant concentrations of credit risk, except for trade debts. The Company's nil (2018: one) significant customers account for nil (2018: Rs. 88.99 million) of trade debts as at the reporting date, apart from which, exposure to any single customer does not exceed 10% (2018: 10%) of trade debts as at the reporting date. These significant customers have long standing business relationships with the Company and have a good payment record and accordingly non-performance by these customers is not expected.

40.1.5 Collateral held

The Company does not hold any collateral to secure its financial assets with the exception of trade debts amounting to Rs. 408.79 million (2018: Rs. 445.76 million), which are partially secured through letters of credit and advances to employees which are secured against future salaries and post-employment benefits.

40.1.6 Changes in impairment allowance for expected credit losses

The changes in impairment allowance for expected credit losses have been presented in note 22.2.

40.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

40.2.1 Liquidity risk management

The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company monitors cash flow requirements and produces cash flow projections for the short and long term. Typically, the Company ensures that it has sufficient cash on demand to meet expected operational cash flows, including servicing of financial obligations. This includes maintenance of balance sheet liquidity ratios, debtors and creditors concentration both in terms of overall funding mix and avoidance of undue reliance on large individual customer. The Company also maintains various lines of credit with banking companies.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

40.2.2 Exposure to liquidity risk

The following presents the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The analysis 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 and includes both interest/markup/profit and principal cash flows. To the extent that interest/markup/profit flows are floating rate, the undiscounted amount is derived from interest/markup/profit rate curves at the reporting date.

	2019				
	Carrying amount *Rupees*	**Contractual cash flows** *Rupees*	**One year or less** *Rupees*	**One to three years** *Rupees*	**More than three years** *Rupees*
Long term finances	**1,969,798,943**	**2,198,064,824**	**441,345,020**	**1,091,925,173**	**664,794,631**
Short term borrowings	**2,190,946,621**	**2,205,928,306**	**2,205,928,306**	**-**	**-**
Accrued interest/markup/profit	**75,540,323**	**75,540,323**	**75,540,323**	**-**	**-**
Trade creditors	**171,238,840**	**171,238,840**	**171,238,840**	**-**	**-**
Accrued liabilities	**286,681,689**	**286,681,689**	**286,681,689**	**-**	**-**
Unclaimed dividend	**5,053,216**	**5,053,216**	**5,053,216**	**-**	**-**
	4,699,259,632	**4,942,507,198**	**3,185,787,394**	**1,091,925,173**	**664,794,631**

	2018				
	Carrying amount *Rupees*	Contractual cash flows *Rupees*	One year or less *Rupees*	One to three years *Rupees*	More than three years *Rupees*
Long term finances	1,846,458,905	2,043,003,466	460,257,612	1,096,150,525	486,595,329
Short term borrowings	3,146,462,335	3,182,931,568	3,182,931,568	-	-
Accrued interest/markup/profit	38,781,113	38,781,113	38,781,113	-	-
Trade creditors	225,895,934	225,895,934	225,895,934	-	-
Accrued liabilities	203,440,186	203,440,186	203,440,186	-	-
Unclaimed dividend	3,877,973	3,877,973	3,877,973	-	-
	5,464,916,446	5,697,930,240	4,115,184,386	1,096,150,525	486,595,329

40.3 Market risk

40.3.1 Currency risk

Currency risk is the risk that fair values or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises from transactions and resulting balances that are denominated in a currency other than functional currency.

(a) Currency risk management

The Company manages its exposure to currency risk through continuous monitoring of expected/forecast committed and non-committed foreign currency payments and receipts. Reports on forecast foreign currency transactions, receipts and payments are prepared on monthly basis, exposure to currency risk is measured and appropriate steps are taken to ensure that such exposure is minimized while optimizing return. This includes matching of foreign currency liabilities/payments to assets/receipts and using source inputs in foreign currency.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

(b) *Exposure to currency risk*

The Company's exposure to currency risk as at the reporting date is as follows:

	2019	2018
	Rupees	*Rupees*
Financial assets		
Trade debts		
USD	**408,789,625**	445,759,909
Bank balances		
USD	**657,638**	650,417
	409,447,263	446,410,326
Financial liabilities	**-**	-
Net balance sheet exposure	**409,447,263**	446,410,326
Foreign currency commitments		
CHF	**(119,129,245)**	-
EUR	**(18,788,320)**	(4,208,855)
JPY	**-**	(10,070,800)
USD	**(251,094,970)**	(1,722,926,727)
	(389,012,535)	(1,737,206,382)
Net exposure	**20,434,728**	(1,290,796,056)

(c) *Exchange rates applied as at the reporting date*

The following spot exchange rates were applied as at the reporting date.

	2019	,2018
	Rupees	*Rupees*
CHF	**164.3162**	-
JPY	**-**	1.0991
Euro	**182.3234**	141.5700
USD	**160.0521**	121.6000

(d) *Sensitivity analysis*

A five percent appreciation in Pak Rupee against foreign currencies would have decreased profit for the year and equity as at the reporting date by Rs. 20.472 million (2018: Rs. 22.321 million). A five percent depreciation in Pak Rupee would have had an equal but opposite effect on profit for the year and equity. The analysis assumes that all other variables, in particular interest rates, remain constant and ignores the impact, if any, on provision for taxation for the year.

40.3.2 Interest rate risk

Interest rate risk is the risk that fair values or future cash flows of a financial instrument will fluctuate because of changes in interest rates.

(a) *Interest rate risk management*

The Company manages interest rate risk by analysing its interest rate exposure on a dynamic basis. Cash flow interest rate risk is managed by simulating various scenarios taking into consideration refinancing, renewal of existing positions and alternative financing. Based on these scenarios, the Company calculates impact on profit after taxation and equity of defined interest rate shift, mostly 100 basis points.

(b) *Interest/markup/profit bearing financial instruments*

The effective interest/markup/profit rates for interest/markup/profit bearing financial instruments are mentioned in relevant notes to the financial statements. The Company's interest/markup/profit bearing financial instruments as at the reporting date are as follows:

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

	2019	2018
	Rupees	*Rupees*
Fixed rate instruments		
Financial assets	-	-
Financial liabilities	**1,616,433,778**	1,311,114,392
Variable rate instruments		
Financial assets	**97,629,246**	70,031,650
Financial liabilities	**2,544,311,786**	3,681,806,848

(c) Fair value sensitivity analysis for fixed rate instruments

The Company does not account for its fixed rate instruments at fair value

(d) Cash flow sensitivity analysis for variable rate instruments

An increase of 100 basis points in interest rates as at the reporting date would have decreased profit for the year and equity as at the reporting date by Rs. 24.47 million (2018: Rs. 36.12 million). A decrease of 100 basis points would have had an equal but opposite effect on profit and equity. The analysis assumes that all other variables, in particular foreign exchange rates, remain constant and ignores the impact, if any, on provision for taxation for the year.

40.3.3 Other price risk

Other price risk represents the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or currency risk, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments. The Company is not exposed to price risk since the fair values of the Company's financial instruments are not based on market prices.

41 CAPITAL MANAGEMENT

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital and level of dividends to ordinary shareholders. The Company seeks to keep a balance between the higher return that might be possible with higher level of borrowings and the advantages and security afforded by a sound capital position. The Company monitors capital using the gearing ratio which is debt divided by total capital employed. Debt comprises long term finances including current maturity. Total capital employed includes total equity as shown in the statement of financial position plus debt. The Company's strategy is to maintain an optimal capital structure in order to minimize cost of capital. Gearing ratio of the Company as at the reporting date is as follows:

	Unit	2019	2018
Total debt	*Rupees*	**1,969,798,943**	1,846,458,905
Total equity	*Rupees*	**3,755,088,762**	3,251,804,648
Total capital employed		**5,724,887,705**	5,098,263,553
Gearing	*% age*	**34.41**	36.22

There were no changes in the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements, except those related to maintenance of debt covenants, commonly imposed by the providers of debt finance.

42 FAIR VALUE MEASUREMENTS

42.1 Financial Instruments

There are no recurring or non-recurring fair value measurements as at the reporting date. The management considers the carrying amount of all the financial instruments to approximate their fair values.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

42.2 Assets and liabilities other than financial instruments.

None of the assets and liabilities other than financial instruments are measured at fair value.

	2019	2018
	Rupees	*Rupees*
43 RESTRICTION ON TITLE AND ASSETS PLEDGED/MORTGAGED AS SECURITY		
Mortgages and charges		
Charge over current assets	**8,631,000,000**	6,289,666,667
Charge over fixed assets	**4,012,000,000**	3,478,000,000

44 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged to profit or loss in respect of chief executive, directors and executives on account of managerial remuneration, allowances and perquisites, post employment benefits and the number of such directors and executives is as follows:

	2019		
	Chief Executive	**Directors**	**Executives**
	Rupees	***Rupees***	***Rupees***
Managerial remuneration	**7,800,000**	**15,600,000**	**24,144,345**
Allowances and perquisites	**-**	**-**	**4,104,455**
Post employment benefits	**-**	**-**	**3,418,864**
	7,800,000	**15,600,000**	**30,228,250**
Number of persons	**1**	**2**	**11**

	2018		
	Chief Executive	Directors	Executives
	Rupees	*Rupees*	*Rupees*
Managerial remuneration	7,800,000	15,600,000	18,412,073
Allowances and perquisites	-	-	10,828,750
Post employment benefits	-	-	2,402,895
	7,800,000	15,600,000	31,643,718
Number of persons	1	2	9

45 NON-CASH INVESTING AND FINANCING ACTIVITIES

There were no non-cash investing and financing activities during the year.

46 EVENTS AFTER THE REPORTING PERIOD

The Board of Directors in their meeting held on September 26, 2019 has proposed dividend on ordinary shares at Rs. 19.80 per ordinary share of Rs. 10 each. The proposed dividend is subject to approval of the Company's shareholders in the forthcoming annual general meeting and thus has not been included as a liability in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

47 SEGMENT INFORMATION

47.1 Products and services from which reportable segments derive their revenues

Information reported to the Company's chief operating decision maker for the purpose of resource allocation and assessment of segment performance is focused on type of goods supplied. The Company's reportable segments are therefore as follows:

Segment	**Product**
Spinning	Yarn
Weaving	Fabric

Information regarding Company's reportable segments is presented below.

47.2 Information about reportable segments

	2019		
	Spinning *Rupees*	**Weaving** *Rupees*	**Total** *Rupees*
Revenue from external customers	**9,086,649,297**	**3,259,525,532**	**12,346,174,829**
Intersegment revenues	**-**	**256,534,320**	**256,534,320**
Depreciation	**279,759,602**	**94,927,094**	**374,686,696**
Segment results	**988,942,630**	**275,150,307**	**1,264,092,937**
Segment assets	**7,056,471,785**	**1,702,138,421**	**8,758,610,206**
Segment liabilities	**618,718,291**	**202,603,522**	**821,321,813**
Interest income	**5,779,946**	**-**	**5,779,946**
Additions to non-current assets	**570,821,259**	**8,120,321**	**578,941,580**
Disposals of property, plant and equipment	**18,471,513**	**275,966**	**18,747,479**

	2018		
	Spinning *Rupees*	Weaving *Rupees*	Total *Rupees*
Revenue from external customers	7,621,909,996	2,635,524,043	10,257,434,039
Intersegment revenues	193,152,393	-	193,152,393
Depreciation	284,390,643	102,273,967	386,664,610
Segment results	666,250,058	59,986,698	726,236,756
Segment assets	7,294,516,948	1,662,110,515	8,956,627,463
Segment liabilities	501,257,156	256,037,021	757,294,177
Interest income	2,519,350	12,705	2,532,055
Additions to non-current assets	78,132,456	12,719,324	90,851,780
Disposals of property, plant and equipment	2,246,459	4,279,072	6,525,531

The accounting policies of the reportable segments are the same as the Company's accounting policies. Segment results represent operating profit earned by the segment. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

47.3 Reconciliations of reportable segment information

47.3.1 Segment revenues

	2018		
	Spinning *Rupees*	**Weaving** *Rupees*	**Total** *Rupees*
Total for reportable segments	**9,086,649,297**	**3,516,059,852**	**12,602,709,149**
Inter-segment revenues	**-**	**(256,534,320)**	**(256,534,320)**
Total for the Company	**9,086,649,297**	**3,259,525,532**	**12,346,174,829**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

	2018		
	Spinning *Rupees*	Weaving *Rupees*	Total *Rupees*
Total for reportable segments	7,815,062,389	2,635,524,043	10,450,586,432
Inter-segment revenues	(193,152,393)	-	(193,152,393)
Total for the Company	7,621,909,996	2,635,524,043	10,257,434,039

46.3.2 Segment assets

	2019		
	Spinning ***Rupees***	**Weaving** ***Rupees***	**Total** ***Rupees***
Total for reportable segments	**7,056,471,785**	**1,702,138,421**	**8,758,610,206**
Unallocated assets			
Long term deposits			**14,394,095**
Current taxation			**355,547,385**
Total for the Company	**7,056,471,785**	**1,702,138,421**	**9,128,551,686**

	2018		
	Spinning *Rupees*	Weaving *Rupees*	Total *Rupees*
Total for reportable segments	7,294,516,948	1,662,110,515	8,956,627,463
Unallocated assets			
Long term deposits			14,144,095
Current taxation			334,546,794
Total for the Company	7,294,516,948	1,662,110,515	9,305,318,352

46.3.3 Segment liabilities

	2019		
	Spinning ***Rupees***	**Weaving** ***Rupees***	**Total** ***Rupees***
Total for reportable segments	**618,718,291**	**202,603,522**	**821,321,813**
Un-allocated liabilities			
Long term finances			**1,969,798,943**
Deferred taxation			**243,408,108**
Short term borrowings			**2,190,946,621**
Accrued interest/markup/profit			**75,540,323**
Workers' Profit Participation Fund			**42,075,183**
Workers' Welfare Fund			**25,318,717**
Unclaimed dividend			**5,053,216**
Total for the Company			**5,373,462,924**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

	2018		
	Spinning	Weaving	Total
	Rupees	*Rupees*	*Rupees*
Total for reportable segments	501,257,156	256,037,021	757,294,177
Un-allocated liabilities			
Long term finances			1,846,458,905
Deferred taxation			217,070,897
Short term borrowings			3,146,462,335
Accrued interest/markup/profit			38,781,113
Workers' Profit Participation Fund			27,111,848
Workers' Welfare Fund			16,456,456
Unclaimed dividend			3,877,973
Total for the Company			6,053,513,704

47.4 Geographical information

The Company's operations are not distributed geographically.

47.5 Information about significant customers

There is no single significant external customer to whom sales in excess of 10% of the Company's total sales were made during the year.

48 SHARES IN THE COMPANY HELD BY ASSOCIATED COMPANIES

Faisal Spinning Mills Limited, an associated company, holds 1,189,160 (2018: 1,189,160) ordinary shares of Rs. 10 each in the Company.

49 PLANT CAPACITY AND ACTUAL PRODUCTION

	Unit	**2019**	2018
Spinning			
Number of spindles installed	*No.*	**68,640**	68,640
Plant capacity on the basis of utilization converted into 20s count	*Kgs'000*	**23,405**	23,405
Actual production converted into 20s count	*Kgs'000*	**25,285**	25,240
Weaving			
Number of looms installed	*No.*	**140**	140
Plant capacity on the basis of utilization converted into 50 picks	*Mtrs'000*	**29,355**	20,352
Actual production converted into 50 picks	*Mtrs'000*	**25,773**	26,942

It is difficult to precisely compare production capacity and the resultant production converted into base count in the textile industry since it fluctuates widely depending on various factors such as count of yarn spun, raw materials used, spindle speed and twist, picks etc. It would also vary according to the pattern of production adopted in a particular year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

50 NUMBER OF EMPLOYEES

	2019	2018
Total number of employees	**1,344**	1,352
Average number of employees	**1,340**	1,350

51 RECOVERABLE AMOUNTS AND IMPAIRMENT

As at the reporting date, recoverable amounts of all assets/cash generating units are equal to or exceed their carrying amounts, unless stated otherwise in these financial statements.

52 GENERAL

52.1 Figures have been rounded off to the nearest rupee.

52.2 Comparative figures have been rearranged and reclassified, where necessary, for the purpose of comparison. However, there were no significant reclassifications during the year.

Karachi:
Date: 26th September 2019

Muhammad Amin
Chief Executive

Mohammad Salim
Director

Abdul Basit Janjua
Chief Financial Officer

PATTERN OF SHAREHOLDING
AS AT JUNE 30, 2019

NUMBERS OF SHAREHOLDERS	SHARE HOLDING FROM	SHARE HOLDING TO	TOTAL SHARES HELD
366	1	100	12,140
162	101	500	63,052
28	501	1000	25,280
43	1001	5000	115,300
3	5001	10000	24,144
7	10001	15000	89,968
2	15001	20000	37,200
1	20001	25000	20,500
2	25001	30000	60,000
5	40001	45000	209,700
2	45001	50000	97,500
1	60001	65000	63,900
2	65001	70000	136,301
2	70001	75000	143,530
3	90001	95000	280,485
3	95001	100000	294,500
1	100001	105000	103,000
1	125001	130000	126,100
1	130001	135000	135,000
2	135001	140000	273,700
1	160001	165000	163,200
1	190001	195000	191,951
1	235001	240000	235,196
3	265001	270000	798,493
1	280001	285000	282,400
1	330001	335000	330,400
1	390001	395000	393,900
1	440001	445000	536,000
1	1185001	1190000	1,189,160
648			**6,432,000**

* Note: The slabs representing nil holding have been omitted.

LIST OF SHARE HOLDERS AS AT JUNE 30, 2019

Sr #	Shareholder Category	Percentage	No. of Shares
1	**ASSOCIATED COMPANIES UNDERTAKINGS AND RELATED PARTIES**		
	M/S. FAISAL SPINNING MILLS LTD	18.49	1,189,160
	MR. MUHAMMAD SHAKEEL	0.47	30,000
	MR. MUHAMMAD SHARIF	0.04	2,500
	MR. FARRUKH SALEEM	1.41	91,000
	MR. YOUSUF SALEEM	1.96	126,100
	MR. SAQIB SALEEM	1.47	94,700
	MR. MUHAMMAD QASIM	4.17	268,100
	MR. FAISAL SHAKEEL	4.12	265,196
	MR. HAMZA SHAKEEL	4.12	265,197
	MR. ABDULLAH BILAL	1.53	98,100
	MR. UMER KHURRAM	0.04	2,500
	MRS. NAZLI BEGUM	3.66	235,196
	MRS. SABA YOUSUF	1.80	116,094
	MRS. SABA SAQIB	2.29	147,494
	MRS. SADAF FARRUKH	2.35	151,194
	MRS. SUMBUL QASIM	1.09	70,285
2	**CEO, DIRECTORS AND THEIR SPOUSES AND MINOR CHILDREN**		
	MR. MUHAMMAD SHAHEEN	1.07	69,000
	MR. MUHAMMAD SALEEM	0.78	50,000
	MR. KHURRAM SALEEM	0.99	63,900
	MR. IQBAL MEHBOOB VOHRA	0.04	2,500
	MR. BILAL SHARIF	3.58	230,285
	MR. MUHAMMAD AMIN	4.39	282,400
	MR. ADIL SHAKEEL	4.12	265,196
	MR. MUSTAFA TANVIR	0.01	500
	MR. ASIF ELAHI	0.01	500
	MRS. YASMIN BEGUM	0.65	42,000
	MRS. SEEMA BEGUM	0.63	40,600
	MRS. AMNA KHURRAM	2.73	175,803
	MRS. SAMIA BILAL	8.33	536,000
	MRS. FATIMA AMIN	5.14	330,400
	MRS. MARIUM ADIL	0.01	500
	MASTER AZAAN BILAL	1.53	98,200
	MASTER ALI BILAL	1.53	98,200
3	**BANKS, DEVELOPMENT FINANCIAL INSTITUTIONS, NON BANKING FINANCE INSTITUTIONS AND INSURANCE COMPANIES**		
	STATE LIFE INSURANCE CORPORATION OF PAKISTAN	6.12	393,900
	NATIONAL BANK OF PAKISTAN	0.00	31

LIST OF SHARE HOLDERS AS AT JUNE 30, 2019

4	**JOINT STOCK COMPANIES**		
	SHAFI (PRIVATE) LIMITED	0.01	400
	M/S. MEHRAN SUGAR MILLS LIMITED	0.00	200
5	**INDIVIDUAL SHAREHOLDERS**	8.26	530,986
6	**OTHER COMPANIES**	1.05	67,683
	TOTAL	**100.00**	**6,432,000**

7 DETAIL OF TRADING IN THE SHARES BY THE DIRECTORS, CEO COMPANY SECRETARY AND THEIR SPOUSES AND MINOR CHILDREN

MR. ADIL SHAKEEL AND FAISAL SHAKEEL SHARES GIFTED TO HIS MOTHER AND BROTHER

MRS. NAZLI BEGUM	2.64	169,696
MR. HAMZA SHAKEEL	4.06	261,197

8 SHAREHOLDERS HOLDING 05% OR MORE

M/S. FAISAL SPINNING MILLS LTD	18.49	1,189,160
STATE LIFE INSURANCE CORPORATION OF PAKISTAN	6.12	393,900
MRS. SAMIA BILAL	8.33	536,000
MRS. FATIMA AMIN	5.14	330,400

CATEGORIES OF SHAREHOLDERS
AS AT JUNE 30, 2019

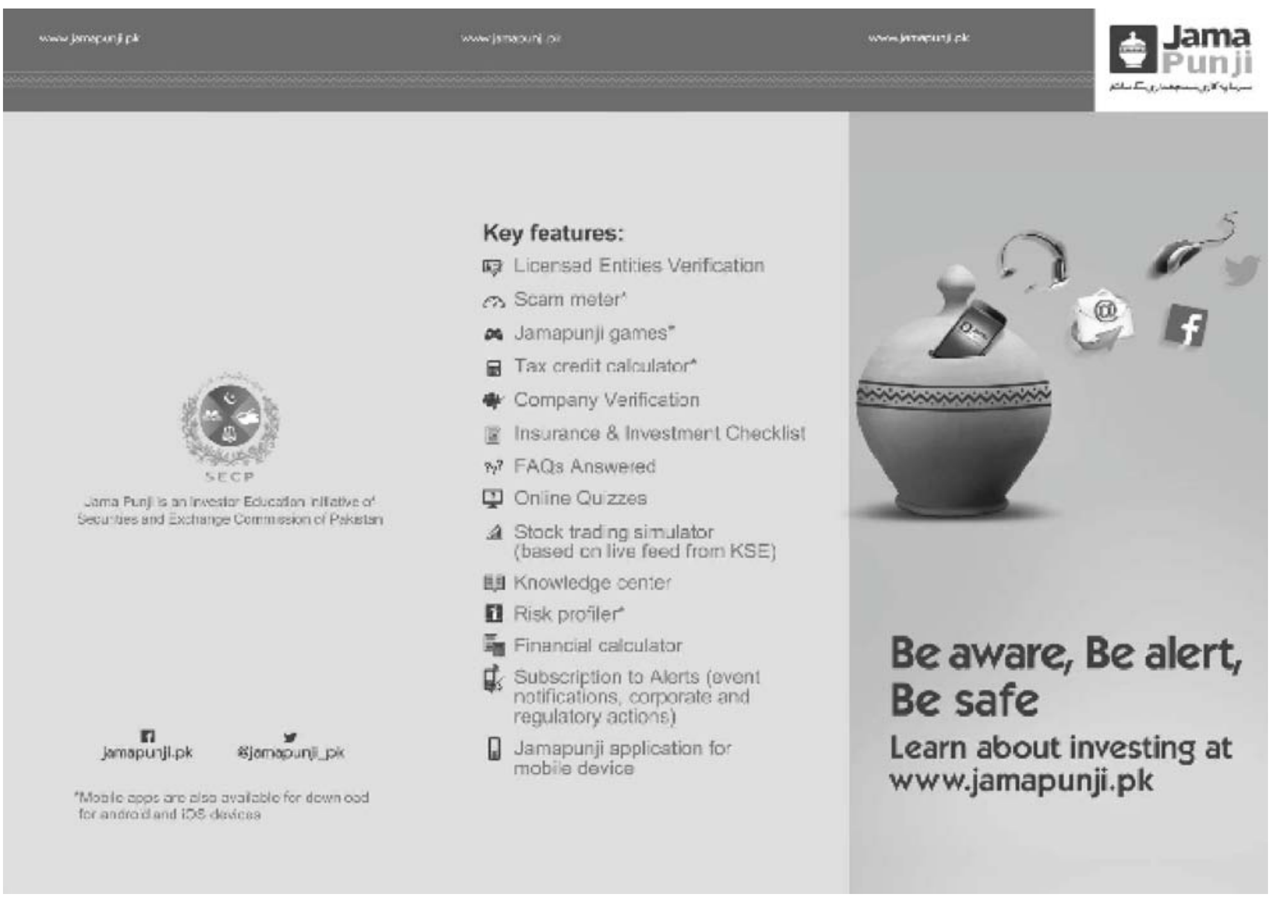
SR #	CATEGORIES OF SHAREHOLDERS	NUMBERS OF SHAREHOLDERS	SHARES HELD	PERCENTAGE %
1	Directors Chief Executive Officer their Spouses and minor children's	19	2,285,984	35.54
2	Associated Companies, Undertaking and Related Parties	20	3,152,816	49.02
3	Banks / Financial Institutions	1	31	0.00
4	Insurance Company	1	393,900	6.12
5	General Public / Individuals	601	530,986	8.26
6	Joint Stock Companies	2	600	0.01
7	Other Companies	4	67,683	1.05
		648	**6,432,000**	**100.00**

Year-Wise Operating Data

	2019	2018	2017	2016	2015	2014
Spinning Unit						
Spindle installed	68,640	68,640	68,640	59,136	59,136	55,872
Spindles worked	68,640	68,640	68,640	59,136	59,136	55,872
Installed capacity after conversion into 20/s count - Kg	23,405,000	23,405,000	23,405,000	21,015,867	21,015,867	21,015,867
Actual production converted into 20s - Kg	25,285,000	25,240,000	21,911,000	20,979,751	19,934,197	18,657,200
Weaving Unit						
Air jet looms installed	140	140	140	139	139	136
Air jet looms worked	140	140	140	139	139	136
Installed capacity after conversion into 50 picks - Meter	29,355,000	20,352,500	20,352,500	19,771,000	19,771,000	19,771,000
Actual production converted to 50 picks - Meter	25,773,000	26,942,000	14,491,059	11,634,888	11,456,148	19,735,000

Year-Wise Financial Data

	2019	2018	2017	2016	2015	2014
	Rupees in Thousands					
Profit and loss account						
Turnover (Net)	12,346,175	10,257,434	8,064,238	6,846,744	7,623,285	7,379,595
Gross profit	1,612,731	1,071,515	795,444	521,135	650,230	774,305
Operating profit	1,159,828	690,724	543,551	296,346	379,266	486,438
Financial expenses	371,504	186,788	166,058	168,906	260,190	257,648
Profit before tax	788,324	503,936	377,493	127,440	119,076	228,790
Profit after tax	635,425	368,475	245,797	94,938	82,001	233,536
Cash dividend	127,354	147,936	98,410	32,160	32,160	16,080
Balance Sheet						
Share Capital	64,320	64,320	64,320	64,320	64,320	64,320
Reserves	3,000,000	3,000,000	2,800,000	2,600,000	2,500,000	2,500,000
Shareholder equity	3,755,089	3,251,805	2,973,279	2,759,050	2,678,841	2,619,025
Long term liabilities	1,600,162	1,543,020	1,817,591	1,376,316	1,063,744	1,321,203
Short term loan	2,190,947	3,146,462	1,242,801	1,153,712	380,500	682,904
Current liabilities	3,163,819	3,980,546	1,846,274	1,765,146	1,038,510	1,404,997
Current portion of long term loans	369,637	303,439	221,742	254,009	280,492	274,746
Fixed assets	3,786,032	3,595,552	3,897,891	3,512,679	3,052,232	3,237,433
Current assets	5,333,098	5,695,622	3,169,630	2,593,542	1,877,665	2,217,505
Ratios						
Performance						
Sales growth percentage - Year to Year basis	20.36%	27.20%	17.78%	-10.19%	3.30%	27.99%
Gross profit (%)	13.06%	10.45%	9.86%	7.61%	8.53%	10.49%
Profit before tax (%)	6.39%	4.91%	4.68%	1.86%	1.56%	3.10%
Profit after tax (%)	5.15%	3.59%	3.05%	1.39%	1.08%	3.16%
Breakup value per share - Rupees per share	583.81	505.57	462.26	428.96	416.49	407.19
Market value of share - at the year end - Rupees per share	239.90	355.30	240.36	150.00	146.00	151.96
Earnings per share - Rupees per share	98.79	57.29	38.21	14.76	12.75	36.31
Price earning ratio	2.43	6.20	6.29	10.16	11.45	4.19
Leverage						
Gearing ratio	1.11	1.54	1.10	1.01	0.64	0.87
Debt to equity (%)	42.61%	47.45%	61.13%	49.88%	39.71%	50.45%
Interest covering ratio	3.12	3.70	3.27	1.75	1.46	1.89
Liquidity ratio						
Current ratio	1.67	1.43	1.72	1.47	1.81	1.58



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کمپنی کے مالی سال کے اختتام کے درمیان کمپنی کی مالی حیثیت کو متاثر کرنے والی کوئی مادی تبدیلی اور وعدے نہیں ہوئے جس سے بیلنس شیٹ سے متعلق ہے اور ڈائریکٹرز کی رپورٹ کی تاریخ۔

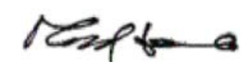
عتراف

میں بورڈ آف ڈائریکٹرز ، قابل قدر حصص یافتگان ، صارفین ، بینکروں ، سپلائرز اور دیگر اسٹیک ہولڈرز کی ان کی حمایت ، اعتماد اور اعتماد کے لئے انتہائی مقروض ہوں۔ میں بھی تمام ملازمین کی وفاداری سے لگن اور محنت کے لئے ان کی تعریف کرتا ہوں جس نے کمپنی کو اپنے مقاصد کے حصول میں کامیاب کیا۔

بورڈ کے لئے اور اس کی طرف سے۔

محمد امین۔

(چیف ایگزیکیٹو)



محمد سلیم۔

(ڈائریکٹر)

کراچی: 26 ستمبر ، 2019۔

کمپنیوں کی سی ایس آر کی حکمت عملی کمپنی کو معاشرے کے مفادات کے لئے مخیر خدمات کے حصول میں ، معاشرے کے تعاون کی سرمایہ کاری اور تعلیمی پروگراموں کو شروع کر کے ، ماحولیات اور اسٹیک ہولڈرز سمیت صارفین ، ملازمین ، سرمایہ کاروں ، برادریوں اور معاشرے پر مثبت اثر ڈالنے کی ترغیب دیتی ہے ، فضلہ کو ضائع کرنے ، ری سائیکلنگ ، توانائی کے تحفظ اور ماحول دوست ٹیکنالوجی کے استعمال کے ل best بہترین طریقوں پر عمل کرتے ہوئے قدرتی ماحول کو تحفظ فراہم کرنے کی ضرورت ہے۔شعور بیدار کرنے کے لئے کمپنی باقاعدہ وقفوں پر جنگلات کی کٹائی کے سیر کا اہتمام کرتی ہے۔

صحت ، حفاظت اور ماحولیاتی پالیسی۔

کمپنی کام کے دوران صحت اور حفاظت کے لئے پُرعزم ہے اور صحت اور حفاظت کو موثر طریقے سے سنبھالنے کے ل sustain قوانین اور ضوابط پر سختی سے عمل کرتی ہے اور ہر طرح کے منفی اثر کو کم سے کم مستحکم ماحول تک پہنچا سکتی ہے۔

کمپنی کی صحت ، حفاظت اور ماحولیاتی پالیسی کے بیان میں صحت ، تمام کارکنوں ، ٹھیکیداروں اور زائرین کی حفاظت ، اور جو بھی دوسرا کاروبار سے متاثر ہوسکتا ہے ان کی صحت ، حفاظت کو لاحق خطرات کو دور کرنے یا اسے کم کرنے کی ہر ممکن کوشش کر کے ایک خوشگوار اور قابل عمل ماحول کا مظاہرہ کرتا ہے۔ صحت ، حفاظت اور ماحولیاتی قانون سازی کی تعمیل کو یقینی بنانا۔

ڈائریکٹرز معاوضہ کی پالیسی۔

ایگزیکٹو ڈائریکٹر کی معاوضہ پالیسی کی خصوصیت کو انسانی وسائل اور معاوضہ کمیٹی (ایچ آر آر سی) نے بورڈ ایکٹ برائے کمپنیز ایکٹ 2017 ، کمپنیوں کے آرٹیکل آف ایسوسی ایشن اور کوڈ آف کارپوریٹ گورننس ریگولیشنز کے تحت تیار اور تجویز کیا ہے۔ایگزیکٹو ڈائریکٹرز کا معاوضہ مارکیٹ کی مسابقت پر غور کرتے ہوئے طے کیا جاتا ہے جو ایک جیسی کمپنیوں میں مماثلت رکھتا ہے ، جبکہ بورڈ کی اسائنمنٹس کے دائرہ کار اور سالانہ اجلاسوں کی اہلیت ، تجربہ ، صلاحیت اور سطح پر بھی غور کیا جاتا ہے۔ایگزیکٹو ڈائریکٹرز ایچ آر آر سی کے ذریعہ تجویز کردہ مقررہ ماہانہ معاوضے کے حقدار ہیں جو بورڈ میٹنگ میں منظور ہوجاتے ہیں ، اس کے بعد جنرل میٹنگ میں ممبروں کی منظوری مل جاتی ہے۔غیر ایگزیکٹو یا آزاد ڈائریکٹرز کو کسی بھی قسم کی فیس یا معاوضے کی ادائیگی نہیں کی گئی ہے۔

آڈیٹر۔

موجودہ آڈیٹرز میسرز الرحمن سرفراز رحیم اقبال رفیق ، چارٹرڈ اکاؤنٹنٹ 26 اکتوبر 2019 کو طے شدہ سالانہ جنرل اجلاس کے اختتام پر ریٹائر ہوجائیں گے۔ اہل ہونے کی وجہ سے ، انہوں نے خود کو دوبارہ تقرری کے لئے پیش کیا ہے۔ آڈٹ کمیٹی نے مذکورہ بالا آڈیٹر کی حیثیت سے مذکورہ بالا میسرز الرحمن سرفراز رحیم اقبال رفیق ، 30 جون 2020 کو ختم ہونے والے سال کے بیرونی آڈیٹر کی تقرری کی تجویز پیش کی ہے۔ انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان اور فرم اور اس کے تمام ساتھی کے کوالٹی ریویو پروگرام کے تحت اطمینان بخش درجہ بندی کو اخلاقیات کے بارے میں بین الاقوامی فیڈریشن آف اکاؤنٹنٹس کے رہنما اصولوں کی تعمیل ہے جس کو انسٹیٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان نے اپنایا ہے۔ بورڈ آف ڈائریکٹرز نے 30 جون 2020 کو ختم ہوئے سال کے بیرونی آڈیٹر کے طور پر میسرز رحمان سرفراز رحیم اقبال رفیق ، چارٹرڈ اکاؤنٹنٹس کی تقرری کی بھی سفارش کی۔

مادی تبدیلیاں اور وعدے۔

Mr. Mohammad Amin	4	4	-	-	-	-
Mr. Adil Shakeel	4	4	-	-	2	2
Mr. Hamza Shakeel	2	2	-	-	-	-
Mr. Iqbal Mehboob	4	4	6	6	2	2
Mr. Asif Elahi	2	2	-	-	-	-
Mr. Mustafa Tanvir	2	2	-	-	-	-
Mrs. Samia Bilal	2	2	-	-	-	-

حساب کتاب کا گروہ یا لوگ

آڈٹ کمیٹی میں تین اراکین پر مشتمل ہے جس میں چیئرمین آزاد ڈائریکٹر ہیں جبکہ دیگر تمام نان ایگزیکٹو ڈائریکٹر ہیں اور بورڈ آف ڈائریکٹرز کے مقرر کردہ حوالہ کی شرائط کے تحت اپنی ذمہ داریوں کو نبھاتے ہیں۔مالی خواندگی والے ممبر کی تقرری کوڈ آف کارپوریٹ گورننس ، 2017 کے باب X کے ریگولیشن 28 (1) (c) کے مطابق کیا گیا ہے۔بورڈ آف ڈائریکٹرز کی منظوری سے قبل دونوں عبوری اور سالانہ مالی بیانات کا جائزہ لینے کے لئے کوڈ آف کارپوریٹ گورننس ، 2017 (کوڈ) کے باب X کے ضابطہ 28 (2) کی تعمیل میں آڈٹ کمیٹی کے اجلاس باقاعدہ وقفوں پر ہوئے۔ بیرونی آڈیٹرز کے ساتھ سال میں ایک بار اضافی ملاقاتیں ہوں جن کے بغیر سی ایف او کے بغیر اور دوسرے اندرونی آڈیٹر کے بغیر سی ایف او اور بیرونی آڈیٹر کی موجودگی کے بغیر۔ایک آڈٹ کمیٹی کمپنی کے بورڈ آف ڈائریکٹرز کی ایک بڑی آپریٹنگ کمیٹی ہے جو مالی رپورٹنگ اور انکشافات ، اکاؤنٹنگ پالیسیوں کی نگرانی ، کسی بھی بیرونی آڈیٹر کی نگرانی ، ریگولیٹری تعمیل اور انتظامیہ کے ساتھ رسک مینجمنٹ پالیسیوں کے بارے میں تبادلہ خیال کرتی ہے۔آڈٹ کمیٹیاں کمپنی کے چیف فنانشل آفیسر (سی ایف او) اور اندرونی آڈٹ کے سربراہ کے ساتھ بات چیت برقرار رکھتی ہیں۔ کمیٹی کو یہ اختیار بھی حاصل ہے کہ وہ ان معاملات میں خصوصی تحقیقات کا آغاز کرے جہاں یہ طے کیا جاتا ہے کہ اکاؤنٹنگ کے عمل مشکوک یا مشتبہ ہیں اور اندرونی آڈیٹر کمیٹی کو اس طرح کی کوششوں میں معاونت کرتا ہے۔

انسانی وسائل اور معاوضہ کمیٹی۔

ہیومن ریسورس اینڈ ایمونیشن کمیٹی (ایچ آر آر سی) تین ممبروں پر مشتمل ہے جن میں سے سبھی نان ایگزیکٹو ڈائریکٹر ہیں جبکہ چیئرمین آزاد ڈائریکٹر ہیں۔ HRRC معاوضے اور فوائد سے متعلق کسی بھی قانون ساز رہنما خطوط کی تعمیل کا جائزہ لے ، ملازمت ، مزدوری اور انسانی حقوق سے متعلق قانون سازی کی تعمیل کا جائزہ لے۔بورڈ آف ڈائریکٹرز کی جانب سے ایچ آر آر سی کمپنی کی انسانی وسائل کی پالیسیاں ، منصوبے ، اور طریقہ کار کی نگرانی اور انتظامیہ ، بورڈ کی منظوری کے لئے جائزہ ، منظوری ، یا تجویز ، ایگزیکٹوز ، ڈائریکٹرز ، کمیٹی ممبران اور دیگر کے منصفانہ اور مسابقتی معاوضے سے متعلق فیصلے اہم اہلکار۔

کارپوریٹ سماجی ذمہ داری کی پالیسی۔

کمپنی نے بورڈ کی کارکردگی ، بورڈ کے ممبران اور اس کمیٹی کے ممبروں کے جائزہ لینے کے لئے کارپوریٹ گورننس 2017 کے ضابطہ اخلاق 10 (3) (v) کی تعمیل میں داخلی طور پر بورڈ کی تشخیصی کارروائی کا انتخاب کیا ہے۔قانونی دستاویزات ، بورڈ اور کمیٹی کے اجلاسوں کے منٹ ، اس وقت موجود پالیسیاں اور دیگر ذیلی دستاویزات ، سوالنامے ، بورڈ اور کمیٹیوں کے ممبروں کے ساتھ بات چیت کے بارے میں ایک جامع جائزہ لیا گیا ہے۔

بورڈ آف ڈائریکٹرز کا انتخاب اور تنظیم نو۔

انتخابات ایک سال کے دوران ہوئے تھے اور 29 دسمبر ، 2018 کو بورڈ کی تشکیل نو کی گئی تھی جس میں مقابلہ کرنے والے تمام ممبروں کو بلاتفریق منتخب کیا گیا تھا۔ کارپوریٹ گورننس کے ضابطہ اخلاق کے تحت جاری کردہ ضابطوں کی سختی سے عمل کرتے ہوئے آزاد ، ایگزیکٹو ، غیر ایگزیکٹو اور خواتین ڈائریکٹرز کی تقرری کی گئی ہیں۔

بورڈ مرکب

جیسا کہ سی سی جی 2017 کے ریگولیشن 36 کے تحت مطلوبہ نو ڈائریکٹرز کا بورڈ مندرجہ ذیل ہے۔

Sr No	Category	Gender		Total
		Male	Female	
(i)	Independent Director	3	0	3
(ii)	Executive Directors	3	0	3
(ii)	Non- Executive Directors	3	1	4

ورڈ اور آڈٹ کمیٹی کے اجلاس۔

• اجلاس میں شریک ہونے کے اہل ، تمام ڈائریکٹرز ، کوڈ آف کارپوریٹ گورننس کے ریگولیشن 10 (6) کے تحت ذاتی طور پر 25 اکتوبر ، 2018 کو منعقدہ کمپنی کے سالانہ جنرل اجلاس میں شریک ہوئے ہیں۔2018-2018-19ء کے دوران بورڈ آف ڈائریکٹرز ، آڈٹ کمیٹی اور ہیومن ریسورس اور معاوضہ کمیٹی کے اجلاس اور شرکت کی تعداد درج ذیل ہے۔

Name of Directors	**Board of Directors**		**Committees**			
			Audit		**Human Resource and Remuneration**	
	Eligible to attend	**Attended**	**Eligible to attend**	**Attended**	**Eligible to attend**	**Attended**
Mr. Mohammad Salim	4	4	-	-	-	-
Mr. Mohammad Sharif	2	2	-	-	-	-
Mr. Mohammad Shaheen	4	4	-	-	-	-
Mr. Khurrum Salim	4	4	6	6	2	2
Mr. Bilal Sharif	4	4	6	6	-	-

Corporate تمام ڈائریکٹرز کو کوڈ آف کارپوریٹ گورننس ، کمپنیز ایکٹ اور آرٹیکل آف ایسوسی ایشن کے مطابق اپنی شرائط کے آغاز پر اپنی ذمہ داریوں ، کردار ، معاوضے ، اختیارات اور ذمہ داری کے ساتھ تفویض کیا گیا ہے۔

Corporate کوڈ آف کارپوریٹ گورننس ریگولیشن کے تحت مطلوب کمپنی کے تمام ڈائریکٹرز کو ڈائریکٹرز ٹریننگ پروگرام (ڈی ٹی پی) کے تحت منظور شدہ / چھوٹ دی گئی ہے۔

resource انسانی وسائل ، سیٹی بنانے والا ، خریداری ، اسٹیک ہولڈرز کے ساتھ مواصلات کا طریقہ کار ، ماحولیات ، صحت اور حفاظت ، ڈائریکٹر کا معاوضہ ، اینٹی منی لانڈرنگ اور رسک مینجمنٹ وغیرہ سے متعلق اہم پالیسیوں کا صحیح اپ ڈیٹ ریکارڈ موجود ہے۔ .

Corporate کوڈ آف کارپوریٹ گورننس اینڈ کمپنیز ایکٹ 2017 کی ضرورت کے مطابق ، ہم نے اس رپورٹ میں درج ذیل معلومات کو شامل کیا ہے۔

o حصص یافتگی کے انداز کا بیان الگ سے دیا گیا ہے۔

o متعلقہ اقدامات اور متعلقہ افراد کے ذریعہ رکھے ہوئے حصص کا بیان۔

o بورڈ کے اجلاسوں کا بیان اور سال کے دوران منعقدہ سالانہ عمومی اجلاس اور ہر ڈائریکٹر کی حاضری الگ الگ دی جاتی ہے۔

o کمپنیوں ایکٹ کی دفعہ 192 (4) کی دفعات کے تحت چیئرمین جائزہ رپورٹ۔

ضابطہ اخلاق 40 کے تحت چیئرمین کے ذریعہ دستخط شدہ تعمیل کا بیان۔

last گذشتہ چھ سالوں سے اہم آپریٹنگ اور مالی اعدادوشمار۔ منسلک آڈٹ مالیاتی بیانات میں ٹیکسوں اور محصولات کے بارے میں معلومات کا کافی حد تک انکشاف کیا گیا تھا۔

listed کمپنی درج کمپنیوں کے اندرونی کاروبار کی ممانعت کے بارے میں ایس ای سی پی کی طرف سے جاری کردہ رہنما خطوط پر سختی سے عمل کرتی ہے اور کمپنی کے حصص میں کوئی ٹریڈنگ اس کے ڈائریکٹرز ، سی ای او ، سی ایف او ، کمپنی سکریٹری ، ہیڈ آف انٹرنل آڈٹ اور ان کے شریک حیات اور نابالغ بچوں نے نہیں کی تھی۔ حصص یافتگی کے انداز میں انکشاف کیا۔

شیئر ہولڈنگ کا نمونہ۔

شیئر ہولڈنگ کا نمونہ اور شیئر ہولڈنگ کے نمونوں سے متعلق اضافی معلومات الگ سے منسلک ہیں۔

متعلقہ پارٹی

ایس آر او 768 (1) 2018 کے نوٹیفکیشن کے تحت پارٹی سے متعلق تمام متعلقہ ٹرانزیکشن (آر پی ٹی) کے لئے ایک مضبوط پالیسی موجود ہے جس میں سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے جاری کردہ رہنما خطوط کو لین دین اور ریکارڈوں کی بحالی کے حوالے سے پالیسی میں باقاعدگی سے شامل کیا گیا ہے۔ .

بورڈ کی تشخیص۔

اس کے برعکس ، برسر اقتدار حکومت ڈیمانڈ کمپریشن اور بینکاری لین دین کی حوصلہ افزائی کے ذریعے مہنگائی پر قابو پانے کی کوشش کر رہی ہے حالانکہ خط میں اس پر عمل درآمد کرنا مشکل ہوگا اور پاکستان جیسے ترقی پذیر ملک کے لئے روح جہاں غیر رسمی شعبے میں نقد لین دین عام ہے۔ تاہم ، پالیسی کی شرح اس سطح پر پہنچ چکی ہے جو اس وقت جواز کے قابل نہیں ہے جو کاروباری ماحول کے لئے ممکن نہیں بلکہ اسٹیٹ بینک آہستہ آہستہ پالیسی کی شرح کو بڑھا سکتا ہے۔مختصرا. ، ہم یہ کہہ سکتے ہیں کہ ، آئی ایم ایف پروگرام کی ہدایت کے مطابق مالی اور مالی نظم و ضبط نافذ کرنے سے معیشت معاشی استحکام کی لپیٹ میں ہے۔ نئی حکومت ترقیاتی اخراجات پر پرس کے تار کو کم کرنے کے اپنے نقطہ نظر میں کافی قدامت پسند دکھائی دیتی ہے اور یہ محتاط انداز آگے بڑھنے کے دوران معاشی پیشرفت میں حائل ہوسکتا ہے۔

کارپوریٹ گورننس کے کوڈ کی تعمیل۔

کارپوریٹ گورننس کے ضابطہ اخلاق کی تعمیل کا بیان جوڑا گیا ہے۔

کارپوریٹ اور مالی رپورٹنگ کے فریم ورک پر بیان۔

آپ کی کمپنی کے ڈائریکٹرز کمپنیز ایکٹ 2017 ، کوڈ آف کارپوریٹ گورننس 2017 کے تحت قواعد و ضوابط ، پاکستان اسٹاک ایکسچینج لمیٹڈ کے رول بک اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے جاری کردہ ہدایات کے تحت اپنی ذمہ داریوں سے آگاہ ہیں۔

ریگولیٹرز کی تعمیل کے ایک حصے کے طور پر ، ہم درج ذیل کی تصدیق کرتے ہیں:

financial کمپنی کی انتظامیہ کے ذریعہ تیار کردہ یہ مالی بیانات ، اس کی امور کی منصفانہ حیثیت ، اس کے کاموں ، نقد بہاؤ اور ایکویٹی میں تبدیلیوں کا نتیجہ پیش کرتے ہیں۔

company کمپنی کے اکاؤنٹ کی مناسب کتابیں برقرار رکھی گئی ہیں۔

statements مالی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیاں مستقل طور پر لاگو ہوتی ہیں اور محاسبہ کا تخمینہ معقول اور محتاط فیصلے پر مبنی ہوتا ہے۔

statements بین الاقوامی مالیاتی رپورٹنگ کے معیارات ، جیسا کہ پاکستان میں قابل اطلاق ہیں ، مالی بیانات کی تیاری میں عمل کیا گیا ہے۔

internal اندرونی کنٹرول کا نظام ڈیزائن کے مطابق تھا اور اس کو موثر انداز میں نافذ اور نگرانی کی جا رہی ہے۔

going کمپنی کی تشویش کی حیثیت سے جاری رکھنے کی اہلیت پر کوئی خاص شبہات نہیں تھے۔

corporate کارپوریٹ گورننس کے بہترین طریقہ کار سے کسی قسم کی مادی روانگی نہیں ہوئی ہے ، جیسا کہ فہرست سازی کے ضوابط میں تفصیل ہے۔

- ہم نے ڈائریکٹرز اور ملازمین کے مابین ایک ضابطہ. اخلاق اور کاروباری حکمت عملی تیار کی ہے اور اس کی گردش کی ہے۔

Direct بورڈ آف ڈائریکٹرز نے ایک وژن اور مشن بیان اور کارپوریٹ حکمت عملی کی مجموعی وضاحت کو اپنایا ہے۔

- تمام ڈائریکٹرز اس کے عمومی اجلاس میں شریک ہوئے ہیں جب تک کہ معقول وجوہ کی بنا پر تعطل نہ کیا جائے۔

میں گذشتہ سال کے اسی عرصے کی برآمدات کے مقابلہ میں ڈالر کی مدت میں pc1.42 کی کمی ریکارڈ کی گئی تھی۔ جولائی تا جون ، 2018-19ء کے دوران ٹیکسٹائل گروپ کی برآمدات 13.520 بلین امریکی ڈالر سے کم ہوکر 13.329 بلین امریکی ڈالر ہوگئیں ، جو زیر جائزہ مدت (پاکستان بیورو آف شماریات) کے دوران تقریبا $ 0.191 بلین امریکی ڈالر کی کمی ظاہر کرتی ہیں۔گذشتہ مالی سال ایک دہائی میں سب سے کم مجموعی گھریلو مصنوعات (جی ڈی پی) کی شرح نمو 3..29 closed فیصد کے ساتھ بند ہوا جس میں اعتدال پسند افراط زر 7..3 فیصد رہا جبکہ کرنٹ اکاؤنٹ کا خسارہ کم ہوا مالی سال 2017-18ء میں 6.3 فیصد سے بڑھ کر 2018-1919 4.ء میں 4.8 4. تک پہنچ گئی۔ روپے کی بڑے پیمانے پر گراوٹ کے باوجود برآمدات میں اضافہ منفی رہا ، حالانکہ درآمدات کو تقریبا 7٪ فیصد کم کیا گیا۔اسٹیٹ بینک آف پاکستان (ایس بی پی) نے پالیسیوں کی شرح میں تیزی سے اضافہ کرنے کے لئے جارحانہ مؤقف اپنایا ہے جس کے نتیجے میں بینچ مارک کی شرح 13.25 فیصد رہ گئی ہے ، جس سے غالب قرض لینے والے یعنی حکومت کے لئے مشکلات پیدا ہوں گی۔ ای ایف ایف کے تحت ، حکومت نے تجارتی بینکوں سے قرض لینا شروع کردیا ہے ، جس سے قرض لینے میں مزید لاگت آئے گی جبکہ بینک معاشی حالات کے باعث ٹریژری بلوں اور بانڈوں میں اپنی لیکویڈیٹی کھڑا کرنا شروع کردیتے ہیں۔2008 کے بعد سے ، متواتر حکومتیں آئی ایم ایف پروگراموں کے تحت رہیں اور انھوں نے کمرشل بینک قرض لینے کا سہارا لیا جس نے نہ صرف ان کے قرض لینے میں لاگت میں اضافہ کیا بلکہ مالی جگہ بھی کم کردی۔ مزید برآں ، اس سے یہ ظاہر ہوتا ہے کہ جب سے بینک معیشت کے حقیقی شعبوں میں سرمایہ کاری نہیں کرتے ہیں تب سے حکومت مالی مفادات کی خدمت کر رہی ہے۔ اس کے نتیجے میں ، مالیاتی شعبہ حقیقی شعبے کی قیمت پر ترقی کرتا ہے۔ معیشت کے حقیقی شعبے میں کام کرنے والی فرمیں قرض لینے کا سہارا لیتی ہیں جب وہ توقع کرتے ہیں کہ مستقبل میں معیشت میں بہتری آئے گی لیکن اعلی شرح سود کی وجہ سے ، کمپنیاں اپنے سرمایہ کاری کے فیصلوں میں محتاط ہوجاتی ہیں کیونکہ قرض لینے کی اعلی قیمت غیر منصوبوں کو انجام دیتا ہے۔ دوسری طرف ، بینک بھی اس حقیقت سے محتاط ہوگئے کہ بہت ساری فرمیں سود کی ادائیگی نہیں کرسکیں گی اور اس کے امکان زیادہ ہونے کے امکانات موجود ہیں۔

مضمر

اس سے قبل ، حکومتوں نے غیر ملکی قرضوں کے ٹیکے لگا کر پاک روپیہ کی قدر میں کمی کو کنٹرول کیا جس کے نتیجے میں پاکستانی مارکیٹوں میں درآمدات کی آمد اور بین الاقوامی سطح پر ہماری برآمدی سامان مہنگا ہوگیا۔ ماضی کی حکومت نے بھی مقامی بینکوں سے بھاری قرض لیا اور ان کے اخراجات میں اضافہ کیا جس کے نتیجے میں رقم کی فراہمی میں اضافہ ہوا ہے۔ معیشت کے اس کاسمیٹک مثبت منظر نامے کی وجہ سے جہاں افراط زر تقریبا 3 3 فیصد تھا ، اسٹیٹ بینک ڈسکاؤنٹ ریٹ بہت کم تھا جس کے نتیجے میں کاروباروں کی مالی خزانہ میں کم لاگت آتی ہے۔فی الحال ، سرخی افراط زر 10.4 فیصد پر دوہرے ہندسوں میں ہے جو پچھلے چھ سالوں میں سب سے زیادہ ہے ، اس کی بنیادی وجہ روپے کی قدر میں کمی اور توانائی کے اخراجات میں اضافے سمیت موجودہ حکومت کی معاشی پالیسیاں ہیں جبکہ بنیادی افراط زر اب بھی 8 فیصد کے آس پاس ہے۔ توقع کی جارہی ہے کہ آنے والے مہینوں میں ہیڈ لائن افراط زر میں مزید اضافہ ہوگا اور یہاں تک کہ درآمدی افراط زر کا اثر بھی پچھلے 20 ماہ میں روپے کی 52 فیصد کمی کے باعث محسوس ہوگا۔

اور PKR کو 303.439 ملین کی ادائیگی کی ہے۔مزید یہ کہ 30 جون ، 2019 کو ختم ہونے والے سال کے دوران ، پی کے آر کو 146.761 ملین حصص یافتگان کو منافع کے طور پر ادا کیا گیا ہے۔

فنانسنگ ڈھانچہ

کسی کمپنی کے لئے دارالحکومت کے ڈھانچے کے اجزاء کے بارے میں فیصلہ اہم اہمیت کا حامل ہے اور اس کا نفع اور طویل مدتی استحکام پر ممکنہ اثر پڑتا ہے اس طرح اس ڈھانچے کو اس طرح برقرار رکھا گیا ہے کہ اس سے زیادہ سے زیادہ فائدہ حاصل ہوتا ہے اور وہ اس کو اپنانے میں کامیاب ہوتا ہے۔ متحرک کاروباری ماحول۔اسی سال کے مقابلہ میں 30 جون ، 2019 کو ختم ہونے والے رواں سال کے دوران گیئرنگ کا تناسب 1.11 ہے جہاں یہ 1.54 ہے۔

توازن ، جدید کاری اور تبدیلی۔

پوری دنیا میں تکنیکی ترقی کو روکنے کے لئے کمپنی نے پلانٹ اور مشینری کی جدید کاری کے لئے رواں سال کے دوران پی کے آر 578.942 ملین لاگت آئی۔

کریڈٹ ریٹنگ

A 1 / -A (سنگل A مائنس / A-One) کی حتمی درجہ بندی کمپنی کو Messer's JCR-VIS ریٹنگ کمپنی نے تفویض کی ہے۔ تفویض کردہ درجہ بندی پر نقطہ نظر "مستحکم" ہے۔

مالیاتی گوشوارے

کمپنیز ایکٹ 2017 کے تحت ضرورت کے مطابق ، پی ایس ایکس کے درج ذیل قواعد و ضوابط اور ایس ای سی پی کے ذریعہ جاری کردہ ہدایات چیف ایگزیکٹو آفیسر اور چیف فنانشل آفیسر نے 30 جون ، 2019 کو ختم ہونے والے سال کے لئے کمپنی کے مالی بیانات پیش کیے ، جن کی دستخطوں کے تحت باقاعدگی سے اس کی توثیق کی گئی ، جاری اور گردش کے لئے بورڈ آف ڈائریکٹرز کی منظوری اور اجازت۔ کمپنی کے مالی بیانات کمپنی کے آڈیٹرز رحمن سرفراز رحیم اقبال رفیق ، چارٹرڈ اکاؤنٹنٹ نے باقاعدگی سے آڈٹ کیے ہیں اور آڈیٹرز نے 30 جون 2018 کو ختم ہونے والے مالی بیانات پر کلین آڈٹ رپورٹ جاری کی ہے اور بیان پر کلین جائزہ رپورٹ بھی جاری کردی ہے۔ کارپوریٹ گورننس کا ضابطہ یہ رپورٹیں مالی بیانات کے ساتھ منسلک ہیں۔

اکاؤنٹنگ معیارات

کمپنی کی اکاؤنٹنگ پالیسیاں کمپنیز ایکٹ ، 2017 اور اس طرح کے منظور شدہ بین الاقوامی اکاؤنٹنگ معیارات اور بین الاقوامی مالیاتی رپورٹنگ معیارات کی ضروریات کو پوری طرح سے ظاہر کرتی ہیں جنہیں اس ایکٹ کے تحت مطلع کیا گیا ہے اور ساتھ ہی ساتھ سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے جاری کردہ ہدایات کے ذریعے بھی۔

پاکستان کا معاشی جائزہ۔

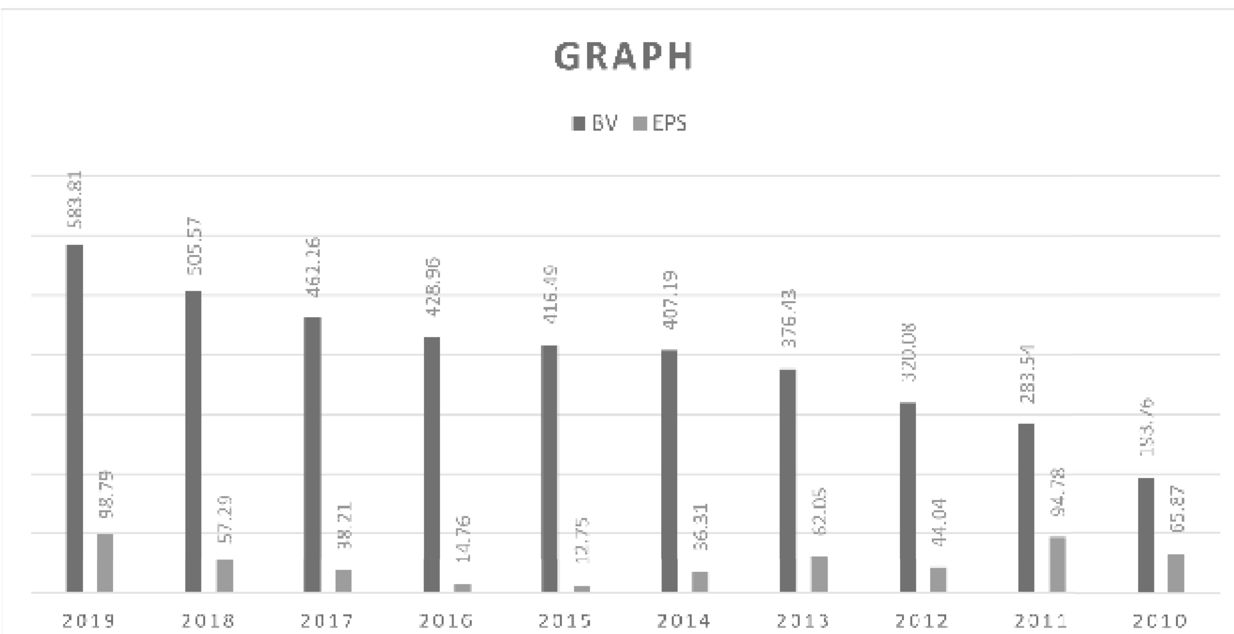
مالی سال 2018-19ء کے دوران ، 13.329 بلین امریکی ڈالر کی مالیت کی ٹیکسٹائل مصنوعات کی برآمدات گذشتہ سال کے اسی عرصے کے 13.520 بلین امریکی ڈالر کی برآمدات کے مقابلے تھیں۔ مالی سال کے دوران 30 جون ، 2019 کو ختم ہونے والی ٹیکسٹائل کی برآمدات

ڈیویڈنڈ اور جنرل ریزرویشن مختص۔

پچھلے سال 2018 میں کمپنی کے ذریعہ 230.00٪ یعنی پی کے آر 23.00 فی شیئر پر منافع ادا کیا گیا ہے جبکہ موجودہ سال کے لئے بورڈ آف ڈائریکٹرز راضی ہیں کہ وہ of 198.00 یعنی پی کے آر 19.80 فی حصص کے حتمی نقد منافع کی سفارش کرے۔ 26 اکتوبر 2019 کو شیڈول آئندہ سالانہ عام اجلاس میں منظوری کے حصص یافتگان کے لئے آڈٹ کمیٹی کی سفارش۔مزید برآں ، ڈائریکٹرز نے مستقبل میں کسی بھی غیر متوقع ہنگامی صورتحال کو پورا کرنے کے لئے پی کے آر 500،000 ملین کی رقم کو جنرل ریزرو میں منتقل کرنے کی تجویز پیش کی۔

حصص کی فی حصص آمدنی اور بریک اپ ویلیو

30 جون ، 2019 کو ختم ہوئے سال کے لئے ہر حصص کی آمدنی June 30 جون ، 2018 کے مقابلہ میں پی کے آر 98.79 ہے جہاں یہ 57.29 رہی۔ اسی طرح ، 30 جون ، 2019 کو ختم ہوئے سال کے لئے فی حصص کی وقفے کی قیمت اسی سال کے مقابلے میں پی کے آر 583.81 ہے جہاں یہ پی کے آر 505.57 پر کھڑی تھی۔



کیش فلو مینجمنٹ

کسی بھی کاروباری انٹرپرائز کی کامیابی میں ورکنگ کیپٹل مینجمنٹ کا نمایاں کردار ہوتا ہے اس طرح کمپنی ورکنگ سرمائے سے منسلک وسائل کے زیادہ سے زیادہ استعمال کے لئے موثر ورکنگ کیپٹل مینجمنٹ کو یقینی بنانے اور کوشش کرنے پر مرکوز ہے۔30 جون ، 2019 کو ختم ہونے والے سال کے دوران موجودہ تناسب 1.67 (2018: 1.43) ہے جو کمپنی کو اپنی موجودہ ذمہ داری کو بروقت ادا کرنا تسلی بخش سمجھا جاتا ہے۔ رواں سال کے دوران کمپنی نے بالترتیب قلیل مدتی اور طویل مدتی مالی اعانت کے سبب PKR 955.516 ملین

ڈائریکٹرز کی رپورٹ۔

محترم ممبران

آپ کی کمپنی کے ڈائریکٹرز 30 جون ، 2019 کو ختم ہونے والے سال کے لئے کمپنی کے مالی بیان پر آڈٹ رپورٹ پیش کرنے کے ساتھ خوش ہیں۔

مالی نمائندگی۔

	Year ended June 30, 2019 Rupees	Year ended June 30, 2018 Rupees
Sales	12,346,174,829	10,257,434,039
Cost of goods sold	(10,733,443,352)	(9,185,919,277)
Gross profit	**1,612,731,477**	**1,071,514,762**
Other operating income	6,804,907	3,830,127
	1,619,536,384	**1,075,344,889**
Selling & Distribution cost	(223,401,105)	(227,393,453)
Administrative expenses	(132,042,342)	(121,714,680)
Other operating expenses	(104,264,650)	(35,512,372)
Finance cost	(371,504,106)	(186,788,164)
	(831,212,203)	**(571,408,669)**
Profit before tax	**788,324,181**	**503,936,220**
Provision for taxation		
Current year	(130,161,231)	(133,637,362)
Deferred	(22,738,177)	(1,823,664)
	(152,899,408)	(135,461,026)
Profit after tax	**635,424,773**	**368,475,194**
Earnings per share - basic and diluted	**98.79**	**57.29**

آمدنی PKR 10،257.434 ملین سے بڑھ کر PKR 12،346.175 ملین ہوگئی ہے جو رواں سال کے مقابلہ میں 30 جون 2019 کو ختم ہونے والے رواں سال کے دوران کل آمدنی میں 20.36٪ کی نمو ہے۔پچھلے سال کے مقابلے میں رواں سال فروخت میں مجموعی منافع 13.06 فیصد ہے جبکہ اس مدت کے دوران اس میں 2.62 فیصد کا اضافہ ہوا ہے۔کمپنی نے 30 جون ، 2019 کو ختم ہونے والے سال کے دوران پی کے آر 635.425 ملین ٹیکس کے بعد خالص منافع حاصل کیا جبکہ اسی مدت کے مقابلے میں یہ پی کے آر 368.475 ملین تھی۔

PROXY FORM

I/We ____

of ____

being a member of **BLESSED TEXTILES LIMITED** and holder of______________________

ordinary share as per Share Register Folio No. ____________________ and/or CDC Participant

ID No. _____________________ and Sub Account No.___________________ hereby appoint

Mr./Mrs./Miss_______________________________________ of ________________ or failing

him/her___________________________________ of______________________ as my / our

proxy to act on my/our behalf at the 32nd Annual General Meeting of the Company to be held on Saturday 26th, 2019 at 10:00 am at Umer House, 23/1, Sector 23, S.M. Farooq Road, Korangi Industrial Area, Karachi. and/or at any adjournment thereof.

WITNESS

Signature ______________________

Name ______________________

Address ______________________

____

CNIC/Passport # ______________________

Affix
Rs. 5/-
Revenue
Stamp

(Signature should agree with the specimen signature registered with the Company)

Signed this__________ day of ________ 2019

Notes:

If a member is unable to attend the meeting, they may complete and sign this form and sent it to the Company Secretary, **BLESSED TEXTILES LIMITED**, Umer House, 23/1, Sector 23, S.M. Farooq Road, Korangi Industrial Area, Karachi. so as to reach not less than 48 hours before the time scheduled for holding the meeting.

(i) The Proxy form shall be witnessed by a person whose name, address and CNIC/Passport number should be stated on the form.

(ii) Attested copy of CNIC or the Passport of the beneficial owner alongwith the Proxy form should also be submitted.

(iii) The Proxy nominee shall produce his / her original CNIC or original Passport at the time of the meeting.

(iv) In case of a Corporate entity, the Board of Directors Resolution/Power of Attorney with specimen signature should be submitted (unless it has been provided earlier) along with Proxy form to the Company.

پراکسی فارم

میں ------------------------------- کے ---------------------------------------

کے رکن اور عام شیئر کے حامل کی حیثیت سے ----------------------------------- (شیئر کی تعداد)

رجسٹر کا فولیو نمبر --------------- اور/یا سی ڈی سی فولیو کا آئی ڈی نمبر ------------------- اور ذیلی اکاؤنٹ نمبر ------------------------- کے

------------------------------- یا ------------------------------- کے -------------------------------

کو کمپنی کے سالانہ اجلاسِ جو 26 اکتوبر 2019 کو منعقد ہوگا، میں میرے/ہمارے لئے اور میری/ہماری طرف سے بحیثیت اپنا پراکسی، ووٹ دینے کے لئے نامزد کرتا ہوں/ کرتے ہیں۔

دستخط ------------------- بروز ------------- بتاریخ ----------- /---------- 2019ء

گواہان:

دستخط: ---------------------------------

نام: ---------------------------------

پتہ: ---------------------------------

کمپیوٹرائزڈ قومی شناختی کارڈ نمبر: -------------------------

پاسپورٹ نمبر: ---------------------------------

دستخط شیئر ہولڈر

(دستخط کا کمپنی میں رجسٹرڈ نمونے کے ہوبہو مطابق ہونا ضروری ہے)

دستخط: ---------------------------------

نام: ---------------------------------

پتہ: ---------------------------------

کمپیوٹرائزڈ قومی شناختی کارڈ نمبر: -------------------------

پاسپورٹ نمبر: ---------------------------------

نوٹ: نمائندے کو فعال بنانے کے لئے نامزدگی کا فارم میٹینگ سے کم از کم 48 گھنٹے قبل کمپنی کو موصول ہو جانا چاہیے۔ نمائندے کو کمپنی کا رکن ہونا ضروری نہیں۔
سی ڈی سی شیئر ہولڈرز اور ان کے نمائندوں سے فرداً فرداً درخواست ہے کہ وہ اپنے کمپیوٹرائزڈ قومی شناختی کارڈ تصدیق شدہ نقل یا پاسپورٹ، پراکسی فارم داخل کرنے سے قبل اس کے ساتھ منسلک کریں۔

REGISTERED OFFICE

Umer House, 23/1, Sector 23, S.M. Farooq Road,
Korangi Industrial Area, Karachi-74900, Pakistan
Phones : 021 - 35115177 - 80
Fax No. : 021 - 35063002 - 3
E-mail : khioff@umergroup.com
Website : www.umergroup.com